

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA
JULY 13, 2007 (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. Barbara Stocker Re: ParaCruz Service
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 JUNE 2007
- 5-2. CONSIDERATION OF TORT CLAIMS: NONE
- 5-3. ACCEPT AND FILE METRO'S PARACRUZ ELIGIBILITY AND APPEALS PROCESS REGULATION
- 5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR JULY 18, 2007 AND MINUTES OF MAY 16, 2007
- 5-5. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR APRIL 2007
- 5-6. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF APRIL 2007
- 5-7. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF MAY 2007
- 5-8. ACCEPT AND FILE METROBASE STATUS REPORT

- 5-9. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR APRIL 2007 AND RECEIPT OF FY 06-07 BUDGET TRANSFERS
- 5-10. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR MAY 2007 AND RECEIPT OF FY 06-07 BUDGET TRANSFERS
- 5-11. ACCEPT AND FILE INFORMATION REGARDING IMPACT OF POLICY CHANGE ON FREQUENCY OF CUSTOMER NO-SHOWS FOR PARACRUZ PICK UPS

REGULAR AGENDA

- 6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS
Presented By: Chair Tavantzis
PRESENTATION WILL TAKE PLACE AT THE JULY 27, 2007 BOARD MEETING
- 7. PUBLIC HEARING: CONSIDERATION OF AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA FUNDS FOR FY 2007
Presented By: Mark Dorfman, Assistant General Manager
PUBLIC HEARING WILL TAKE PLACE AT THE JULY 27, 2007 BOARD MEETING
- 8. CONSIDERATION OF METRO'S IMPLEMENTATION OF THE CALIFORNIA DEPARTMENT OF MOTOR VEHICLES EMPLOYER TESTING PROGRAM
Presented By: Ciro Aguirre, Operations Manager
- 9. CONSIDERATION OF STATUS OF STATE OF CALIFORNIA'S FY 2008 BUDGET AND POTENTIAL IMPACTS ON METRO
Presented By: Leslie R. White, General Manager
- 10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE CONTRACTS WITH CLEAN ENERGY AND PROMETHEUS ENERGY FOR SUPPLY AND DELIVERY OF LNG FUEL
Presented By: Tom Stickel, Maintenance Manager
- 11. CONSIDERATION OF RENEWAL OF LIABILITY AND PHYSICAL DAMAGE INSURANCE WITH CALTIP FOR FY 2008
Presented By: Angela Aitken, Finance Manager
ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING
- 12. CONSIDERATION OF REQUEST OF THE METRO ADVISORY COMMITTEE TO EXTEND THE TERM OF PAUL MARCELIN-SAMPSON FOR THREE (3) MONTHS
Presented By: Leslie R. White, General Manager
ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING
- 13. CONSIDERATION OF SERVICE REVISIONS FOR FALL 2007
Presented By: Mark Dorfman, Assistant General Manager
ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING

of Directors' deliberation on the topic to be addressed. Presentations will be limited in time in accordance with District Resolution 69-2-1.

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

Dear Board of Directors
June 22-07

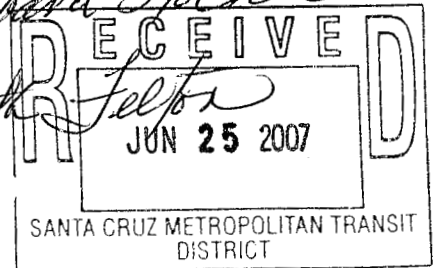
I would like to take a moment to say "Thank you" for deciding to give South Felton service through the Summer. I deeply appreciate this decision and now I am able to get to physical therapy & Dr. app. these next months -

As I said all the drivers have been wonderful & dedicated this service has been such a help to my care -

Thank you again

Barbara Stecker

South Felton



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

DATE: 06/01/07 THRU 06/30/07

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
21946	06/01/07	375.00	001016	ALLARD'S SEPTIC SERVICE, INC.		12271	HAZ WASTE DISPOSAL	375.00	
21947	06/01/07	809.68	001020	EMED COMPANY		12072	TRAFFIC CONE SIGNS	809.68	
21948	06/01/07	375.00	001027	OVERLAND PACIFIC & CUTLER, INC		12268	MB RELOCATION SVC	375.00	
21949	06/01/07	61,477.88	001035	HARRIS & ASSOCIATES		12250	MB APR 07 PROF SVCS	61,477.88	
21950	06/01/07	10,738.32	001043	VISION SERVICE PLAN		12453	JUNE VISION INS	10,738.32	
21951	06/01/07	1,304.00	001060	ROCKWARE INC.		12439	CAPITAL EQUIP/IT	1,304.00	
21952	06/01/07	186.15	001063	NEW FLYER INDUSTRIES LIMITED		12182	REV VEH PARTS	186.15	
21953	06/01/07	433.63	001296	LEXISNEXIS MATTHEW BENDER		12454	CA EMP LAW REL # 35	433.63	
21954	06/01/07	1,059.50	001346	CITY OF SANTA CRUZ		12479	6/03-3/07 SVCS/MB	1,059.50	
21955	06/01/07	29.90	002063	COSTCO		12113	LOCAL MEETING EXP	29.90	
21956	06/01/07	5,000.00	002346	CHANEY, CAROLYN & ASSOC., INC.		12485	JUNE LEGISLATIVE SVC	5,000.00	
21957	06/01/07	372.75	002504	TIFCO INDUSTRIES		12097	PARTS & SUPPLIES	144.99	
						12099	PARTS & SUPPLIES	227.76	
21958	06/01/07	148.33	002627	CDW GOVERNMENT, INC.		12280	OFFICE SUPP-OPS	148.33	
21959	06/01/07	97.53	002689	B & B SMALL ENGINE		12505	REPAIRS/MAINTENANCE	97.53	
21961	06/01/07	2,768.88	002713	SANTA CRUZ AUTO TECH, INC.		12323	OUT RPR OTH VEH	1,212.66	
						12368	OUT RPR REV VEH/PT	170.95	
						12369	OUT RPR REV VEH/PT	49.00	
						12370	OUT RPR REV VEH/PT	49.00	
						12371	OUT RPR REV VEH/PT	49.00	
						12372	OUT RPR REV VEH/PT	49.00	
						12373	OUT RPR REV VEH/PT	49.00	
						12374	OUT RPR REV VEH/PT	49.00	
						12375	OUT RPR REV VEH/PT	124.89	
						12376	OUT RPR REV VEH/PT	170.95	
						12377	OUT RPR REV VEH/PT	49.00	
						12378	OUT RPR REV VEH/PT	49.00	
						12379	OUT RPR REV VEH/PT	49.00	
						12380	OUT RPR REV VEH/PT	49.00	
						12381	OUT RPR REV VEH/PT	55.44	
						12382	OUT RPR REV VEH/PT	55.44	
						12383	OUT RPR REV VEH/PT	55.44	
						12384	OUT RPR REV VEH/PT	55.44	
						12385	OUT RPR REV VEH/PT	125.89	
						12386	OUT RPR REV VEH/PT	125.89	
						12387	OUT RPR REV VEH/PT	125.89	
21962	06/01/07	20.13	002828	ALLIED ELECTRONICS		12461	REV VEH PARTS/FLT	20.13	
21963	06/01/07	55.00	002847	STATE OF CA-EDD		12234	PARADISE LEVY	55.00	
21964	06/01/07	420.08	002870	COLE SUPPLY COMPANY, INC.		12422	CLEANING SUPPLIES	420.08	
21965	06/01/07	2,125.69	002883	UNISTORAGE		12438	CAPITAL EQUIP./IT	2,125.69	
21966	06/01/07	330,408.00	002887	WEST BAY BUILDERS, INC.		12480	CONST SVC MB TO 4/30	330,408.00	
21967	06/01/07	23.86	007	UNITED PARCEL SERVICE		12266	FRT OUT-FLT	23.86	
21968	06/01/07	320.91	020	ADT SECURITY SERVICES INC.		12310	JUNE ALARMS	75.26	
						12311	JUNE ALARMS	44.23	
						12312	JUNE ALARMS	44.23	
						12313	JUNE ALARMS	55.61	
						12314	JUNE ALARMS	40.48	
						12315	JUNE ALARMS	61.10	
21969	06/01/07	67.71	036	KELLY-MOORE PAINT CO., INC.		12425	REPAIRS/MAINTENANCE	33.08	
						12426	REPAIRS/MAINTENANCE	34.63	

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21970	06/01/07	842.26	041	MISSION UNIFORM		12361	MAY UNIF/LAUNDRY/PT	89.54	
						12362	MAY UNIF/LAUNDRY/PT	51.20	
						12413	UNIFORM/LAUND-FLT	322.49	
						12414	UNIF/LAUNDRY-FLT	54.05	
						12415	UNIF/LAUNDRY-FLT	171.06	
						12416	UNIF/LAUNDRY-FLT	71.50	
						12417	UNIF/LAUNDRY-FLT	39.31	
						12418	UNIF/LAUNDRY-FLT	43.11	
21971	06/01/07	313.28	043	PALACE ART & OFFICE SUPPLY		12300	OFFICE SUPPLIES	55.01	
						12344	OFFICE SUPPLIES	251.32	
						12500	OFFICE SUPPLIES/FIN	6.95	
21972	06/01/07	46.72	051	SANTA CRUZ FIRE EQUIPMENT	7	12236	OUT REPAIR/FIRE EXT	46.72	
21973	06/01/07	246.09	061	REGISTER PAJARONIAN		12243	5/11 PT ELIG.NOTICE	123.10	
						12244	PUB NOTICE ADM 5/11	122.99	
21974	06/01/07	8.13	074	KENVILLE LOCKSMITHS	7	12423	REPAIRS/MAINTENANCE	8.13	
21975	06/01/07	1,916.33	075	COAST PAPER & SUPPLY INC.		12507	CLEANING SUPPLIES	1,916.33	
21976	06/01/07	25.45	079	SANTA CRUZ MUNICIPAL UTILITIES		12452	4/26-5/3 GOLF CLUB	25.45	
21977	06/01/07	775.22	085	DIXON & SON TIRE, INC.		12348	MAY TIRES/TUBES/PT	387.61	
						12475	MAY TIRES & TUBES/PT	387.61	
21978	06/01/07	137.40	107A	LUMBERMENS		12215	REPAIRS/MAINTENANCE	17.35	
						12233	REPAIRS/MAINTENANCE	67.01	
						12427	REPAIRS/MAINTENANCE	2.92	
						12428	REPAIRS/MAINTENANCE	20.11	
						12429	REPAIRS/MAINTENANCE	30.01	
21979	06/01/07	1,958.08	130	CITY OF WATSONVILLE UTILITIES		12457	3/2-5/2 RODRIGUEZ	63.55	
						12458	3/2-5/2 RODRIGUEZ	58.08	
						12459	3/2-5/2 RODRIGUEZ	478.21	
						12460	CONTAINER/RODRIGUEZ	1,358.24	
21981	06/01/07	649.48	135	SANTA CRUZ AUTO PARTS, INC.		12064	REV VEH PARTS	16.84	
						12066	REV VEH PARTS	30.86	
						12067	OTH MOB SUPPLIES	137.30	
						12070	OTH MOB SUPPLIES	10.39	
						12071	REV VEH PARTS	15.21	
						12073	REV VEH PARTS	24.38	
						12074	REV VEH PARTS	28.60	
						12076	REV VEH PARTS	1.69	
						12352	REV VEH PARTS/PT	33.48	
						12353	REV VEH PARTS/PT	160.00	
						12354	REV VEH PARTS/PT	17.61	
						12355	REV VEH PARTS/PT	4.99	
						12356	REV VEH PARTS/PT	69.98	
						12476	REV VEH PARTS/PT	26.76	
						12477	REV VEH PARTS/PT	71.39	
21982	06/01/07	255.54	166	HOSE SHOP, THE		12166	REV VEH PARTS	227.03	
						12167	PARTS & SUPPLIES	28.51	
21983	06/01/07	167.88	215	IKON OFFICE SOLUTIONS		12486	4/19-5/19 MAINT/ADM	167.88	
21984	06/01/07	3,395.32	221	VEHICLE MAINTENANCE PROGRAM		12450	REV VEH PARTS	3,395.32	
21985	06/01/07	312.46	282	GRAINGER		12077	REPAIRS/MAINTENANCE	233.47	
						12232	SMAL TOOLS/FAC	78.99	
21986	06/01/07	36.64	294	ANDY'S AUTO SUPPLY		12345	REV VEH PARTS/PT	36.64	

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21987	06/01/07	3,764.18	432	EXPRESS PERSONNEL SERVICES		12253	TEMP/ADM W/E 5/6	744.00	
						12302	TEMP/FIN W/E 5/6	1,116.00	
						12484	TEMP/ADM W/E 5/13	1,904.18	
21988	06/01/07	52.93	434B	VERIZON CALIFORNIA		12517	MT.BIEWLASKI	52.93	
21989	06/01/07	375.00	478	BEE CLENE	0	12506	CARPET/PACIFIC	375.00	
21990	06/01/07	794.00	481	PIED PIPER EXTERMINATORS, INC.		12235	MAY PEST CONTROL	241.00	
						12319	MAY PEST CONTROL	183.00	
						12320	MAY PEST CONTROL	48.50	
						12321	MAY PEST CONTROL	48.50	
						12322	MAY PEST CONTROL	53.00	
						12508	JAN PEST CONTROL	80.00	
						12509	APR PEST CONTROL	70.00	
						12510	MAY PEST CONTROL	70.00	
21991	06/01/07	48.83	510A	HASLER, INC.		12241	6/1-6/30 RENTAL/ADM	48.83	
21992	06/01/07	42.77	707	WALTERS MANUFACTURING COMPANY		12430	PARTS & SUPPLIES	42.77	
21993	06/01/07	119.16	739	CENTURY CHEVROLET		12203	OUT REP REV VEH/PT	119.16	
21994	06/01/07	768.00	878	KELLY SERVICES, INC.		12245	TEMP/ADM W/E 5/6	768.00	
21995	06/01/07	86.80	882	PRINT SHOP SANTA CRUZ		12301	PRINTING/FIN	86.80	
21996	06/01/07	265.83	887	NEOPOST, INC		12487	POSTAGE RATE CHIP	265.83	
21997	06/01/07	32,616.73	904	RNL DESIGN		12512	SVCS THRU 4/30 MB	1,712.82	
						12513	SVCS THRU 4/30 MB	23,348.91	
						12514	SVCS THRU 4/30 MB	7,555.00	
21998	06/01/07	10.83	946	ACME AND SONS		12277	FENCE RENTAL-DUBOIS	10.83	
21999	06/01/07	264,827.20	948	ARNTZ BUILDERS, INC.		12482	CONST SVC MB TO 4/30	264,827.20	
22000	06/01/07	29,425.24	948A	WESTAMERICA BANK TRUST DEPT		12483	APR RETAINAGE MB	29,425.24	
22001	06/01/07	36,712.00	970	THE MECHANICS BANK		12481	APR RETAINAGE MB	36,712.00	
22002	06/01/07	43.29	E437	AITKEN, ANGELA		12456	OFFICE SUPPLIES/FIN	43.29	
22003	06/01/07	2,663.21	R482	CITY OF SANTA CRUZ WATER DEPT		12503	SETTLEMENT/RISK	2,663.21	
22004	06/01/07	60.00	T143	GERALDINE DAVIS		12489	20 PREPAID COUP/PT	60.00	
22005	06/08/07	4,065.75	001036	STANDARD INSURANCE COMPANY		12515	JUNE LIFE/AD&D INS	4,065.75	
22006	06/08/07	7,949.07	001063	NEW FLYER INDUSTRIES LIMITED		12225	REV VEH PARTS	372.30	
						12395	REV VEH PARTS	391.08	
						12529	REV VEH PARTS/FLT	371.78	
						12530	REV VEH PARTS/FLT	1,943.29	
						12531	REV VEH PARTS/FLT	3,057.54	
						12532	REV VEH PARTS/FLT	591.00	
						12533	REV VEH PARTS/FLT	199.08	
						12534	REV VEH PARTS/FLT	1,023.00	
22007	06/08/07	772.00	001081	BAY CITY REPORTING		12442	PROF SVCS/UTU	772.00	
22008	06/08/07	50.00	001086	NORTHERN CA HUMAN RESOURCES		12598	6/12 EMP TRAINING	50.00	
22009	06/08/07	40.30	001271	DEPARTMENT OF MOTOR VEHICLES		12567	07 CA VEH CODE BOOK	40.30	
22010	06/08/07	55,904.78	001316	DEVCO OIL		12628	FUEL/LUBE-FLT	55,904.78	
22011	06/08/07	365.30	001454	MONTEREY BAY OFFICE PRODUCTS		12083	OUT RPR EQUIP	206.33	
						12342	6/1-8/31 COPIER/ADM	158.97	
22012	06/08/07	348.50	001752	THOMPSON PUBLISHING GROUP, INC.		12148	FED GRANTS MNGT BOOK	348.50	
22013	06/08/07	3,868.75	001A	AT&T/MCI		12583	MAY PHONES	1,831.36	
						12584	MAY PHONES/IT	1,478.66	
						12650	MAY PHONES/PT	497.44	
						12654	MAY PHONES/PT	61.29	
22014	06/08/07	692.00	002035	BOWMAN & WILLIAMS		12316	CHINA GRADE ROAD	692.00	

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22015	06/08/07	37.89	002063	COSTCO		12540	PHOTO PROCESS/OPS	2.12	
						12541	PHOTO PROCESS/OPS	5.61	
						12542	PHOTO PROCESS/OPS	4.56	
						12543	PHOTO PROCESS/OPS	12.09	
						12544	PHOTO PROCESS/OPS	4.89	
						12545	PHOTO PROCESS/OPS	8.62	
22016	06/08/07	390.00	002069	A TOOL SHED, INC.		12594	3/28-3/30 RENTAL	390.00	
22017	06/08/07	3,755.87	002116	HINSHAW, EDWARD & BARBARA	7	12639	120 DUBOIS UTILITIES	3,755.87	
22018	06/08/07	273.79	002240	KLEEN-RITE	7	12424	REPAIRS/MAINTENANCE	273.79	
22019	06/08/07	1,196.00	002287	CALIFORNIA SERVICE EMPLOYEES		12549	MAY MEDICAL	1,196.00	
22020	06/08/07	55.00	002388	DOGHERRA'S	7	12621	OUT RPR OTHER VEH	55.00	
22021	06/08/07	50.30	002459	SCOTTS VALLEY WATER DISTRICT					VOIDED
	06/21/07	-50.30				12538	4/07-6/07 KINGS VLG	0.00	
22022	06/08/07	125.89	002713	SANTA CRUZ AUTO TECH, INC.		12473	OUT REP REV VEH/PT	125.89	
22023	06/08/07	5,555.95	002829	VALLEY POWER SYSTEMS, INC.		12191	REV VEH PARTS	499.87	
						12194	REV VEH PARTS	254.27	
						12224	OUT RPR REV VEH	4,801.81	
22024	06/08/07	186.99	002861	AMERICAN MESSAGING SVCS, LLC		12574	JUNE PAGERS	186.99	
22025	06/08/07	9,697.97	002875	WILBUR SMITH ASSOCIATES		12577	3/31-4/2 PROF SVCS	9,697.97	
22026	06/08/07	-56.09	004	NORTH BAY FORD LINC-MERCURY		12367	REV VEH PARTS/PT	25.29	
						12551	CREDIT MEMO	-81.38	
22027	06/08/07	21.89	007	UNITED PARCEL SERVICE		12284	FRT OUT-FLT	21.89	
22028	06/08/07	1,529.24	018	SALINAS VALLEY FORD SALES		12605	REV VEH PARTS	1,529.24	
22029	06/08/07	682.30	039	KINKO'S INC.		12435	MAY PRINTING/OPS	227.79	
						12436	MAY PRINTING/OPS	69.40	
						12437	MAY PRINTING/OPS	385.11	
22030	06/08/07	1,013.34	041	MISSION UNIFORM		12058	UNIFORM-FLT	303.77	
						12059	UNIFORM-FLT	54.05	
						12060	UNIFORM-FLT	325.56	
						12061	UNIFORM-FLT	4.33	
						12062	UNIFORM-FLT	71.50	
						12363	MAY UNIF/LAUNDRY/PT	79.13	
						12364	MAY UNIF/LAUNDRY/PT	175.00	
22031	06/08/07	650.98	043	PALACE ART & OFFICE SUPPLY		12501	OFFICE SUPPLIES/FIN	650.98	
22032	06/08/07	1,171.80	059	BATTERIES USA, INC.		12165	REV VEH PARTS	1,171.80	
22033	06/08/07	102.57	075	COAST PAPER & SUPPLY INC.		12490	CLEANING SUPPLIES	54.68	
						12491	CLEANING SUPPLIES	47.89	
22034	06/08/07	4,410.97	079	SANTA CRUZ MUNICIPAL UTILITIES		12643	4/27-5/25 RIVER ST	41.45	
						12644	4/27-5/25 DUBOIS	410.21	
						12645	4/27-5/25 DUBOIS	100.71	
						12646	4/27-5/25 ENCINAL	124.87	
						12647	4/27-5/25 RIVER ST	2,072.48	
						12648	4/27-5/25 GOLF CLUB	886.79	
						12649	4/27-5/25 ENCINAL	774.46	
22035	06/08/07	4,476.66	085	DIXON & SON TIRE, INC.		12162	TIRES & TUBES	899.34	
						12164	TIRES & TUBES	207.43	
						12325	TIRES & TUBES-FLT	33.00	
						12326	TIRES & TUBES-FLT	1,576.73	
						12327	TIRES & TUBES-FLT	508.00	
						12328	TIRES & TUBES-FLT	414.87	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						12329	TIRES & TUBES-FLT	449.68	
22036	06/08/07	40.96	107A	LUMBERMENS		12347	MAY TIRES/TUBES/PT	387.61	
						12399	REPAIRS/MAINTENANCE	13.66	
						12492	REPAIRS/MAINTENANCE	24.08	
						12593	REPAIRS/MAINTENANCE	3.22	
22037	06/08/07	1,663.32	117	GILLIG CORPORATION		12285	REV VEH PARTS	1,663.32	
22038	06/08/07	200.41	135	SANTA CRUZ AUTO PARTS, INC.		12078	REV VEH PARTS	85.93	
						12080	CLEANING SUPPLIES	51.13	
						12357	REV VEH PARTS/PT	50.00	
						12358	REV VEH PARTS/PT	13.35	
22039	06/08/07	261.11	147	ZEE MEDICAL SERVICE CO.		12281	SAFETY SUPPLIES	45.35	
						12521	SAFETY SUPPLIES	79.53	
						12522	SAFETY SUPPLIES	15.14	
						12523	SAFETY SUPPLIES	121.09	
22040	06/08/07	309.28	166	HOSE SHOP, THE		12400	REV VEH PARTS	113.51	
						12402	REV VEH PARTS	195.77	
22041	06/08/07	414.17	170	TOWNSEND'S AUTO PARTS		12397	REV VEH PARTS	259.10	
						12398	REV VEH PARTS	155.07	
22042	06/08/07	644.82	186	WILSON, GEORGE H., INC.		12499	REPAIRS/MAINTENANCE	644.82	
22043	06/08/07	649.22	192	ALWAYS UNDER PRESSURE		12585	REPAIRS/MAINTENANCE	551.11	
						12587	REPAIRS/MAINTENANCE	98.11	
22044	06/08/07	112.93	260	SANTA CRUZ GLASS CO., INC.		12511	OUT REPAIR/BLD/GRNDS	112.93	
22045	06/08/07	944.92	282	GRAINGER		12404	CLEANING SUPPLIES	145.17	
						12518	REPAIRS/MAINTENANCE	799.75	
22046	06/08/07	101.90	294	ANDY'S AUTO SUPPLY		12168	REV VEH PARTS	53.27	
						12169	PARTS & SUPPLIES	48.63	
22047	06/08/07	40.40	298	ERGOMETRICS		12441	SCORING SCVS	40.40	
22048	06/08/07	1,067.18	432	EXPRESS PERSONNEL SERVICES		12455	TEMP/FIN W/E 5/13	1,067.18	
22049	06/08/07	4,302.03	480	DIESEL MARINE ELECTRIC, INC.		12086	REV VEH PARTS	4,302.03	
22050	06/08/07	535.99	493	IMAGING PRODUCTS INTERNATIONAL		12555	PHOTO SUPPLY/OPS	535.99	
22051	06/08/07	5,491.74	504	CUMMINS WEST, INC.		12088	REV VEH PARTS	1,591.11	
						12090	REV VEH PARTS	128.41	
						12283	REV VEH PARTS	1,495.56	
						12324	CREDIT MEMO	-306.43	
22052	06/08/07	183.02	580	BLOCK AND COMPANY, INC.		12330	REV VEH PARTS	2,583.09	
22053	06/08/07	6,854.64	664	BAY COUNTIES PITCOCK PETROLEUM		12556	OFFICE SUPPLIES/OPS	183.02	
22054	06/08/07	742.01	739	CENTURY CHEVROLET		12568	FUEL/LUB FLT	6,854.64	
						12346	OUT REP REV VEH/PT	439.33	
						12552	CREDIT MEMO	-187.32	
						12656	OUT REP REV VEH/PT	490.00	
22055	06/08/07	101.08	764	MERCURY METALS		12366	OUT REP REV VEH/PT	101.08	
22056	06/08/07	38,781.46	800	DELTA DENTAL PLAN		12516	JUNE DENTAL	38,781.46	
22059	06/08/07	9,552.48	851	I.M.P.A.C. GOVERNMENT SERVICES		12660	4055019201230522	48.48	
						12661	4055019201230522	26.35	
						12662	4055019201230522	638.66	
						12663	4055019201230522	638.66	
						12664	4055019201230522	892.73	
						12665	4055019201230522	638.66	
						12666	4055019201230522	669.19	
						12667	4055019201230522	692.79	

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						12668	4055019201230522	692.79	
						12669	4055019201230522	669.19	
						12670	4055019201230522	638.66	
						12671	4055019201230522	638.66	
						12672	4055019201230522	1.02	
						12673	4055019201230522	36.40	
						12674	4055019201230522	67.24	
						12675	4055019201230522	16.78	
						12676	4055019201230522	498.93	
						12677	4055019201230522	21.00	
						12678	4055019201230522	48.01	
						12679	4055019201230522	34.48	
						12680	4055019201230522	16.00	
						12681	4055019201230522	103.07	
						12682	4055019201230522	64.34	
						12683	4055019201230522	698.00	
						12684	4055019201230522	194.89	
						12685	4055019201230522	97.65	
						12686	4055019201230522	180.90	
						12687	4055019201230522	94.95	
						12688	4055019201230522	75.00	
						12689	4055019201230522	419.00	
22060	06/08/07	1,071.50	852	LAW OFFICES OF MARIE F. SANG	7	12238	WORKERS COMP CLAIM	96.00	
						12431	WORKERS COMP CLAIMS	560.00	
						12432	WORKERS COMP CLAIMS	160.00	
						12433	WORKERS COMP CLAIMS	159.50	
						12434	WORKERS COMP CLAIMS	96.00	
22061	06/08/07	384.88	856	ANGI INTERNATIONAL LLC		12504	REPAIRS/MAINTENANCE	384.88	
22062	06/08/07	16,341.24	941	ASSURANT EMPLOYEE BENEFITS		12539	JUN LTD INS	16,341.24	
22063	06/08/07	100.00	B003	BEAUTZ, JAN	7	12558	MAY BOARD MTGS	100.00	
22064	06/08/07	50.00	B006	HINKLE, MICHELLE	7	12560	MAY BOARD MTGS	50.00	
22065	06/08/07	100.00	B011	REILLY, EMILY	7	12562	MAY BOARD MTGS	100.00	
22066	06/08/07	100.00	B012	SPENCE, PAT	7	12564	MAY BOARD MTGS	100.00	
22067	06/08/07	100.00	B014	CITY OF WATSONVILLE		12566	MAY BOARD MTGS	100.00	
22068	06/08/07	100.00	B015	ROTKIN, MIKE	7	12563	MAY BOARD MTGS	100.00	
22069	06/08/07	100.00	B017	STONE, MARK	7	12565	MAY BOARD MTGS	100.00	
22070	06/08/07	100.00	B020	NICOL, KIRBY	7	12561	MAY BOARD MTGS	100.00	
22071	06/08/07	100.00	B021	HAGEN, DONALD N.		12559	MAY BOARD MTGS	100.00	
22072	06/08/07	152.20	E021	HILTNER, THOMAS		12557	TRAVEL EXPENSE	152.20	
22073	06/08/07	10.00	E121	MEJIA, INDELISA		12636	DMV FEES	10.00	
22074	06/08/07	10.00	E394	MILBURN, PETER		12553	DMV FEES	10.00	
22075	06/08/07	40.79	E526	WARNOCK, APRIL		12638	OFFICE SUPPLIES	40.79	
22076	06/08/07	273.46	R483	MARSHALL, JANELLE		12640	SETTLEMENT/RISK	273.46	
22077	06/08/07	380.00	R484	THE HERTZ CORPORATION		12641	SETTLEMENT/RISK	380.00	
22078	06/08/07	96.00	T144	LOCKHART, ELEANOR		12550	32 PRE-PAID COUPONS	96.00	
22079	06/08/07	99.00	T145	MANDEL, MARTHA		12596	33 PT PRE-PAID COUP	99.00	
22080	06/15/07	5,037.36	001038	TWINVISION NA INC.		12466	REV VEH PARTS/FLT	5,037.36	
22081	06/15/07	1,100.16	001048	CRUZ CAR WASH		12651	VEH WASH/PT	1,100.16	
22082	06/15/07	2,792.35	001052	MID VALLEY SUPPLY		12707	CLEANING SUPPLIES	2,697.61	
						12713	CLEANING SUPPLIES	78.03	

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22083	06/15/07	11,898.64	001063	NEW FLYER INDUSTRIES LIMITED		12807	CLEANING SUPPLIES	16.71	
						12409	REV VEH PARTS	1,208.01	
						12469	REV VEH PARTS/FLT	324.30	
						12470	REV VEH PARTS/FLT	331.76	
						12572	REV VEH PARTS/FLT	1,147.02	
						12573	REV VEH PARTS/FLT	110.40	
						12622	REV VEH PARTS	2,706.74	
						12623	REV VEH PARTS	2,114.57	
						12625	REV VEH PARTS	156.59	
						12626	REV VEH PARTS	3,209.63	
						12729	REV VEH PARTS	589.62	
22084	06/15/07	3,829.43	001064	MUNICIPAL MAINTENANCE EQUIPMNT		12762	OUT RPR EQUIP	3,829.43	
22085	06/15/07	7,000.00	001071	QQUEST SOFTWARE SYSTEMS, INC.		12579	OFFICE SUPPLIES/IT	7,000.00	
22086	06/15/07	55.00	001084	CLUTCH COURIERS		12595	PROF SVCS/RISK	55.00	
22087	06/15/07	147.00	001093	KROLL LABORATORY SPECIALISTS		12582	APR/MAY DRUG TESTING	147.00	
22088	06/15/07	67.40	001230	CAPITOL CLUTCH & BRAKE, INC.		12495	REV VEH PARTS/FLT	67.40	
22089	06/15/07	881.09	001506	WESTERN STATES OIL CO., INC.		12471	OIL & LUBE/FLT	881.09	
22090	06/15/07	61.53	001627	NEW PIG CORPORATION		12465	SAFETY SUPPLY/FLT	61.53	
22091	06/15/07	15,631.17	001648	STEVE'S UNION SERVICE		12652	MAY FUEL/PT	15,583.99	
						12724	MAY FUEL/FLT	23.59	
						12725	MAY FUEL/FLT	23.59	
22092	06/15/07	59.53	001733	STOODLEY'S SMALL ENGINE SERVIC	7	12845	OUT RPR EQUIP	59.53	
22093	06/15/07	1,605.56	001800	THERMO KING OF SALINAS, INC		12612	REV VEH PARTS	1,605.56	
22094	06/15/07	175.26	001856	BAY COMMUNICATIONS	7	12733	OUT RPR PHONES	119.01	
						12734	OUT RPR PHONES	56.25	
22095	06/15/07	36.88	002063	COSTCO		12716	PHOTO PROCESS-OPS	15.60	
						12717	PHOTO PROCESS-OPS	1.92	
						12718	PHOTO PROCESS-OPS	1.29	
						12719	PHOTO PROCESS-OPS	8.13	
						12720	PHOTO PROCESS-OPS	1.92	
						12721	PHOTO PROCESS-OPS	0.56	
						12722	PHOTO PROCESS-OPS	7.46	
22096	06/15/07	155.63	002207	T.Y. CUSTOM DESIGN	0	12403	CUSTOM-MADE PATCHES	155.63	
22097	06/15/07	2,500.00	002267	SHAW & YODER, INC.		12548	APR LEGISLATIVE SVCS	2,500.00	
22098	06/15/07	181.77	002389	DARCO PRINTING	7	12637	OFFICE SUPPLIES	181.77	
22099	06/15/07	435.85	002482	AMERICAN VAN EQUIPMENT INC.		12547	REV VEH PARTS/FLT	435.85	
22100	06/15/07	460.69	002504	TIFCO INDUSTRIES		12467	PARTS & SUPPLIES/FLT	460.69	
22101	06/15/07	660.80	002713	SANTA CRUZ AUTO TECH, INC.		12659	OUT REP REV VEH/PT	175.95	
						12751	OUT RPR REV VEH	313.90	
						12752	OUT RPR REV VEH	170.95	
22102	06/15/07	2,945.17	002805	TELEPATH CORPORATION		12408	OUT RPR EQUIP	237.76	
						12420	JUNE MAINT/RPR	2,707.41	
22103	06/15/07	723.44	002814	CREATIVE BUS SALES, INC.		12658	REV VEH PARTS/PT	94.43	
						12803	REV VEH PARTS	629.01	
22104	06/15/07	56.28	002826	HOLIDAY MUFFLER SERVICE		12846	OUT RPR OTH VEH	56.28	
22105	06/15/07	10,148.01	002829	VALLEY POWER SYSTEMS, INC.		12339	OUT RPR REV VEH	4,801.81	
						12340	OUT RPR REV VEH	1,823.98	
						12419	OUT RPR REV VEH	3,522.22	
22106	06/15/07	45.06	002882	CARR PARTS NAPA		12286	SMALL TOOLS	45.06	
22107	06/15/07	14,220.20	002883	UNISTORAGE		12744	OFFICE SUPPLIES	321.29	

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						12852	OFFICE EQUIP/IT	13,585.74	
						12856	OFFICE EQUIP/IT	313.17	
22108	06/15/07	271.86	004	NORTH BAY FORD LINC-MERCURY		12498	REV VEH PARTS/FLT	271.86	
22109	06/15/07	59.08	007	UNITED PARCEL SERVICE		12449	FRT OUT-FLT	59.08	
22110	06/15/07	24,671.70	009	PACIFIC GAS & ELECTRIC		12691	5/2-5/31 1200 RIVER	1,760.79	
						12726	MAY CNG-FLT	11,441.50	
						12741	5/5-6/5 920 PACIFIC	2,010.33	
						12825	5/1-5/31 115 DUBOIS	209.80	
						12826	5/1-5/31 115 DUBOIS	13.08	
						12827	5/2-6/1 370 ENCINAL	3,401.04	
						12828	5/1-5/31 FLEET	5,835.16	
22111	06/15/07	1,066.80	017	SUN MICROSYSTEMS, INC.		12794	4/1-6/30 SVCS	1,066.80	
22112	06/15/07	6,747.46	018	SALINAS VALLEY FORD SALES		12604	REV VEH PARTS	4,271.08	
						12606	REV VEH PARTS	727.66	
						12760	REV VEH PARTS	569.40	
						12761	REV VEH PARTS	1,179.32	
22113	06/15/07	326.81	039	KINKO'S INC.		12742	MAY PRINTING/MTC	326.81	
22114	06/15/07	804.16	041	MISSION UNIFORM		12287	UNIFORM/LAUNDRY-FLT	307.62	
						12288	UNIF/LAUNDRY-FLT	71.50	
						12289	UNIF/LAUNDRY-FLT	88.10	
						12290	UNIF-LAUNDRY-FLT	54.05	
						12291	UNIF/LAUNDRY-FLT	2.97	
						12292	UNIF/LAUNDRY-FLT	5.91	
						12440	MAY UNIF/LAUNDRY/FAC	141.10	
						12478	MAY UNIF/LAUNDRY/PT	68.54	
						12702	UNIF/LAUNDRY-FAC	18.32	
						12703	UNIF/LAUNDRY-FAC	18.32	
						12704	UNIF/LAUNDRY-FAC	18.32	
						12796	UNIF/LAUNDRY/FLT	9.41	
22115	06/15/07	243.54	042	ORCHARD SUPPLY HARDWARE		12763	REPAIRS/MAINTENANCE	5.93	
						12764	REPAIRS/MAINTENANCE	126.01	
						12765	REPAIRS/MAINTENANCE	62.47	
						12766	REPAIRS/MAINTENANCE	50.46	
						12767	CREDIT MEMO	-1.33	
22116	06/15/07	2,009.64	043	PALACE ART & OFFICE SUPPLY		12488	OFFICE SUPPLIES/FIN	495.43	
						12502	OFFICE SUPPLIES/FIN	130.95	
						12536	OFFICE SUPPLIES/MTC	27.67	
						12537	OFFICE SUPPLIES/MTC	274.51	
						12581	OFFICE SUPPLIES/FIN	115.85	
						12737	OFFICE SUPPLIES/OPS	52.46	
						12738	OFFICE SUPPLIES/OPS	758.34	
						12753	OFFICE SUPPLIES/PT	32.71	
						12758	OFFICE SUPPLIES/FLT	104.79	
						12853	OFFICE SUPPLIES/FLT	23.82	
						12854	CREDIT MEMO	-6.89	
22117	06/15/07	508.00	067	ROTO-ROOTER		12746	OUT RPR BLDG/GRNDS	508.00	
22118	06/15/07	2,850.39	079	SANTA CRUZ MUNICIPAL UTILITIES		12795	5/2-5/30 920 PACIFIC	101.88	
						12824	5/2-5/30 920 PACIFIC	2,418.15	
						12857	4/6-6/5 RESEARCH	330.36	
22119	06/15/07	4,708.41	085	DIXON & SON TIRE, INC.		12337	TIRES & TUBES-FLT	348.15	

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						12474	MAY TIRES & TUBES/PT	1,035.97	
						12569	TIRES & TUBES-FLT	99.00	
						12570	TIRES & TUBES-FLT	1,254.38	
						12571	TIRES & TUBES-FLT	1,970.91	
22120	06/15/07	112.58	107A	LUMBERMENS		12317	REPAIRS/MAINTENANCE	9.12	
						12334	PARTS & SUPPLIES	12.67	
						12335	PARTS & SUPPLIES	29.28	
						12396	REPAIRS/MAINTENANCE	61.51	
22121	06/15/07	248.31	117	GILLIG CORPORATION		12338	REV VEH PARTS	23.02	
						12410	REV VEH PARTS	109.72	
						12411	REV VEH PARTS	115.57	
22122	06/15/07	48.63	123	BAY PHOTO LAB		12655	PHOTO PROCESS/PT	48.63	
22123	06/15/07	1,627.83	135	SANTA CRUZ AUTO PARTS, INC.		12227	OTH MOB SUPP/R V PTS	581.21	
						12293	REV VEH PARTS	19.66	
						12331	REV VEH PARTS	5.49	
						12332	REV VEH PARTS	63.91	
						12336	REV VEH PARTS	908.42	
						12389	CREDIT MEMO	-44.05	
						12406	REV VEH PARTS	66.03	
						12407	PARTS & SUPPLIES	27.16	
22124	06/15/07	433.36	148	ZEP MANUFACTURING COMPANY		12472	REV VEH PARTS/FLT	433.36	
22125	06/15/07	5,139.16	157	DELL MARKETING L.P.		12851	CAPITAL EQUIP/IT	604.46	
						12855	CAPITAL EQUIP/IT	4,534.70	
22126	06/15/07	41.72	166	HOSE SHOP, THE		12712	PARTS & SUPPLIES	41.72	
22127	06/15/07	729.51	192	ALWAYS UNDER PRESSURE		12586	REPAIRS/MAINTENANCE	729.51	
22128	06/15/07	482.94	215	IKON OFFICE SOLUTIONS		12723	02/28-05/25 MAINT	482.94	
22129	06/15/07	260.40	215A	IKON FINANCIAL SERVICES		12736	6/1-6/30 COPIER/OPS	260.40	
22130	06/15/07	1,121.12	294	ANDY'S AUTO SUPPLY		12226	PARTS & SUPPLIES	39.06	
						12294	REV VEH PARTS	20.60	
						12295	REV VEH PTS/SUPPLIES	731.80	
						12333	REV VEH PARTS	54.85	
						12412	PARTS & SUPPLIES	34.98	
						12493	REV VEH PARTS/FLT	75.56	
						12494	EMP TOOLS/FLT	23.71	
						12653	REV VEH PARTS/PT	140.56	
22131	06/15/07	1,147.39	432	EXPRESS PERSONNEL SERVICES		12580	TEMP/FIN W/E 5/20	1,147.39	
22132	06/15/07	574.00	481	PIED PIPER EXTERMINATORS, INC.		12778	JUNE PEST CONTROL	48.50	
						12779	JUNE PEST CONTROL	48.50	
						12780	JUNE PEST CONTROL	241.00	
						12781	JUNE PEST CONTROL	183.00	
						12782	JUNE PEST CONTROL	53.00	
22133	06/15/07	133.84	504	CUMMINS WEST, INC.		12777	REV VEH PARTS	133.84	
22134	06/15/07	50.30	667	CITY OF SCOTTS VALLEY		12755	4/07-6/07 KINGS VLG	50.30	
22135	06/15/07	70.00	682	WEISS, AMY L.	7	12642	MAY INTERPRETER	70.00	
22136	06/15/07	-298.52	739	CENTURY CHEVROLET		12690	CREDIT MEMO	-298.52	
22137	06/15/07	2,655.85	796	CHALK'S TRUCK PARTS, INC.		12496	MACHINERY & EQUIP	2,153.60	
						12497	SMALL TOOLS/FLT	502.25	
22138	06/15/07	7,295.08	876	ATCHISON, BARISONE, CONDOTTI &		12858	LEGAL SVCS/FRONT ST	4,161.24	
						12859	LEGAL SVCS/VERNON ST	3,133.84	
22139	06/15/07	516.46	882	PRINT SHOP SANTA CRUZ		12554	PRINTING/OPS	516.46	

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22140	06/15/07	253.80	887	NEOPOST, INC		12747	POSTAGE & MAILING	253.80	
22141	06/15/07	645.00	916	DOCTORS ON DUTY		12829	4/24 DRUG TEST	25.00	
						12830	4/26 DRUG TEST	25.00	
						12831	4/26 DRUG TEST	30.00	
						12832	4/27 DRUG TEST	25.00	
						12833	4/27 DRUG TEST	30.00	
						12834	5/8 DRUG TEST	25.00	
						12835	5/8 DRUG TEST	30.00	
						12836	5/15 DRUG TEST	100.00	
						12837	05/15 DRUG TEST	100.00	
						12838	5/16 DRUG TEST	100.00	
						12839	5/16 DRUG TEST	100.00	
						12840	5/21 DRUG TEST	25.00	
						12841	5/21 DRUG TEST	30.00	
22142	06/15/07	246.00	957	SECURITY SHORING & STEEL PLT		12842	STEEL PLATE RENTAL	246.00	
22143	06/15/07	38.00	E121	MEJIA, INDELISA		12546	DMV FEES	38.00	
22144	06/22/07	489.37	001	SBC		12937	JUNE REPEATERS/OPS	85.81	
						12938	JUNE REPEATERS/OPS	403.56	
22145	06/22/07	104.97	001002	ORACLE CORPORATION		12843	SUPP/UPDATE 3/1-5/31	104.97	
22146	06/22/07	1,412.68	001052	MID VALLEY SUPPLY		12806	CLEANING SUPPLIES	1,243.63	
						12847	CLEANING SUPPLIES	169.05	
22147	06/22/07	3,335.37	001063	NEW FLYER INDUSTRIES LIMITED		12615	REV VEH PARTS	453.00	
						12616	REV VEH PARTS	2,041.68	
						12617	REV VEH PARTS	244.08	
						12618	REV VEH PARTS	593.85	
						12732	REV VEH PARTS	2.76	
22148	06/22/07	51.25	001074	AVERY ASSOCIATES		12822	LABOR RELATION SVCS	51.25	
22149	06/22/07	11,353.50	001075	SOQUEL III ASSOCIATES	7	9001080	RESEARCH PARK RENT	11,353.50	
22150	06/22/07	7,794.93	001076	BROUGHTON LAND, LLC		9001081	110 VERNON ST RENT	7,794.93	
22151	06/22/07	117,000.00	001089	CASEY PRINTING, INC		12918	110 VERNON ACQUIS.	117,000.00	
22152	06/22/07	1,407.00	001119	MACERICH PARTNERSHIP LP	7	9001082	CAPITOLA MALL RENT	1,407.00	
22153	06/22/07	61,293.69	001316	DEVCO OIL		12821	FUEL/FLT 6/01-6/11	61,293.69	
22154	06/22/07	80.00	001492	EVERGREEN OIL INC.		12632	HAZ WASTE DISPOSAL	80.00	
22155	06/22/07	663.14	001800	THERMO KING OF SALINAS, INC		12611	REV VEH PARTS	663.14	
22156	06/22/07	20.72	002063	COSTCO		12926	PHOTO PROCESS/OPS	2.91	
						12927	PHOTO PROCESS/OPS	4.56	
						12928	PHOTO PROCESS/OPS	6.43	
						12929	PHOTO PROCESS/OPS	6.82	
22157	06/22/07	36,322.58	002116	HINSHAW, EDWARD & BARBARA	7	12931	370 ENCINAL RENT	8,322.58	
						9001083	370 ENCINAL RENT	28,000.00	
22158	06/22/07	14,214.64	002117	IULIANO	7	9001084	111 DUBOIS RENT	11,214.64	
						9001085	115 DUBOIS RENT	3,000.00	
22159	06/22/07	44.68	002307	EWING IRRIGATION PRODUCTS		12816	REPAIR/MAINTENANCE	44.68	
22160	06/22/07	331.83	002412	BORDEN DECAL		12811	REV VEH PARTS	331.83	
22161	06/22/07	1,006.73	002624	DIGITAL RECORDERS		12603	REV VEH PARTS	1,006.73	
22162	06/22/07	1,993.32	002721	NEXTEL COMMUNICATIONS		12915	5/3-6/3 PHONES/PT	1,993.32	
22163	06/22/07	-20,540.22	002829	VALLEY POWER SYSTEMS, INC.		12619	REV VEH PARTS	229.84	
						12620	REV VEH PARTS	207.34	
						12939	CREDIT MEMO	-10,488.70	
						12940	CREDIT MEMO	-10,488.70	

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22164	06/22/07	708.13	002847	STATE OF CA-EDD		12597	PARADISE LEVY	627.00	
						12902	PARADISE LEVY	81.13	
22165	06/22/07	10.76	002882	CARR PARTS NAPA		12464	SMALL TOOL/FLT	10.76	
22166	06/22/07	265.00	002885	MONSTER, INC		12962	JUNE JOB POST	265.00	
22167	06/22/07	56.48	007	UNITED PARCEL SERVICE		12700	FRT OUT-FLT	56.48	
22168	06/22/07	2,088.45	009	PACIFIC GAS & ELECTRIC		12862	4/13-6/9 KINGS VLG	2,088.45	
22169	06/22/07	1,066.80	017	SUN MICROSYSTEMS, INC.		12743	7/1-9/30 SVCS	1,066.80	
22170	06/22/07	552.27	036	KELLY-MOORE PAINT CO., INC.		12576	REPAIRS/MAINTENANCE	552.27	
22171	06/22/07	1,117.49	039	KINKO'S INC.		12936	MAY PRINTING/ADMIN	27.99	
						12952	MAY PRINTING/METRO	1,089.50	
22172	06/22/07	1,492.56	041	MISSION UNIFORM		12445	UNIF/LAUNDRY-FLT	138.62	
						12446	UNIF/LAUNDRY-FLT	42.47	
						12447	UNIF/LAUNDRY-FLT	71.50	
						12448	UNIF/LAUNDRY-FLT	278.10	
						12519	MAY UNIF/LAUNDRY/FAC	79.13	
						12520	MAY UNIF/LAUNDRY/FAC	78.66	
						12634	UNIF/LAUNDRY-FLT	85.24	
						12705	UNIF/LAUNDRY-FAC	18.32	
						12784	UNIF/LAUNDRY/FLT	171.06	
						12785	UNIF/LAUNDRY/FLT	54.05	
						12786	UNIF/LAUNDRY/FLT	71.50	
						12787	UNIF/LAUNDRY/FLT	85.24	
						12788	UNIF/LAUNDRY/FLT	318.67	
22173	06/22/07	2,711.26	043	PALACE ART & OFFICE SUPPLY		12589	OFFICE SUPPLIES/FAC	75.21	
						12754	OFFICE SUPPLIES	18.31	
						12804	OFFICE SUPPLIES/PT	2,617.74	
22174	06/22/07	146.48	050	PITNEY BOWES INC.		12535	JULY RENTAL/MTC	146.48	
22175	06/22/07	95.66	061A	REGISTER PAJARONIAN		12602	CLASS ADV-PURCH	95.66	
22176	06/22/07	27.89	074	KENVILLE LOCKSMITHS	7	12578	REPAIRS/MAINTENANCE	27.89	
22177	06/22/07	5,083.39	085	DIXON & SON TIRE, INC.		12524	TIRES & TUBES-FLT	33.00	
						12525	TIRES & TUBES-FLT	207.43	
						12526	TIRES & TUBES-FLT	1,573.86	
						12527	TIRES & TUBES-FLT	394.18	
						12528	TIRES & TUBES-FLT	2,874.92	
22178	06/22/07	36.72	107A	LUMBERMENS		12590	REPAIRS/MAINTENANCE	21.65	
						12591	REPAIRS/MAINTENANCE	1.41	
						12592	REPAIRS/MAINTENANCE	13.66	
22179	06/22/07	2,617.84	110	JESSICA GROCERY STORE, INC.	9001086	9001086	CUSTODIAL SERVICES	2,617.84	
22180	06/22/07	10.01	130	CITY OF WATSONVILLE UTILITIES		12861	5/1-6/1 RODRIGUEZ	10.01	
22181	06/22/07	21.03	135	SANTA CRUZ AUTO PARTS, INC.		12444	REV VEH PARTS	21.03	
22182	06/22/07	217.52	166	HOSE SHOP, THE		12708	PARTS & SUPPLIES	28.12	
						12709	PARTS & SUPPLIES	143.01	
						12710	PARTS/SUPPLIES	46.39	
22183	06/22/07	9.41	186	WILSON, GEORGE H., INC.		12633	REPAIRS/MAINTENANCE	9.41	
22184	06/22/07	248.78	192	ALWAYS UNDER PRESSURE		12588	REPAIRS/MAINTENANCE	248.78	
22185	06/22/07	2,097.17	282	GRAINGER		12624	CLEANING SUPPLY	48.63	
						12627	CLEANING SUPPLY	2,048.54	
22186	06/22/07	8,545.23	288	MUNCIE TRANSIT SUPPLY		12608	REV VEH PARTS	8,506.83	
						12609	REV VEH PARTS	38.40	
22187	06/22/07	115.06	294	ANDY'S AUTO SUPPLY		12443	PARTS & SUPPLIES	14.91	

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22188	06/22/07	184.00	367	COMMUNITY TELEVISION OF		12462	PARTS & SUPPLIES/FLT	100.15	
22189	06/22/07	900.00	382	AIRTEC SERVICE		12934	TV COVERAGE 5/25 MTG	184.00	
	06/28/07	-900.00							VOIDED
22190	06/22/07	1,966.95	432	EXPRESS PERSONNEL SERVICES		12575	MAY JANITORIAL SVCS	0.00	
						12823	TEMP/FIN W/E 5/27	1,116.00	
						12919	TEMP/FIN W/E 6/3	850.95	
22191	06/22/07	251.14	504	CUMMINS WEST, INC.		12468	REV VEH PARTS/FLT	251.14	
22192	06/22/07	48.83	510A	HASLER, INC.		12935	7/1-7/31 RENTAL/ADM	48.83	
22193	06/22/07	1,085.00	616	BROWN ARMSTRONG		12921	AUDIT SERVICES	1,085.00	
22194	06/22/07	1,019.50	647	GFI GENFARE		12768	REV VEH PARTS	1,019.50	
22195	06/22/07	1,503.30	739	CENTURY CHEVROLET		12657	REV VEH PARTS/PT	398.02	
						12911	REV VEH PARTS	133.30	
						12912	REV VEH PARTS	673.46	
						12913	REV VEH PARTS	298.52	
22196	06/22/07	98,415.73	839	FOLSOM LAKE FORD		12955	07 FORD FOCUS 12544	14,059.39	
						12956	07 FORD FOCUS 12545	14,059.39	
						12957	07 FORD FOCUS 12546	14,059.39	
						12958	07 FORD FOCUS 12547	14,059.39	
						12959	07 FORD FOCUS 12548	14,059.39	
						12960	07 FORD FOCUS 12549	14,059.39	
						12961	07 FORD FOCUS 12550	14,059.39	
22197	06/22/07	1,704.00	878	KELLY SERVICES, INC.		12920	TEMP/ADM W/E 6/3	744.00	
						12933	TEMP/ADM W/E 6/10	960.00	
						12610	OFFICE SUPPLIES	43.50	
22198	06/22/07	43.50	886	ALL PURE WATER		12463	OUT RPR REV VEH/FLT	6,112.14	
22199	06/22/07	6,112.14	909	CLASSIC GRAPHICS		12860	PRINTING/HEADWAYS	6,982.13	
22200	06/22/07	6,982.13	912	FOLGER GRAPHICS		12735	FENCE RENTAL-DUBOIS	10.83	
22201	06/22/07	10.83	946	ACME AND SONS		12963	MAY JANITORIAL SVCS	900.00	
22202	06/22/07	900.00	983	CENTRAL MAINTENANCE COMPANY		7	12923	JUNE BOARD MTGS	100.00
22203	06/22/07	100.00	B016	SKILLICORN, DALE	7	9001087	MED PYMT SUPP	315.76	
22204	06/22/07	315.76	M005	ROSS, EMERY	7	9001088	MED PYMT SUPP	363.97	
22205	06/22/07	363.97	M010	SHORT, SLOAN	7	9001089	MED PYMT SUPP	241.33	
22206	06/22/07	241.33	M016	HICKLIN, DONALD KENT	7	9001090	MED PYMT SUPP	122.64	
22207	06/22/07	122.64	M022	CAPELLA, KATHLEEN	7	9001091	MED PYMT SUPP	48.42	
22208	06/22/07	48.42	M033	BAILEY, NEIL	7	9001092	MED PYMT SUPP	24.22	
22209	06/22/07	24.22	M036	CERVANTES, GLORIA	7	9001093	MED PYMT SUPP	24.22	
22210	06/22/07	24.22	M039	DAVILA, ANA MARIA	7	9001094	MED PYMT SUPP	24.22	
22211	06/22/07	24.22	M040	GARBEZ, LINDA	7	9001095	MED PYMT SUPP	48.42	
22212	06/22/07	48.42	M041	GOUVEIA, ROBERT	7	9001096	MED PYMT SUPP	24.22	
22213	06/22/07	24.22	M050	O'MARA, KATHLEEN	7	9001097	MED PYMT SUPP	48.42	
22214	06/22/07	48.42	M054	SLOAN, FRANCIS	7	9001098	MED PYMT SUPP	346.62	
22215	06/22/07	346.62	M057	PARHAM, WALLACE	7	9001099	MED PYMT SUPP	346.62	
22216	06/22/07	346.62	M058	POTEETE, BEVERLY	7	9001100	MED PYMT SUPP	377.09	
22217	06/22/07	377.09	M061	KAMEDA, TERRY	7	9001101	MED PYMT SUPP	308.52	
22218	06/22/07	308.52	M064	PETERS, TERRIE	7	9001102	MED PYMT SUPP	50.32	
22219	06/22/07	50.32	M068	BASS, BETTY	7	9001103	MED PYMT SUPP	61.33	
22220	06/22/07	61.33	M069	JACOBS, KENNETH	7	9001104	MED PYMT SUPP	61.33	
22221	06/22/07	61.33	M070	PICARELLA, FRANCIS	7	9001105	MED PYMT SUPP	177.12	
22222	06/22/07	177.12	M072	BRIDINGER, CHRIS	7	9001106	MED PYMT SUPP	61.33	
22223	06/22/07	61.33	M073	CENTER, DOUG	7	9001107	MED PYMT SUPP	154.94	
22224	06/22/07	154.94	M074	GABRIELE, BERNARD	7				

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22225	06/22/07	72.86	M075	HOWARD, CAROL	7	9001108	MED SUPP PYMT	72.86	
22226	06/22/07	177.12	M076	VONWAL, YVETTE	7	9001109	MED PYMT SUPP	177.12	
22227	06/22/07	48.42	M079	BROGDON, ROY	7	9001110	MED PYMT SUPP	48.42	
22228	06/22/07	48.42	M081	HALL, JAMES	7	9001111	MED PYMT SUPP	48.42	
22229	06/22/07	24.25	M082	HINDIN, LENORE	7	9001112	MED PYMT SUPP	24.25	
22230	06/22/07	48.42	M085	ROSSI, DENISE	7	9001113	MED PYMT SUPP	48.42	
22231	06/22/07	24.22	M086	TOLINE, DONALD	7	9001114	MED PYMT SUPP	24.22	
22232	06/22/07	24.22	M088	YAGI, RANDY	7	9001115	MED PYMT SUPP	24.22	
22233	06/22/07	32.30	M090	CLARKE, PATRICIA	7	9001116	MED PYMT SUPP	32.30	
22234	06/22/07	61.33	M092	CRAWFORD, TERRI	7	9001117	MED PYMT SUPP	61.33	
22235	06/22/07	61.33	M095	DIXON, GEORGE	7	9001118	MED PYMT SUPP	61.33	
22236	06/22/07	61.33	M096	DRAKE, JUDITH	7	9001119	MED PYMT SUPP	61.33	
22237	06/22/07	61.33	M098	FAUCI, SUSAN	7	9001120	MED PYMT SUPP	61.33	
22238	06/22/07	61.33	M099	FIKE, LOUIS	7	9001121	MED PYMT SUPP	61.33	
22239	06/22/07	48.42	M100	GARCIA, SANTIAGO	7	9001122	MED PYMT SUPP	48.42	
22240	06/22/07	61.33	M101	GOES, ALAN	7	9001123	MED PYMT SUPP	61.33	
22241	06/22/07	32.30	M103	JEMISON, MAURICE	7	9001124	MED PYMT SUPP	32.30	
22242	06/22/07	61.33	M104	JUSSEL, PETE	7	9001125	MED PYMT SUPP	61.33	
22243	06/22/07	32.30	M105	KOHAMA, MARY	7	9001126	MED PYMT SUPP	32.30	
22244	06/22/07	32.30	M106	LYALL, JOHN	7	9001127	MED PYMT SUPP	32.30	
22245	06/22/07	61.33	M108	MILLER, FOREST	7	9001128	MED PYMT SUPP	61.33	
22246	06/22/07	62.96	M109	PEREZ, CHERYL	7	9001129	MED PYMT SUPP	62.96	
22247	06/22/07	32.30	M111	SANCHEZ, FELIX	7	9001130	MED PYMT SUPP	32.30	
22248	06/22/07	61.33	M112	SILVA, EDUARDO	7	9001131	MED PYMT SUPP	61.33	
22249	06/22/07	72.86	M115	WILLIAMS, CHRIS	7	9001132	MED PYMT SUPP	72.86	
22250	06/22/07	72.86	M116	CRAMBLETT, LAWRENCE	7	9001133	MED PYMT SUPP	72.86	
22251	06/22/07	61.33	M117	POLANCO, ANDRES	7	9001134	MED PYMT SUPP	61.33	
22252	06/29/07	76,150.16	001035	HARRIS & ASSOCIATES		13069	MB MAY 07 PROF SVCS	76,150.16	
22253	06/29/07	4,286.94	001063	NEW FLYER INDUSTRIES LIMITED		12730	REV VEH PARTS	60.28	
						12731	REV VEH PARTS	588.82	
						12813	REV VEH PARTS	450.40	
						12814	REV VEH PARTS	2,564.82	
						12850	REV VEH PARTS	622.62	
22254	06/29/07	608.40	001078	RAE SYSTEMS		12757	OUT RPR EQUIP	608.40	
22255	06/29/07	199.00	001095	NATIONAL SEMINARS GROUP		13018	ACCTS PAYABLE TRAIN	199.00	
22256	06/29/07	390.08	001097	GREENWASTE RECOVERY, INC.		13084	MAY RESEARCH PARK	170.56	
						13085	MAY KINGS VILLAGE	161.92	
						13086	MAY MT HERMON/KINGS	57.60	
22257	06/29/07	73,725.60	001316	DEVCO OIL		13067	FUEL FLT 6/13-6/23	73,725.60	
22258	06/29/07	907.35	001379	SAFETY-KLEEN SYSTEMS, INC.		12697	HAZ WASTE DISP	907.35	
22259	06/29/07	223.00	001492	EVERGREEN OIL INC.		12600	HAZ WASTE DISPOSAL	223.00	
22260	06/29/07	1,416.32	001506	WESTERN STATES OIL CO., INC.		13054	FUEL & LUBE-FLT	1,416.32	
22261	06/29/07	528.00	001523	SANTA CRUZ MEDICAL CLINIC	7	12965	MED EXAMS-FLT	66.00	
						12966	MED EXAMS-FLT	66.00	
						12967	MED EXAMS-FLT	66.00	
						13005	MEDICAL EXAMS	66.00	
						13006	MEDICAL EXAM	66.00	
						13015	MEDICAL EXAMS	66.00	
						13016	MEDICAL EXAMS	66.00	
						13017	MEDICAL EXAMS	66.00	

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22262	06/29/07	30.81	002063	COSTCO		12844	LOCAL MEETING EXP	18.24	
						13008	PHOTO PROCESS/OPS	1.59	
						13009	PHOTO PROCESS/OPS	9.06	
						13010	PHOTO PROCESS/OPS	1.92	
22263	06/29/07	489.69	002207	T.Y. CUSTOM DESIGN	0	12739	BUS PATCHES/OPS	489.69	
22264	06/29/07	353.74	002504	TIFCO INDUSTRIES		12613	PARTS & SUPPLY	41.93	
						12614	PARTS & SUPPLY	311.81	
22265	06/29/07	350.00	002624	DIGITAL RECORDERS		12714	REV VEH PARTS	350.00	
22266	06/29/07	82,445.54	002829	VALLEY POWER SYSTEMS, INC.		12607	REV VEH PARTS	314.23	
						12694	ENGINE KIT	30,689.69	
						12695	ENGINE KIT	28,360.27	
						12696	ENGINE KIT	2,329.42	
						12810	FRT CHGS	329.84	
						13078	ENGINE KIT	2,250.65	
						13079	CREDIT MEMO	-2,329.42	
						13080	FRT CHRGS	299.86	
						13081	ENGINE KIT	20,201.00	
22267	06/29/07	58.00	002847	STATE OF CA-EDD		12945	PARADISE LEVY	58.00	
22268	06/29/07	385,785.00	002887	WEST BAY BUILDERS, INC.		13072	CONST SVC MB TO 5/31	385,785.00	
22269	06/29/07	28,384.69	002891	NCLN20, INC.		13083	MAY SECURITY	28,384.69	
22270	06/29/07	154.75	007	UNITED PARCEL SERVICE		12728	FRT OUT-FLT	62.06	
						12901	FRT OUT/FLT	30.22	
						12964	FRT OUT/FLT	62.47	
22271	06/29/07	1,103.11	009	PACIFIC GAS & ELECTRIC		13007	5/16-6/14 RESEARCH	1,103.11	
22272	06/29/07	320.91	020	ADT SECURITY SERVICES INC.		12885	JULY ALARMS	61.10	
						12886	JULY ALARMS	75.26	
						12887	JULY ALARMS	55.61	
						12888	JULY ALARMS	44.23	
						12889	JULY ALARMS	40.48	
						12890	JULY ALARMS	44.23	
22273	06/29/07	1,146.56	041	MISSION UNIFORM		12706	UNIF/LAUNDRY-FAC	18.32	
						12750	UNIF/LAUNDRY/PT	49.65	
						12789	UNIF/LAUNDRY/FLT	157.16	
						12790	UNIF/LAUNDRY/FLT	17.32	
						12791	UNIF/LAUNDRY/FLT	72.43	
						12792	UNIF/LAUNDRY/FLT	49.42	
						12793	UNIF/LAUNDRY/FLT	318.46	
						12972	UNIF/LAUNDRY-PT	48.12	
						13055	UNIF/LAUNDRY-FLT	415.68	
22274	06/29/07	516.92	043	PALACE ART & OFFICE SUPPLY		12801	CREDIT MEMO	-5.96	
						12808	OFFICE SUPPLIES/FLT	59.66	
						12809	OFFICE SUPPLIES	527.51	
						12924	OFFICE SUPPLIES/FIN	51.56	
						12925	CREDIT MEMO	-115.85	
22275	06/29/07	130.16	074	KENVILLE LOCKSMITHS	7	12715	REPAIRS/MAINTENANCE	130.16	
22276	06/29/07	94.39	075	COAST PAPER & SUPPLY INC.		12599	PARTS & SUPPLIES	94.39	
22277	06/29/07	4,673.78	085	DIXON & SON TIRE, INC.		12601	TIRES & TUBES/FLT	72.00	
						12748	TIRES & TUBES/PT	1,071.93	
						12769	TIRES & TUBES-FLT	1,003.50	
						12770	TIRES & TUBES-FLT	408.62	

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

DATE: 06/01/07 THRU 06/30/07

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	TRANS. TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
						12771	TIRES & TUBES-FLT	33.00	
						12772	TIRES & TUBES-FLT	1,576.73	
						12773	TIRES & TUBES-FLT	508.00	
22278	06/29/07	65.20	107A	LUMBERMENS		12631	PARTS & SUPPLIES	48.34	
						12727	REPAIRS/MAINTENANCE	16.86	
22279	06/29/07	2,371.16	117	GILLIG CORPORATION		12776	REV VEH PARTS	2,371.16	
22280	06/29/07	150.47	135	SANTA CRUZ AUTO PARTS, INC.		12629	REV VEH PARTS	6.89	
						12630	REV VEH PARTS	85.93	
						12749	REV VEH PARTS	57.65	
22281	06/29/07	190.31	147	ZEE MEDICAL SERVICE CO.		12635	SAFETY SUPPLY	43.73	
						13061	SAFETY SUPPLIES	146.58	
22282	06/29/07	1,486.28	148	ZEP MANUFACTURING COMPANY		12900	CLEANING SUPPLIES	1,486.28	
22283	06/29/07	238.45	166	HOSE SHOP, THE		12711	REV VEH PARTS	162.77	
						12863	REV VEH PARTS	13.07	
						12864	PARTS & SUPPLIES	30.38	
						12865	PARTS & SUPPLIES	32.23	
22284	06/29/07	270.17	170	TOWNSEND'S AUTO PARTS		12976	REV VEH PARTS/SUPPLY	270.17	
22285	06/29/07	83.71	172	CENTRAL WELDER'S SUPPLY, INC.		12783	SAFETY SUPPLIES	83.71	
22286	06/29/07	93.02	192	ALWAYS UNDER PRESSURE		12759	REPAIRS/MAINTENANCE	93.02	
22287	06/29/07	146.66	215	IKON OFFICE SOLUTIONS		13071	5/19-6/19 MAINT/ADM	146.66	
22288	06/29/07	26.85	260	SANTA CRUZ GLASS CO., INC.		12698	OUT RPR BLDGS	26.85	
22289	06/29/07	3,499.09	282	GRAINGER		12692	SAFETY SUPPLIES	67.31	
						13046	SUPPLIES/PARTS-FLT	3,431.78	
22290	06/29/07	347.30	288	MUNCIE TRANSIT SUPPLY		12774	REV VEH PARTS	347.30	
22291	06/29/07	263.69	372	FEDERAL EXPRESS		13013	MAY/JUNE MAIL/ADM	247.59	
						13049	MAY MAIL/METRO	16.10	
22292	06/29/07	2,738.85	432	EXPRESS PERSONNEL SERVICES		13003	TEMP/FIN W/E 6/10	1,116.00	
						13014	TEMP/ADM W/E 4/29	1,622.85	
22293	06/29/07	60.80	434	VERIZON WIRELESS		13011	WIRELESS PC CARD	60.80	
22294	06/29/07	2,609.43	480	DIESEL MARINE ELECTRIC, INC.		12775	REV VEH PARTS	2,609.43	
22295	06/29/07	70.00	481	PIED PIPER EXTERMINATORS, INC.		13057	JUNE PEST CONTROL	70.00	
22296	06/29/07	46.04	510A	HASLER, INC.		12909	RENTAL/PT	46.04	
22297	06/29/07	86.26	511	LUMINATOR		12693	REV VEH PARTS	86.26	
22298	06/29/07	44.13	546	GRANITE ROCK COMPANY		12907	REPAIRS/MAINTENANCE	44.13	
22299	06/29/07	95.59	570	SCMTD PETTY CASH - CUST SVC		13077	PETTY CASH/CUST SVC	95.59	
22300	06/29/07	267.68	579	LAB SAFETY SUPPLY, INC.		12817	SAFETY SUPPLIES	267.68	
22301	06/29/07	978.70	647	GFI GENFARE		12815	REV VEH PARTS	978.70	
22302	06/29/07	105.52	760	SCMTD PETTY CASH - PARACRUZ		13076	PETTY CASH/PT	105.52	
22303	06/29/07	650.00	764	MERCURY METALS		12756	RAMP REPAIR	650.00	
22304	06/29/07	416.00	852	LAW OFFICES OF MARIE F. SANG	7	12740	WORKERS COMP CLAIM	208.00	
						12932	WORKERS COMP CLAIM	208.00	
22305	06/29/07	876.00	878	KELLY SERVICES, INC.		13070	TEMP/ADM W/E 6/17	876.00	
22306	06/29/07	967.50	900	STATE OF CALIFORNIA-DEPT OF		12986	EPA MANIFEST FEE	7.50	
						12987	EPA MANIFEST FEE	7.50	
						12988	EPA MANIFEST FEE	30.00	
						12989	EPA MANIFEST FEE	22.50	
						12990	EPA MANIFEST FEE	900.00	
22307	06/29/07	322,181.98	948	ARNTZ BUILDERS, INC.		13074	CONST SVC MB TO 5/31	322,181.98	
22308	06/29/07	35,798.00	948A	WESTAMERICA BANK TRUST DEPT		13075	MAY RETAINAGE/MB	35,798.00	
22309	06/29/07	42,865.00	970	THE MECHANICS BANK		13073	MAY RETAINAGE/MB	42,865.00	

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

DATE: 06/01/07 THRU 06/30/07

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
22310	06/29/07	20,852.42	977	SANTA CRUZ TRANSPORTATION, LLC		12802	MAY 07 PT SVCS	20,852.42	
22311	06/29/07	991.03	R485	CSAA-IIB		13004	SETTLEMENT/RISK	991.03	
22312	06/29/07	99.00	T146	PERRY, DOROTHY		12985	33 PRE-PAID COUPONS	99.00	
TOTAL		2,654,456.38		COAST COMMERCIAL BANK			TOTAL CHECKS	363	2,654,456.38

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

STAFF REPORT

DATE: July 27, 2007
TO: Board of Directors
FROM: Margaret Gallagher, District Counsel
SUBJECT: **ACCEPT AND FILE THE PARACRUZ SERVICES ELIGIBILITY AND APPEALS PROCESS REGULATION**

I. RECOMMENDED ACTION

Accept and File METRO's ParaCruz Services Eligibility and Appeals Process Regulation as shown in Attachment A

II. SUMMARY OF ISSUES

- On June 22, 2007 the METRO Board of Directors modified the ParaCruz Services Eligibility and Appeals Process Regulation.
- Attachment A is METRO's ParaCruz Services Eligibility and Appeals Process Regulation as modified.

III. DISCUSSION

After an extensive public review process which included review by METRO's Advisory Committee, the Elderly and Disable Transportation Advisory Committee and the Board of Directors at numerous public meetings and a noticed public hearing, the METRO Board of Directors approved the modifications incorporated into the ParaCruz Service Eligibility and Appeals Process Regulation. Attachment A is the finalized copy of the Regulation.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

Attachment A: METRO's ParaCruz Services Eligibility and Appeals Process Regulation

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Attachment **A**

Regulation Number: AR-1024

Computer Title: ParaCruz appeal process

Effective Date: July 26, 2002

Pages: 11

TITLE: METRO PARACRUZ SERVICE ELIGIBILITY AND APPEALS PROCESS

Procedure History

DATE	SUMMARY OF REVISION	APPROVED
7/26/02	New—METRO ParaCruz Eligibility and Appeals Process	S.A.
9/26/03	Immediate need policy changes and procedural revisions	E.R.
3/28/06	Assign new Regulation Number – no change to content	L.W.
6/22/07	Added amendment process for Paratransit Plan; Conformed regulation to current practices; Substituted MAC for MASTF as appointed authority to appeals panel, and other changes	

I. POLICY

- 1.01 It is the policy of Santa Cruz METRO that because it operates a fixed route system, it shall provide a paratransit service that is comparable and complementary to the fixed route service to eligible riders. Santa Cruz METRO's paratransit service shall be known as METRO ParaCruz.
- 1.02 METRO ParaCruz eligibility and appeals process shall be in accordance with the Americans with Disabilities Act (ADA) and its implementing federal regulations and shall insure that all eligible riders enjoy full access to either Santa Cruz METRO's fixed route service or to the METRO ParaCruz Service as appropriate. The eligibility and the appeals process for METRO ParaCruz shall be fair, effective, accurate, respectful and non-threatening.
- 1.03 Santa Cruz METRO recognizes that the ADA establishes a civil right to paratransit services for individuals who cannot otherwise utilize the fixed route system whether because of their disability or because of the inaccessibility of the

METRO ParaCruz Service Eligibility and Appeals Process

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fixed route system. Therefore, a determination of ineligibility for such service is a serious matter.

II. APPLICABILITY

- 2.01 This procedure is applicable to all individuals applying for METRO ParaCruz, filing an appeal regarding METRO ParaCruz eligibility and those who are current eligible riders of METRO ParaCruz.
- 2.02 This Regulation serves in conjunction with METRO's ParaCruz Customer Guide as METRO's Official Paratransit Plan. METRO's Official Paratransit Plan shall be available upon request and shall be posted on METRO's website.

III. PROCESS FOR AMENDMENT TO METRO'S OFFICIAL PARATRANSIT PLAN

- 3.01 When in the opinion of the General Manager, a modification or change to METRO's Official Paratransit Plan is required and/or necessary, public input regarding the proposed amendment will be obtained before the matter will be presented to the METRO Board of Directors for action.
- 3.02 METRO staff will review the proposed modifications with METRO's Advisory Committee (MAC) and shall provide the Board of Directors with its comments and recommendations.
- 3.03 METRO staff will also review the proposed change(s) and obtain input from the designated ParaCruz stakeholders. The review of the proposed change(s) and request for input may be made in person or through written correspondence. These stakeholders are designated as follows:
 - a. Elderly and Disabled Transportation Advisory Committee; and
 - b. Such other community based organizations as designated by the METRO Board of Directors.
- 3.04 METRO will also schedule, at a minimum, at least one public hearing in which METRO staff review the proposed change(s) with the public and obtain their input. METRO shall provide adequate notice of the hearing to the public, by advertisement in a newspaper of general circulation and posting of such notification on METRO's website.
- 3.05 Input received from the public through the outreach process identified above will be presented to the METRO Board of Directors together with METRO staff recommendations.

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METRO ParaCruz Service Eligibility and Appeals Process

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IV. ELIGIBILITY CRITERIA

- 4.01 The Manager of Operations or his/her designee shall determine whether an individual applying for METRO ParaCruz can use the fixed route service depending on his/her own circumstances.
- 4.02 The eligibility process shall ensure that only persons who meet the federal regulatory criteria, strictly applied, shall be certified as METRO ParaCruz eligible.
- 4.03 When a person applies for the METRO ParaCruz, the Manager of Operations or his/her designee shall provide all the needed forms and/or instructions. These forms and instructions may include a declaration of whether the individual travels with a personal care attendant (PCA).
- 4.04 All documents concerning eligibility will be made available in one or more accessible formats, on request. Accessible formats include computer disks, Braille documents, compact disk (CD), and large print format. These documents will also be made available in Spanish upon request. A document does not necessarily need to be made available in the format a requester prefers, but it does have to be made available in a format the person can use.
- 4.05 Should an applicant have an immediate need for METRO ParaCruz services before he/she has the time to submit to an eligibility determination, the Manager of Operations or his/her designee may certify the applicant on an immediate needs basis.
- a. This immediate needs certification shall be provided in only a limited number of cases.
 - b. Immediate need certification, at a maximum, shall be valid for a period of time not to exceed 14 calendar days from the initial immediate need determination.
 - c. This immediate needs certification is at the sole discretion of the Manager of Operations or his/her designee and cannot be appealed.
 - d. The Manager of Operations or his/her designee may require documentation in support of the immediate needs assessment.
 - e. This certification will be valid until an eligibility determination has been made, preferably within seven days.
 - f. Certification for an immediate need will not be evidence of eligibility for the METRO ParaCruz service.
- 4.06 An individual shall be certified to be eligible for METRO ParaCruz under any of the following circumstances:

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- a. Individuals with a disability who can use an accessible vehicle, but for whom any desired trip cannot be made because the fixed route service they need to use is not yet accessible. This concept is route based, not system based.
 - b. An individual with a disability who is unable as the result of a physical or mental impairment and without the assistance of another individual (except the operator of a wheelchair lift or other boarding assistance device) to board, ride, or disembark from any vehicle on the system which is readily accessible to and useable by individuals with disabilities. This includes those who cannot “navigate” the system.
 - c. Individuals who have impairment-related conditions that prevent them from getting to or from a boarding or disembarking location. This is intended to be a very narrow exception to the general rule that difficulty in traveling to or from boarding or disembarking location is not a basis for eligibility.
- 4.07 A disability for purposes of METRO ParaCruz eligibility may be either permanent or temporary.
- 4.08 An individual may be eligible for METRO ParaCruz whose disability is intermittent.
- 4.09 METRO ParaCruz eligibility is based on a functional, rather than a medical, model. Persons are not qualified or disqualified on the basis of a specific diagnosis or disability.
- 4.10 The application of a person’s eligibility will be determined as a practical matter whether the individual can use fixed route service in his/her own circumstances. This is a transportation decision primarily, not a medical decision.
- 4.11 At the time eligibility for METRO ParaCruz is determined, it will also be decided whether the applicant needs the services of Personal Care Attendant (**PCA**) when traveling on METRO ParaCruz. In order for the PCA to ride free, the applicant must be registered with METRO ParaCruz as needing a PCA.
- 4.12 The term of eligibility for METRO ParaCruz shall be for a maximum of three-years. The initial eligibility determination shall include an analysis of whether it is more likely than not that the individual’s functional abilities to utilize the fixed route service will improve with time. The renewal process shall in most cases be limited to a simple process of a one-page form indicating no changes in functional ability or residential location that would impact the individual’s eligibility status. However, those individuals who were assessed at the time of the initial eligibility

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METRO ParaCruz Service Eligibility and Appeals Process

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determination that it is more likely than not that their functional abilities to utilize the fixed route will improve with time or whose residential location is now determined to be accessible by the fixed route service or who have changed mobility devices shall have their renewal determination conducted either through an in-person assessment or telephone interview at the discretion of the Manager of Operations or his/her designee. An in-person assessment may also be required for a renewal when documented, known facts and circumstances indicate that the eligible status of the rider has changed and is no longer eligible for the service when the source of such information is specifically identifiable and reliable. If an ineligibility determination or a more restrictive eligibility determination (unconditional to trip-by-trip) is made at the conclusion of the recertification process, the affected individual shall have the right to appeal such determinations pursuant to this policy. ParaCruz Service shall continue until the final decision is made by the Appeals Panel.

- 4.13 Should an individual allow their eligibility to expire and then desire to utilize METRO ParaCruz services, the application shall be treated as a new application for eligibility.

V. SERVICE FOR VISITORS

- 5.01 METRO ParaCruz shall be provided to visitors from out of the County of Santa Cruz on the same basis as such service is provided to local residents. A visitor can become eligible for METRO ParaCruz by presenting eligibility documentation from his/her "home" jurisdiction's paratransit system. If the individual has no such documentation, the Manager of Operations or his/her designee shall require proof of visitor status (individual's place of residence) and, if the individual's disability is not apparent proof of the disability. Once this documentation is presented and is satisfactory, METRO ParaCruz will be made available for a maximum of 21 days on the basis of the individual's statement that he/she is unable to use the fixed route transit system. After 21 days, PARACRUZ service will only be provided if the visitor applies for METRO PARACRUZ and is determined to be eligible for such service through the regular eligibility process.
- 5.02 Visitors shall be provided with METRO ParaCruz based on visitor eligibility for no more than 21 days within a floating 365-day period. After 21 days (consecutive or parceled out), the individual must apply for METRO ParaCruz eligibility as provided in these procedures.

VI. APPLICATION AND ELIGIBILITY PROCESS

- 6.01 To apply for METRO ParaCruz, an applicant shall contact the Manager of Operations or his/her designee and ask to schedule an appointment for an in-person assessment interview. Interviews normally will take about 30 minutes and

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METRO ParaCruz Service Eligibility and Appeals Process

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shall include a transit evaluation. No application or user fees shall be charged to an applicant. During the assessment, the applicant will be asked questions about eligibility, functional abilities, including the ability to utilize the fixed route and travel abilities in detail. The interview will also provide an opportunity for the applicant to ask questions about METRO ParaCruz. At the interview, the applicant may be asked to participate in further assessment, including a functional assessment.

- 6.02 Eligibility assessment interviews will be scheduled within 7 days of the initial contact.
- 6.03 Upon request the applicant will be provided with transportation to and from the interview at no cost.
- 6.04 The eligibility determination shall be in writing and shall be postmarked within seven (7) business days of the in-person assessment.
- 6.05 If for any reason a decision is not made within 21 calendar days, METRO ParaCruz will be provided, until a decision of ineligibility is rendered.
- 6.06 If found to be eligible, a letter of eligibility and an identification card will be provided to the applicant. For those individuals granted eligibility, the documentation of eligibility shall include at least the following information: the individual's name, the name of Santa Cruz METRO, the telephone number of Santa Cruz METRO's paratransit administrator, an expiration date for eligibility and any conditions or limitation on the individual's eligibility including whether the individual requires the use of a PCA.
- 6.07 If found to be ineligible, and therefore denied service, a letter of explanation of ineligibility together with all appeal rights and procedures shall be provided to the applicant. An applicant may also appeal the restricted eligibility of conditional or trip-by-trip. Additional information, that the applicant feels will assist the appeals panel in reconsidering the eligibility decision, should be submitted to the appeals panel for consideration. The reasons set forth for ineligibility or restriction must specifically relate the evidence in the matter to the eligibility criteria. This information will be available upon request in accessible formats including Braille, computer disc, CD, and large print format. It will also be available in Spanish upon request.

VII. APPEAL OF ELIGIBILITY DETERMINATION

- 7.01 Applicants who believe an eligibility determination for METRO ParaCruz was made in error or who disagrees with the original certification decision may appeal the eligibility determination/certification decision within 60 days of the denial of an applicant's application.

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METRO ParaCruz Service Eligibility and Appeals Process

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- 7.02 Applicants shall complete the attached Appeal Form or shall provide the following information to the Santa Cruz METRO, although the Appeal Form must be signed by the applicant before or at the hearing to confirm that the contents of the appeal are accurate:
- a. Applicants name, address and phone number;
 - b. Reason why the determination was incorrect;
 - c. Any information supporting the appeal.
- 7.03 An appeal hearing shall be scheduled within 30 days of receipt of the Appeal with a decision on the appeal provided to the applicant within 10 days of the Appeal Hearing. If an applicant wants to continue the appeal hearing, the hearing will be continued one time. If a decision on the appeal is not rendered within 30 days of the completion of the Appeal hearing, then the Applicant shall be provided with METRO ParaCruz service until a decision of ineligibility on the appeal is rendered.

VIII. COMPOSITION OF APPEALS PANEL

- 8.01 A three-member panel will hear each eligibility appeal for METRO ParaCruz. Each panel will include the General Manager or his/her designee, a METRO Advisory Committee (MAC) appointed representative, and an individual who works with persons with disabilities. The District Counsel will provide training on an annual basis. Training for appeals panel members will focus upon Federal ADA paratransit eligibility criteria and upon the procedures for conducting an appeals hearing. Each panel member will receive \$25.00 per appeal hearing except METRO employees.
- 8.02 The eligibility appeal panel members shall keep the information pertaining to an individual's appeal confidential including all medical information unless ordered by a court of competent jurisdiction to release the information. Santa Cruz METRO shall be permitted to utilize information provided during the eligibility and appeal process or generated as a result of the eligibility and appeal process to defend a determination rendered by the appeals panel.
- 8.03 This appeal panel may also be used for other METRO ParaCruz service issues including declaring a METRO ParaCruz rider ineligible for service, suspending a rider from METRO ParaCruz service and "NO Show" determinations.

IX. ROLE OF THE MANAGER OF OPERATIONS

- 9.01 The Manager of Operations or his/her designee will act as host at the appeal hearing and will provide administrative support for each appeal hearing, but will not directly participate in the deliberations and determinations made by the panel.

METRO ParaCruz Service Eligibility and Appeals Process

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The Manager of Operations or his/her designee will be responsible for the following:

- a. Receiving appeals from applicants;
- b. Scheduling appeals hearings within thirty days of the initiation of the appeal;
- c. Notifying panel members and applicants of the date, time and place for scheduled appeal hearings;
- d. Arranging free transportation to and from the appeals hearings for all applicants who request it;
- e. Maintaining accurate records of appeals activities, including final determinations and statements of justification for each determination;
- f. Providing written notice for applicants of the appeal determination within ten (10) days of the appeal hearing; and
- g. Attending the Appeals Hearing (consistent with the requirements of Section 9.03), explaining METRO's eligibility determination and responding to questions of the Appeals Panel.

X. HEARING PROCEDURES

- 10.01 Each appeal panel member will receive a copy of the eligibility assessment records for each applicant making an appeal. Applicants will be welcome to submit written documentation of their choosing in support of the appeal. Applicants must attend the appeal hearing and answer questions posed by the appeal panel. Applicant will, however, have the right to be assisted by any person of their choosing at the appeal hearing.
- 10.02 To help assure that appeals hearing are non-threatening, one member of the appeals panel will be designated as chair for each appeal hearing. That panel member will be primarily responsible for asking questions and conducting the appeal hearings in a professional and friendly manner. Any panel member may ask questions or seek clarifications as needed, but, for the most part, the chair will be responsible for directly communicating with the applicant and/or advocate. When necessary the appeal panel may refer the applicant for a functional reassessment to determine eligibility.
- 10.03 The chair will welcome all participants for each appeal hearing. The following process will be followed:

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METRO ParaCruz Service Eligibility and Appeals Process

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- a. Following introductions, the chair will invite the Manager of Operations or his/her designee, who acts as host, to summarize the nature of the ADA paratransit eligibility criteria and the basis for the determination.
- b. The Manager of Operations or his/her designee shall present any oral or written evidence in support of the determination, however, all written evidence must be provided to the applicant at least ten (10) days in advance of the hearing.
- c. The applicant can request that the individual hosting the ParaCruz eligibility determination not remain in the hearing after the initial presentation. The Appeals Panel shall decide whether to grant the request after allowing the parties to address the request.
- d. The applicant and/or his/her advocate will then have an opportunity to state why he/she disagrees with the original determination.
- e. The remainder of the appeals evaluation will be conducted by asking a series of open-ended questions that focus on aspects of the functional ability of applicants to use accessible public transit services in Santa Cruz.

XI. APPEALS CHECKLIST

11.01 To help insure fairness and consistency, a checklist of issues will be reviewed by the members of the appeal panel at the commencement of the appeal hearing and those questions will be asked of the applicant and/or the advocate if applicable. The chair may phrase specific questions in any manner that seems appropriate or helpful given the apparent communication abilities of the applicant and the particular issues that arise.

11.02 The issues that will be addressed at each appeal hearing, if applicable, will include:

- a. Confirm information collected during the eligibility determination assessment:

Name
Address and Phone
Condition
Mobility Device

- b. Is the applicant able to independently walk or wheel to and from bus stops?
- c. Is the applicant able to board/deboard an accessible bus (using stairs, a ramp, or a lift)?

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METRO ParaCruz Service Eligibility and Appeals Process

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- d. Is the applicant able to ride the bus, whether as a standee, or only if seated, or only if seated and secured?
 - e. Is the applicant able to collect and understand transit route information?
 - f. Is the applicant able to count and handle money to pay bus fare including bills and coins?
 - g. Are there any special circumstances that sometimes would prevent the applicant from completing a desired bus trip?
- 11.03 The appeal hearing chairperson will invite the applicant and/or his/her advocate to make any additional statements regarding factors that may prevent the applicant from independently using accessible transit services.
- 11.04 Following all questions and statements the chairperson will thank the applicant and his/her advocate for their cooperation. Afterwards, the three-member panel will deliberate in private and seek to reach by consensus an appropriate determination. If consensus is not possible, then the determination will be based on a vote of at least two to one, to sustain the initial decision of denial, restricted conditional or restricted trip-by-trip eligibility. The determination of the appeals panel shall be final. The Chair shall prepare a written decision, which shall set forth the decision and the written and oral evidence that was considered by the panel including the reasons why the appeal was denied if that is the decision. A copy of the written decision shall be provided to the applicant.

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METRO ParaCruz Service Eligibility and Appeals Process
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ADA PARACRUZ SERVICE ELIGIBILITY APPEAL FORM

TO: Manager of Operations
1200 River Street
Santa Cruz, CA 95060

Santa Cruz METRO

Name of Applicant: _____

Address of Applicant: _____

Mailing Address (if different from above): _____

Telephone number: _____

E-mail address: _____

Reason Why the Determination was Incorrect: _____

Applicant's Signature or Parent's Signature if
Applicant is a Minor

Date

* ATTACH ANY SUPPORTING DOCUMENTATION THAT YOU WISH THE
APPEAL PANEL TO CONSIDER.

5-3.a11



Agenda
METRO Advisory Committee
6:00 pm
July 18, 2007
920 Pacific Avenue
Santa Cruz, California

1. Roll Call
2. Agenda Additions/Deletions
3. Oral/Written Communication
4. Consideration of Minutes of June 2007
5. Ridership Report for May 2007
6. ParaCruz Operations Status Report for March 2007
7. Discussion of Usage Rules for Park & Ride Facilities
8. Discussion of METRO Board of Directors Actions Regarding MAC Recommendations
9. Consideration of List of Unmet Transit Needs for Submission to SCCRTC
10. Consideration of Drawing Numbers to Establish Completion Years for MAC Member's Terms of Office
11. Consideration of Santa Cruz Metro's Comments to the Access Board's Proposed Draft Revisions to the ADA Accessibility Guidelines For Buses & Vans (36 Code Of Federal Regulations Part 1192)
12. Consideration of Implementation of METRO Smoking Policy
13. Communications to METRO General Manager
14. Communications to METRO Board of Directors
15. Items for Next Meeting Agenda
16. Adjournment

Next Meeting: Wednesday, August 15, 2007 @ 6:00 pm
Santa Cruz Metro Conference Room

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes - METRO Advisory Committee (MAC)

May 16, 2007

A Regular Meeting of the METRO Advisory Committee (MAC) met on Wednesday, May 16, 2007 at the METRO Center Conference Room, 920 Pacific Avenue, Santa Cruz, CA.

Vice Chair Paul Marcelin-Sampson called the meeting to order at 6:07 p.m.

1. ROLL CALL:

MEMBERS PRESENT

Dan Alper
Naomi Gunther
Paul Marcelin-Sampson, Vice Chair
Mara Murphy
Dennis Papadopulo
Dave Williams
Robert Yount, Chair

MEMBERS ABSENT

Stuart Rosenstein
Lesley Wright

STAFF PRESENT

Ciro Aguirre, Operations Manager
Mary Ferrick, Base Superintendent
Margaret Gallagher, District Counsel
Steve Paulson, Paratransit Administrator

VISITORS PRESENT

Donald Hagen, SCMTD BOD
Sandra Lipperd, UTU
Drew Salzborn, UCSC Student

2. AGENDA ADDITIONS/DELETIONS

Margaret Gallagher distributed a draft copy of the proposed changes to SCMTD's Regulation AR-3011 Anti-Smoking Policy, which is attached to the file copy of these minutes, for review by MAC and to be added to the June MAC Agenda for possible suggestions or comments.

3. ORAL/WRITTEN COMMUNICATION

Oral: Vice Chair Paul Marcelin-Sampson stated that he had been asked to Chair the MAC meeting by Chair Robert Yount.

Oral: Donald Hagen reported that he was intending to attend the May 21, 2007 meeting of the Senior Commission and speak on behalf of the SCMTD Board of Directors as well as MAC concerning Metro ParaCruz.

4. CONSIDERATION OF MINUTES OF APRIL 18, 2006

Chair Robert Yount made the following correction to ITEM 7 Discussion of MAC Attendance, first paragraph, should read, "Chair Robert Yount gave a brief history of his involvement with SCMTD and MAC..."¹

¹ This correction was made to the file copy of the minutes.

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**ACTION: MOTION: NAOMI GUNTHER SECOND: DENNIS PAPADOPULO
ACCEPT AND FILE MINUTES OF THE APRIL MEETING WITH THE REQUESTED
CHANGE.**

**Motion passed unanimously with Mara Murphy, Stuart Rosenstein, Dave Williams
and Lesley Wright being absent.**

5. RIDERSHIP REPORT FOR MARCH 2007

Chair Robert Yount inquired about the Route 34 schedule and the low amount of ridership. Sandra Lippert explained that the Route 34 serves south Felton and runs two times a day to deliver and pick-up students from the San Lorenzo Valley High School and Junior High.

Naomi Gunther asked for a definition of the UCSC Supplemental data from the report and whether that included "Pass-by" services. Mary Ferrick and Ciro Aguirre explained the report is showing supplemental service provided by the Route 20. Sandra Lippert explained the process the Bus Operators follow when a coach is at capacity and cannot pick up additional riders.

Dan Alper inquired as to whether an additional report showing the ridership for the same month of the previous year could be provided in the MAC packet for comparison purposes.

ACTION: MOTION: DAN ALPER SECOND: PAUL MARCELIN-SAMPSON

**REQUEST THAT A COMPARISON TABLE BE INCLUDED IN THE RIDERSHIP REPORT
FROM THE SAME MONTH OF THE PREVIOUS YEAR AND ALSO SHOW THE
PERCENTAGE CHANGE.**

**Motion passed unanimously with Mara Murphy, Stuart Rosenstein, Dave Williams
and Lesley Wright being absent.**

MARA MURPHY AND DAVE WILLIAMS ARRIVED AT THIS TIME

6. PARACRUZ OPERATIONS STATUS REPORT FOR JANUARY 2007

Steve Paulson gave a description of the report including additional data that had been requested by the Board of Directors and MAC. Mr. Paulson briefly described what the different tables represented and stated that overall ParaCruz is performing the same rate of service but with less equipment and personnel, which adds to the efficiency of the program.

Dennis Papadopulo asked how long a new operator is given to learn the service area. Steve Paulson reported that the new operators receive approximately 40 hours of behind the wheel training before they are inserted into the program.

Vice Chair Paul Marcelin-Sampson asked if the shortening of the ride reservation time period in the ParaCruz guidelines has shown any significant change in service. Steve

Paulson reported that the change had only gone into effect in March 2007 but the number of cancellations has already decreased.

Vice Chair Paul Marcelin-Sampson inquired as to when the MediCal contract with Lift Line will be terminated and what affect that may have on ParaCruz ridership. Steve Paulson stated that the MediCal contract was terminated on March 15, 2007 and that ParaCruz has experienced a 30% increase in eligibility requests but that he could not fully contribute the increase to the MediCal contract termination alone.

7. CONSIDERATION OF PROPOSED MODIFICATIONS OF METRO PARACRUZ SERVICE ELIGIBILITY APPEALS PROCESS REGULATION

Margaret Gallagher reported that SCMTD Staff is proposing modifications to the METRO's ParaCruz Eligibility and Appeals Process Regulation and that the Staff Report, the ParaCruz Service Eligibility and Appeals Process showing the proposed changes, and 2 letters regarding this issue are included in the MAC packet. Ms. Gallagher stated that many of the modifications are insignificant changes including changing Metro to METRO and typographical errors. Ms. Gallagher stated that one of the more significant changes proposed was the addition of an amendment process for the Paratransit Plan and the substitution of MAC for MASTF as an appointing authority to the appeals panel as well as some other changes.

Ms. Gallagher explained the purposes and advantages of the changes and how it would affect METRO ParaCruz and it's ridership. Ms. Gallagher detailed the proposed appeal process of presenting the proposed changes to local organizations including a public hearing and then combining the recommendations and presenting them to the SCMTD Board of Directors.

Chair Robert Yount suggested that MAC make suggestions for the Board at tonight's meeting on the renewal policy. Ms. Gallagher explained the current renewal policy and the proposed changes. Chair Robert Yount suggested revising the last line of proposed section 8.03 to say "...suspending rider's METRO Para Cruz service..."

MARA MURPHY LEFT AT THIS TIME

Vice Chair Paul Marcelin-Sampson referred to the Staff Report's Attachment C pages 8.c2 and 8.c4 and stated that in his opinion a re-certification process would not add to the cost or staff time and could possibly save Metro money.

ACTION: MOTION: ROBERT YOUNT SECOND: DAN ALPER

MAC RECOMMENDS TO THE BOARD OF DIRECTORS THAT IN-PERSON ASSESSMENTS SHOULD BE REQUIRED AT THE TIME OF THE INITIAL ELIGIBILITY DETERMINATION IS MADE AND AT THE TIME OF THE FIRST RE-ASSESSMENT. THEREAFTER, MAC RECOMMENDS THAT THE RIDER BE ALLOWED TO SELF-CERTIFY VIA A PAPER PROCESS AT EACH SUBSEQUENT RE-CERTIFICATION. MAC ALSO RECOMMENDS THAT THE FOLLOWING LANGUAGE BE

INCORPORATED INTO THE REGULATION: “NOTWITHSTANDING THE FOREGOING, AN IN-PERSON ASSESSMENT SHALL BE REQUIRED FOR RENEWAL WHEN DOCUMENTED, KNOWN FACTS AND CIRCUMSTANCES INDICATE THAT THE RIDER IS NO LONGER ELIGIBLE FOR THE SERVICE WHEN THE SOURCE OF SUCH INFORMATION IS SPECIFICALLY IDENTIFIABLE AND RELIABLE.”

Motion passed unanimously with Mara Murphy, Stuart Rosenstein, and Lesley Wright being absent.

ACTION: MOTION: ROBERT YOUNT SECOND: DAN ALPER

MAC RECOMMENDS THE BOARD OF DIRECTORS APPROVE LESLEY WRIGHT AS MAC’S NOMINEE FOR THE METRO PARACRUZ SERVICE AND APPEALS PANEL AND THAT THE BOARD AMEND THE MAC BYLAWS TO ALLOW MAC TO VOTE FOR THE PANEL REPRESENTATIVE DURING THE YEARLY OFFICER VOTING PROCEDURE.

Motion passed unanimously with Mara Murphy, Stuart Rosenstein, and Lesley Wright being absent.

8. DISCUSSION OF USAGE RULES FOR PARK & RIDE FACILITIES

Deferred to June 20, 2007 MAC Meeting

9. DISCUSSION OF METRO BOARD OF DIRECTORS ACTIONS REGARDING MAC RECOMMENDATIONS

Deferred to June 20, 2007 MAC Meeting

10. COMMUNICATIONS TO METRO GENERAL MANAGER

None.

11. COMMUNICATIONS TO METRO BOARD OF DIRECTORS

None.

12. ITEMS FOR NEXT MEETING AGENDA

- Ridership Report
- ParaCruz Operations Status Report
- Discussion of Usage Rules for Park & Ride Facilities
- Discussion of METRO Board of Directors Actions Regarding MAC Recommendations
- METRO Smoking Policy

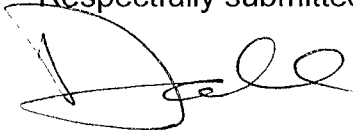
ACTION: MOTION: ROBERT YOUNT SECOND: PAUL MARCELIN-SAMPSON

ADJOURN MAC MEETING AT 7:45 P. M.

Motion passed unanimously with Mara Murphy, Stuart Rosenstein, and Lesley Wright being absent.

ADJOURN

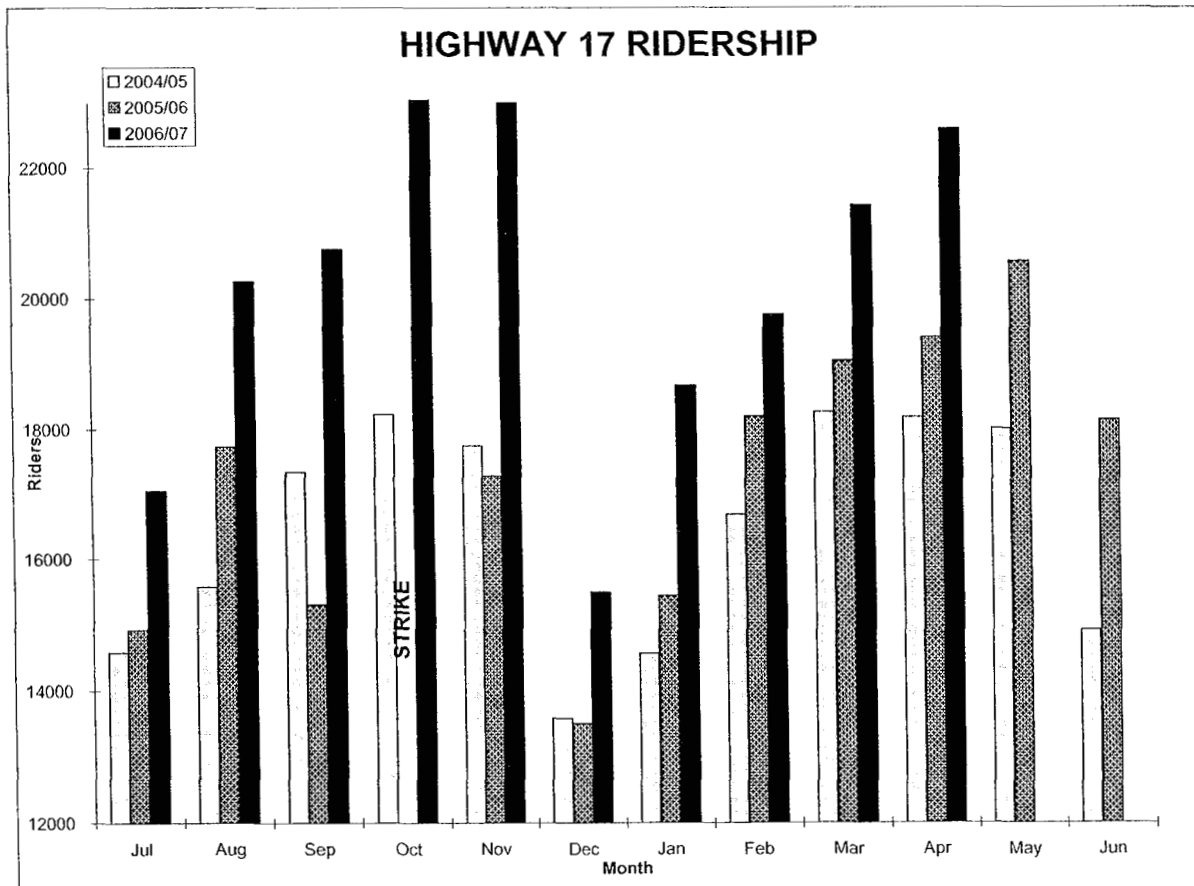
Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dale Hamilton", written over a horizontal line.

DALE HAMILTON
Administrative Assistant

HIGHWAY 17 - APRIL 2007

	APRIL			YTD		
	This Year	Last Year	%	This Year	Last Year	%
FINANCIAL						
Cost	\$ 133,564	\$ 124,061	7.7%	\$ 1,338,907	\$ 1,063,287	25.9%
Farebox	\$ 75,246	\$ 64,410	16.8%	\$ 681,246	\$ 490,738	38.8%
Operating Deficit	\$ 55,745	\$ 55,630	0.2%	\$ 589,982	\$ 493,059	19.7%
Santa Clara Subsidy	\$ 27,872	\$ 27,815	0.2%	\$ 294,991	\$ 246,530	19.7%
METRO Subsidy	\$ 27,872	\$ 27,815	0.2%	\$ 294,991	\$ 246,530	19.7%
San Jose State Subsid	\$ 2,574	\$ 2,246	14.6%	\$ 16,914	\$ 15,720	7.6%
AMTRAK Subsidy	\$ -	\$ 1,775	(100.0%)	\$ 50,765	\$ 63,769	(20.4%)
STATISTICS						
Passengers	22,592	19,407	16.4%	203,148	150,867	34.7%
Revenue Miles	40,666	39,594	2.7%	409,080	357,746	14.3%
Revenue Hours	1,525	1,485	2.7%	15,341	13,416	14.3%
Passengers/Day	753	647	16.4%	668	565	18.3%
Passengers/Weekday	896	796	12.6%	815	702	16.1%
Passengers/Weekend	419	349	20.0%	340	267	27.4%
PRODUCTIVITY						
Cost/Passenger	\$ 5.91	\$ 6.39	(7.5%)	\$ 6.59	\$ 7.05	(6.5%)
Revenue/Passenger	\$ 3.33	\$ 3.32	0.4%	\$ 3.35	\$ 3.25	3.1%
Subsidy/Passenger	\$ 2.58	\$ 2.98	(13.4%)	\$ 2.99	\$ 3.37	(11.4%)
Passengers/Mile	0.56	0.49	13.3%	0.50	0.42	17.8%
Passengers/Hour	14.82	13.07	13.4%	13.24	11.24	17.8%
Recovery Ratio	56.3%	51.9%	8.5%	50.9%	46.2%	10.2%



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Steve Paulson, Paratransit Administrator
SUBJECT: METRO PARACRUZ OPERATIONS STATUS REPORT

I. RECOMMENDED ACTION

This report is for information only- no action requested

II. SUMMARY OF ISSUES

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

III. DISCUSSION

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

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

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

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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”.

	April 2006	April 2007
Total pick ups	7019	7077
Percent in “ready window”	90.97%	92.24%
1 to 5 minutes late	3.36%	2.97%
6 to 10 minutes late	2.05%	2.32%
11 to 15 minutes late	1.37%	1.17%
16 to 20 minutes late	.93%	.90%
21 to 25 minutes late	.51%	.51%
26 to 30 minutes late	.28%	.28%
31 to 35 minutes late	.16%	.20%
36 to 40 minutes late	.19%	.00%
41 or more minutes late (excessively late/missed trips)	.16%	.085%
Total beyond “ready window”	9.03%	7.76%

During the month of April, thirteen (13) service complaints. Two (2) of the complaints were found to be “not valid”. One (1) of the valid service complaints was related to an early pick-up, one (1) related to a missed trip, and eleven (11) related to driver conduct.

5-6.2

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

	April 06	April 07	Fiscal 06 YTD	Fiscal 07 YTD
Requested	8331	8071	81578	78895
Performed	7019	7077	70375	69254
Cancels	21.57%	20.65%	19.80%	19.20%
No Shows	3.55%	2.44%	3.58%	2.86%
Total miles	52181	47989	542568	478814
Av trip miles	5.42	5.07	5.65	5.07
Within ready window	90.97%	92.24%	91.08%	90.69%
Excessively late/missed trips	11	6	181	114
Call center volume	5959	6057	62822	58852
Call average seconds to answer	22	23	27	23
Hold times less than 2 minutes	97%	96%	93%	96%
Distinct riders	817	792	1791	1686
Most frequent rider	50	55	413	421
Shared rides	65.1%	63.2%	62.6%	65.5%
Passengers per rev hour	1.58	2.38	1.57	1.81
Rides by supplemental providers	6.31%	7.64%	7.82%	8.26%
SCT cost per ride	\$22.88	\$24.92	\$23.10	\$24.32
ParaCruz driver cost per ride (estimated)	\$24.81	\$26.90	\$24.64	\$26.05
Rides < 10 miles	79.27%	80.99%	79.55%	82.25%
Rides > 10	20.73%	19.01%	20.45%	17.75%

IV. FINANCIAL CONSIDERATIONS

NONE

V. ATTACHMENTS

NONE

5-6.3

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Mark J. Dorfman, Assistant General Manager
SUBJECT: UNIVERSITY OF CALIFORNIA – SANTA CRUZ SERVICE UPDATE

I. RECOMMENDED ACTION

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

II. SUMMARY OF ISSUES

- Student trips for May 2007 decreased by (1.7%) versus May 2006.
- Faculty/staff trips for May 2007 decreased by (3.3%) versus May 2006.
- Student trips *per school-term day* for May 2007 decreased by (2.3%) versus May 2006.
- Faculty/staff *per weekday* for May 2007 decreased by (3.2%) versus May 2006.
- Revenue received from UCSC for May 2007 was \$294,167 versus \$248,580 for May 2006, an increase of 18.3%.

III. DISCUSSION

UCSC Spring instruction began on April 3, 2007. A summary of the results for May 2007 is:

- Student billable trips for regular service in May 2007 were 229,221 versus 237,371 for May 2006, a decrease of (3.4%).
- Faculty / Staff billable trips for regular service in May 2007 were 18,180 versus 19,060 for May 2006, a decrease of (4.6%).
- Student billable trips for Route 20 Supplemental service in May 2007 were 10,796 versus 6,899 for May 2006, an increase of 56.5%.
- Faculty / Staff billable trips for Route 20 Supplemental service in May 2007 were 419 versus 173 for May 2006, an increase of 142.2%.
- Student billable trips for the Night Owl service in May 2007 were 4,758 versus 4,731 for May 2006, an increase of 0.6%

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- Faculty / Staff billable trips for Night Owl service in May 2007 were 55 versus 53 for May 2006, an increase of 3.8%.
- Average student billable trips *per school term day* for regular UC Service in May 2007 were 9,298.0 versus 9,723.0 for May 2006, a decrease of (4.4%).
- Average Faculty / Staff billable trips *per weekday* for regular UC service in May 2007 were 759.0 versus 795.4 for May 2006, a decrease of (4.6%).
- Average student billable trips *per school term day* for supplemental UC Service in May 2007 were 490.7 versus 313.6 for May 2006, an increase of 56.5%.
- Average Faculty / Staff billable trips *per weekday* for supplemental UC service in May 2007 were 19.0 versus 7.9 for May 2006, an increase of 142.2%.
- Average student billable trips *per school term day* for Night Owl UC Service in May 2007 were 118.1 versus 102.3 for May 2006, an increase of 15.5%.
- Average Faculty / Staff billable trips *per weekday* for Night Owl UC service in May 2007 were 1.3 versus 1.5 for May 2006, a decrease of (14.7%).

May	Student Ridership		Faculty/ Staff Ridership		Average Student Ridership Per School Term Day		Average Faculty/Staff Ridership Per Weekday	
	FY 2007	FY 2006	FY 2007	FY 2006	FY 2007	FY 2006	FY 2007	FY 2006
Regular Service	229,221	237,371	18,180	19,060	9,298.0	9,723.0	759.0	795.4
Supplemental	10,796	6,899	419	173	490.7	313.6	19.0	7.9
Night Owl	4,758	4,731	55	53	118.1	102.3	1.3	1.5
TOTAL	244,775	249,001	18,654	19,286	9,906.9	10,138.9	779.4	804.8
% Increase-(Decrease)	(1.7%)		(3.3%)		(2.3%)		(3.2%)	

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IV. FINANCIAL CONSIDERATIONS

NONE

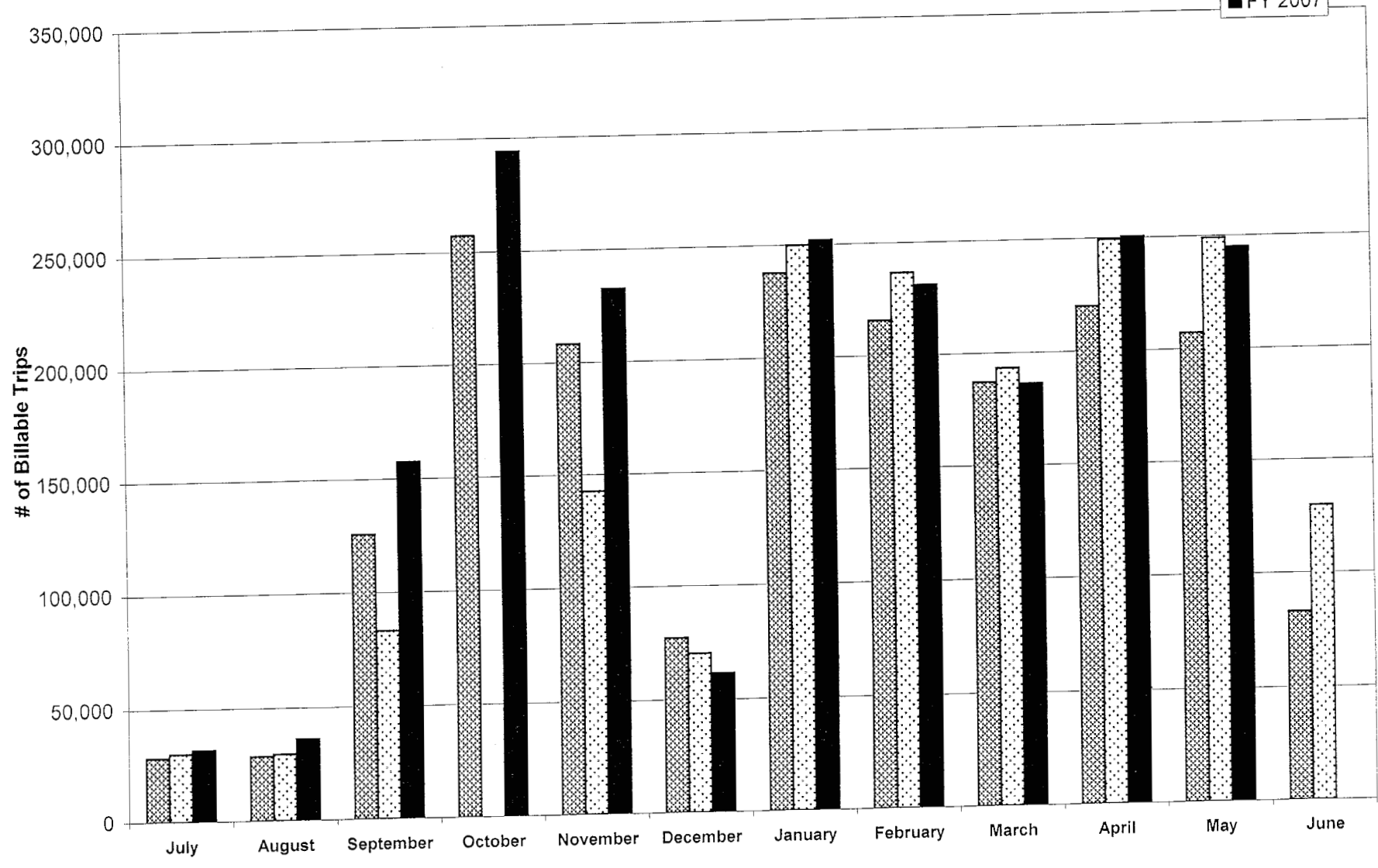
V. ATTACHMENTS

Attachment A: UC Student Billable Trips

Attachment B: UCSC Faculty / Staff Billable Trips

UCSC Student Billable Trips

FY 2005
FY 2006
FY 2007

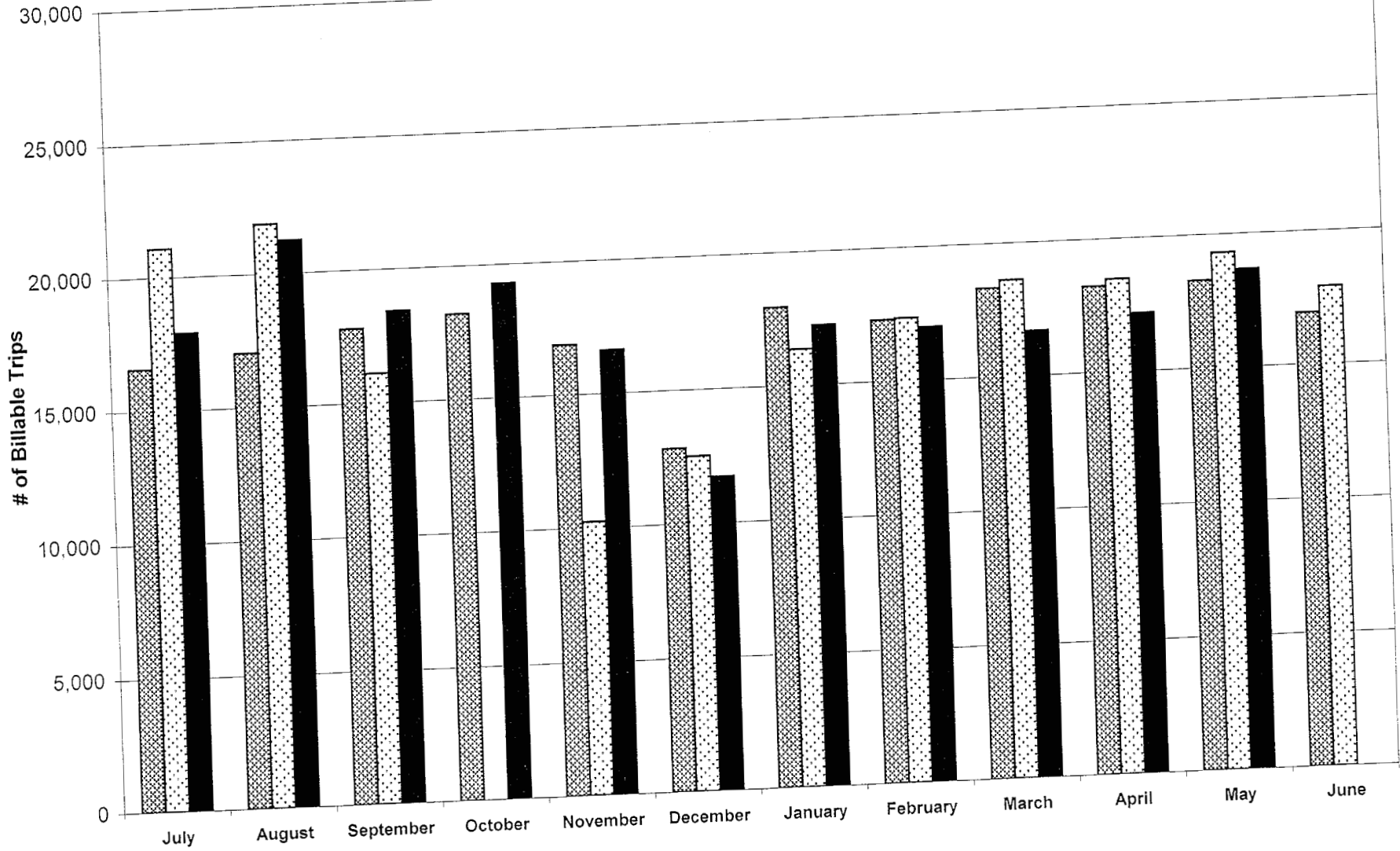


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Attachment A

UCSC Faculty Staff Billable Trips

FY 2005
FY 2006
FY 2007



5-7.61

Attachment B

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Frank L. Cheng, Project Manager
SUBJECT: CONSIDERATION OF METROBASE STATUS REPORT

I. RECOMMENDED ACTION

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

II. SUMMARY OF ISSUES

- Service Building work
 - Arntz Builders completed trash enclosure and street repaving on Highway 9 in front of site.
 - Arntz Builders continuing work for driveway in front of building, testing safety systems and other internal items inside the building.
 - AT&T is coordinating their work with Arntz Builders for transferring the telephone services to the new pole.
- Maintenance Building
 - West Bay Builders continuing site work on 120 Golf Club Drive property
 - Tilt-up panels are being constructed on site.
- Requested research on potential pedestrian overpass over Highway 9 in Phase II indicates a cost of approximately \$8 million in 2007 dollars. This option will be presented to the Board for consideration as a part of Phase II design process.

III. DISCUSSION

Service & Fueling Building work is continuing on 1122 River Street. Arntz Builders completed trash enclosure and street repaving of Highway 9 in front of work site. Current work consist completion of driveway in front of building, testing of safety systems in facility, and other internal items inside the building. AT&T is coordinating their work with Arntz Builders for telephone transfer to new pole.

West Bay Builders is continuing site work on 120 Golf Club Drive property. West Bay Builders is laying out the framework for the tilt-up panels, and continuing work with foundation work for building.

METRO staff contacted Caltrans in regards to a pedestrian overpass over Highway 9 in Phase II. The overpass can connect the Golf Club Facility and River Street Facility. Caltrans is eager to work with METRO in this pedestrian overpass project if funded and maintained by METRO. In comparison with other pedestrian overpass projects, the estimated cost is approximately \$8

5-8.1

million in 2007 dollars. This option will be presented to the Board for consideration as a part of the Phase II design process.

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.

New updates on the MetroBase Project:

- Arntz Builders completed trash enclosure and street repaving of Highway 9.
- AT&T is corresponding their work with Arntz Builders for telephone transfer to new pole.
- West Bay Builders continuing site work on 120 Golf Club Drive property.
- West Bay Builders has constructed lay down area for casting tilt-up walls.

Previous information regarding the MetroBase Project:

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

- On January 26, 2007, Board of Directors went on a tour of the MetroBase Project.
- Received Caltrans Encroachment Permit. Work continuing.
- Department of Fish&Game approved work on outfall construction completed.
- Concrete work for floor foundation area complete.
- Concrete work for LNG pad and containment area completed.
- Concrete Driven Piles completed end of May 2006.
- Arntz Builders trailer and containers installed adjacent to 1122 River Street
- Public Outreach Newsletter sent to areas possibly affected by construction.
- Notice to Proceed issue effective January 9, 2006 with 365 calendar day construction period.
- Weekly Construction Meetings

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.
- Invitation For Bid 06-01 available at Watsonville BluePrint. Pre-Bid Conference scheduled for September 6, 2006 at 110 Vernon Street, Suite B, Santa Cruz, CA. IFB 06-01 Bid due on October 17, 2006 at 2:00 pm.
- Construction schedule set to 32 months

5-8.2

- 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 A: None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: MONTHLY BUDGET STATUS REPORT FOR APRIL 2007

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors approve the budget status report for April 2007.

II. SUMMARY OF ISSUES

- **Operating Revenues** for Apr 07 YTD were \$30,047K or \$726K (2%) over the amount of revenue expected.
- **Operating Expenses** for Apr 07 YTD were \$26,933K or 74% of the budget.
- **Capital Improvement Program Expenses** for Apr 07 YTD were \$8,745K or 19% 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 report represents the status of the District's FY 07 annual budget as of April 30, 2007.

The fiscal year has elapsed **83%**.

A. Operating Revenue

Revenues are \$726K over the amount of revenue projected for the period due to Passenger Revenue, Advertising and Interest Income. Detailed revenue variances are explained in the notes following the report.

B. Departmental Operating Expense

Total Departmental Operating Expense is running at 74% for the year; 9% below where we are in the fiscal year (83%).

C. Consolidated Operating Expense

Operating expenses for the year to date total \$26,933K or 74% of the budget. Variances are explained in the notes following the report.

5-9.1

D. Capital Improvement Program

A total of \$8,745K or 19% has been expended in the Capital Improvement Program YTD. Of this, \$7,361K or 84% has been spent on MetroBase.

IV. FINANCIAL CONSIDERATIONS

None.

V. ATTACHMENTS

Attachment A: Revenue, Expense and Capital Report for April 2007

Attachment B: FY07 Budget Transfers -- April 1-30, 2007

5-9.2

FY07
MONTHLY REVENUE AND EXPENSE REPORT
OPERATING REVENUE
April 2007

Attachment A

Operating Revenue	FY07 Monthly			FY06	FY07 YTD			\$ Var	% Var	Notes
	Budget	Actual	Variance	YTD Actual	Budget	Actual				
Passenger Fares	\$ 303,506	\$ 301,650	\$ (1,856)	\$ 2,361,586	\$ 2,765,100	\$ 2,796,566	\$ 31,466	1%		
Paratransit Fares	\$ 20,597	\$ 22,673	\$ 2,076	\$ 181,979	\$ 197,967	\$ 189,266	\$ (8,701)	-4%		
Special Transit Fares	\$ 248,156	\$ 301,263	\$ 53,107	\$ 1,583,454	\$ 2,057,745	\$ 2,217,289	\$ 159,544	8%		
Highway 17 Revenue	\$ 97,614	\$ 105,425	\$ 7,811	\$ 821,585	\$ 823,951	\$ 1,047,725	\$ 223,774	27%		
<i>Subtotal Passenger Rev</i>	\$ 669,873	\$ 731,010	\$ 61,137	\$ 4,948,604	\$ 5,844,763	\$ 6,250,846	\$ 406,083	7%	1	
Advertising Income	\$ 10,000	\$ 23,820	\$ 13,820	\$ 78,635	\$ 100,000	\$ 184,431	\$ 84,431	84%	2	
Commissions	\$ 500	\$ 548	\$ 48	\$ 4,386	\$ 5,000	\$ 4,881	\$ (119)	-2%		
Rent Income	\$ 11,391	\$ 12,061	\$ 670	\$ 113,271	\$ 113,908	\$ 117,732	\$ 3,824	3%		
Interest - General Fund	\$ 84,932	\$ 102,924	\$ 17,992	\$ 841,426	\$ 795,617	\$ 1,125,502	\$ 329,885	41%	3	
Non-Transportation Rev	\$ 29,708	\$ 4,506	\$ (25,202)	\$ 324,598	\$ 297,083	\$ 253,723	\$ (43,361)	-15%		
Sales Tax Income	\$ 1,539,294	\$ 1,014,400	\$ (524,894)	\$ 13,838,118	\$ 14,366,512	\$ 14,311,896	\$ (54,616)	0%		
TDA Funds	\$ -	\$ -	\$ -	\$ 4,258,265	\$ 4,624,376	\$ 4,624,376	\$ -	0%		
FTA Op Asst - Sec 5307	\$ -	\$ -	\$ -	\$ 3,021,556	\$ 3,004,546	\$ 3,004,546	\$ -	0%		
FTA Op Asst - Sec 5311	\$ -	\$ -	\$ -	\$ 65,475	\$ 168,582	\$ 168,582	\$ -	0%		
FY 05-06 Carryover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		
Transfer from Insurance Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		
Transfer - Proj Mgr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		
Total Operating Revenue	\$ 2,345,698	\$ 1,889,270	\$ (456,428)	\$ 27,494,333	\$ 29,320,386	\$ 30,046,515	\$ 726,128	2%		

NOTES:

1) **Passenger Revenue Income** (fare box and pass sales) is \$406K or 7% over the budgeted amount for the year. Passenger Fares are \$31K or 1% over budget. Paratransit fares are \$9K or 4% under the budgeted amount. Special Transit Fares (contracts) are \$160K or 8% over the budgeted amount. Highway 17 Express Revenue is \$224K or 27% over the year to date budgeted amount.

2) **Advertising Income** is \$84K or 84% over the budgeted amount for the fiscal year based on current advertising levels on the exterior of District buses.

3) **Interest Income** is \$330K or 41% over budget for the fiscal year due to higher interest rates than projected in the County investment pool.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
DEPARTMENTAL OPERATING EXPENSE
April 2007

Operating Expense	FY06	Final Budget	FY 07		Actual % to Budget	Notes
	YTD Actual		Revised Budget	YTD Actual		
PERSONNEL ACCOUNTS						
Administration	\$ 658,944	\$ 966,287	\$ 968,846	\$ 738,902	76%	
Finance	\$ 393,435	\$ 572,352	\$ 557,210	\$ 400,907	72%	
Customer Service	\$ 308,253	\$ 482,804	\$ 485,651	\$ 323,140	67%	
Human Resources	\$ 268,851	\$ 468,664	\$ 468,664	\$ 318,086	68%	
Information Technology	\$ 348,086	\$ 466,252	\$ 466,252	\$ 368,338	79%	
District Counsel	\$ 299,443	\$ 404,446	\$ 411,585	\$ 309,292	75%	
Risk Management	\$ -	\$ -	\$ -	\$ -	0%	
Facilities Maintenance	\$ 695,496	\$ 946,857	\$ 946,857	\$ 729,094	77%	
Paratransit Program	\$ 2,017,603	\$ 2,913,145	\$ 2,912,145	\$ 2,171,406	75%	
Operations	\$ 1,438,222	\$ 2,010,685	\$ 2,058,074	\$ 1,650,687	80%	
Bus Operators	\$ 8,998,570	\$ 13,634,430	\$ 13,694,127	\$ 10,179,567	74%	
Fleet Maintenance	\$ 2,863,909	\$ 3,928,485	\$ 3,928,484	\$ 2,890,123	74%	
COBRA Benefits	\$ -	\$ -	\$ -	\$ -	0%	
Retired Employees/COBRA	\$ 804,906	\$ 1,251,291	\$ 1,349,291	\$ 1,222,817	91%	1
SCCIC/COPS	\$ -	\$ -	\$ -	\$ -	0%	
Total Personnel	\$ 19,095,718	\$ 28,045,699	\$ 28,247,187	\$ 21,302,359	75%	
NON-PERSONNEL ACCOUNTS						
Administration	\$ 507,638	\$ 706,589	\$ 734,797	\$ 534,090	73%	
Finance	\$ 654,528	\$ 937,123	\$ 951,265	\$ 512,260	54%	
Customer Service	\$ 60,759	\$ 112,469	\$ 112,469	\$ 61,373	55%	
Human Resources	\$ 47,650	\$ 61,733	\$ 86,607	\$ 74,280	86%	2
Information Technology	\$ 133,394	\$ 138,140	\$ 212,790	\$ 115,266	54%	
District Counsel	\$ 27,303	\$ 17,943	\$ 17,943	\$ 15,594	87%	
Risk Management	\$ 174,269	\$ 245,027	\$ 245,027	\$ 91,370	37%	
Facilities Maintenance	\$ 218,998	\$ 378,572	\$ 378,572	\$ 318,515	84%	
Paratransit Program	\$ 410,520	\$ 732,898	\$ 735,048	\$ 506,297	69%	
Operations	\$ 466,582	\$ 619,922	\$ 678,412	\$ 464,116	68%	
Bus Operators	\$ 4,315	\$ 5,000	\$ 7,000	\$ 2,614	37%	
Fleet Maintenance	\$ 2,137,666	\$ 3,958,386	\$ 4,172,386	\$ 2,934,306	70%	
COBRA Benefits	\$ -	\$ -	\$ -	\$ -	0%	
Retired Employees/COBRA	\$ -	\$ -	\$ -	\$ -	0%	
SCCIC/COPS	\$ 250	\$ 500	\$ 500	\$ 280	56%	
Total Non-Personnel	\$ 4,843,876	\$ 7,914,301	\$ 8,332,815	\$ 5,630,360	68%	
Total Operating Expense	\$ 23,939,592	\$ 35,960,000	\$ 36,580,000	\$ 26,932,720	74%	

YTD Operating Revenue - \$ 30,046,515

YTD Operating Revenue vs. YTD Operating Expense - \$ 3,113,795

NOTES:

1) **Retired Employees/COBRA Personnel Accounts** are at 91% of the budget since the retroactive payment for restoration of the retirees medical premium supplemental program was made during September.

2) **Human Resources Non-Personnel Accounts** are at 86% of the budget due to arbitration and hiring costs.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
April 2007

	FY06			FY07	Actual % to Budget	Notes
	YTD Actual	Final Budget	Revised Budget	YTD Actual		
LABOR						
Operators Wages	\$ 5,234,597	\$ 8,548,386	\$ 8,626,083	\$ 6,046,857	70%	
Operators Overtime	\$ 1,268,783	\$ 1,359,914	\$ 1,359,914	\$ 1,055,103	78%	
Other Salaries & Wages	\$ 4,116,653	\$ 6,048,264	\$ 6,086,141	\$ 4,624,500	76%	
Other Overtime	\$ 205,347	\$ 246,200	\$ 248,700	\$ 231,767	93%	1
	\$ 10,825,380	\$ 16,202,764	\$ 16,320,838	\$ 11,958,226	73%	
FRINGE BENEFITS						
Medicare/Soc Sec	\$ 135,978	\$ 245,815	\$ 245,815	\$ 158,718	65%	
PERS Retirement	\$ 1,488,331	\$ 2,078,184	\$ 2,084,597	\$ 1,493,753	72%	
Medical Insurance	\$ 2,641,713	\$ 3,876,236	\$ 3,938,536	\$ 3,768,567	96%	2
Dental Plan	\$ 351,971	\$ 481,836	\$ 481,836	\$ 371,851	77%	
Vision Insurance	\$ 100,546	\$ 153,182	\$ 153,182	\$ 107,130	70%	
Life Insurance	\$ 32,616	\$ 46,691	\$ 46,691	\$ 38,855	83%	
State Disability Ins	\$ 144,005	\$ 349,704	\$ 349,704	\$ 126,637	36%	
Long Term Disability Ins	\$ 132,413	\$ 201,006	\$ 182,007	\$ 155,703	86%	
Unemployment Insurance	\$ 56,771	\$ 91,645	\$ 91,645	\$ 53,990	59%	
Workers Comp	\$ 700,326	\$ 1,396,681	\$ 1,396,681	\$ 750,554	54%	
Absence w/ Pay	\$ 2,426,666	\$ 2,832,656	\$ 2,832,656	\$ 2,216,489	78%	
Other Fringe Benefits	\$ 59,003	\$ 89,301	\$ 123,002	\$ 101,885	83%	
	\$ 8,270,338	\$ 11,842,935	\$ 11,926,352	\$ 9,344,132	78%	
SERVICES						
Acctng/Admin/Bank Fees	\$ 219,965	\$ 326,850	\$ 326,850	\$ 150,313	46%	
Prof/Legis/Legal Services	\$ 268,975	\$ 407,172	\$ 440,497	\$ 235,822	54%	
Temporary Help	\$ 57,583	\$ -	\$ 36,849	\$ 37,935	103%	
Custodial Services	\$ 51,055	\$ 71,300	\$ 71,300	\$ 53,912	76%	
Uniforms & Laundry	\$ 28,646	\$ 39,780	\$ 41,780	\$ 32,931	79%	
Security Services	\$ 351,756	\$ 431,000	\$ 482,240	\$ 335,739	70%	
Outside Repair - Bldgs/Eqmt	\$ 117,055	\$ 223,551	\$ 209,401	\$ 170,172	81%	
Outside Repair - Vehicles	\$ 109,103	\$ 336,051	\$ 336,051	\$ 241,771	72%	
Waste Disp/Ads/Other	\$ 47,262	\$ 81,575	\$ 68,200	\$ 72,748	107%	3
	\$ 1,251,399	\$ 1,917,279	\$ 2,013,168	\$ 1,331,342	66%	
CONTRACT TRANSPORTATION						
Contract Transportation	\$ -	\$ -	\$ -	\$ -	0%	
Paratransit Service	\$ 101,135	\$ 200,000	\$ 200,000	\$ 141,191	71%	
	\$ 101,135	\$ 200,000	\$ 200,000	\$ 141,191	71%	
MOBILE MATERIALS						
Fuels & Lubricants	\$ 1,315,948	\$ 2,745,595	\$ 2,745,595	\$ 1,752,460	64%	
Tires & Tubes	\$ 105,452	\$ 201,000	\$ 201,000	\$ 136,200	68%	
Other Mobile Supplies	\$ 8,662	\$ 7,500	\$ 7,500	\$ 7,135	95%	4
Revenue Vehicle Parts	\$ 373,977	\$ 365,000	\$ 579,000	\$ 523,509	90%	5
	\$ 1,804,040	\$ 3,319,095	\$ 3,533,095	\$ 2,419,304	68%	

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
April 2007

	FY06		FY07			
	YTD Actual	Final Budget	Revised Budget	YTD Actual	Actual % to Budget	Notes
OTHER MATERIALS						
Postage & Mailing/Freight	\$ 9,880	\$ 26,550	\$ 26,550	\$ 12,112	46%	
Printing	\$ 54,142	\$ 85,610	\$ 85,610	\$ 36,540	43%	
Office/Computer Supplies	\$ 60,210	\$ 65,400	\$ 76,100	\$ 51,996	68%	
Safety Supplies	\$ 7,756	\$ 16,375	\$ 15,575	\$ 11,150	72%	
Cleaning Supplies	\$ 30,130	\$ 47,650	\$ 47,650	\$ 32,025	67%	
Repair/Maint Supplies	\$ 20,614	\$ 40,000	\$ 40,000	\$ 42,669	107%	6
Parts, Non-Inventory	\$ 30,894	\$ 40,500	\$ 42,000	\$ 24,893	59%	
Small Tools	\$ 4,747	\$ 12,100	\$ 12,100	\$ 6,211	51%	
Promo/Photo Supplies	\$ 3,479	\$ 8,805	\$ 8,805	\$ 5,356	61%	
	\$ 221,851	\$ 342,990	\$ 354,390	\$ 222,951	63%	
UTILITIES	\$ 230,116	\$ 368,574	\$ 371,375	\$ 281,790	76%	
CASUALTY & LIABILITY						
Insurance - Prop/PL & PD	\$ 420,850	\$ 605,188	\$ 605,188	\$ 451,257	75%	
Settlement Costs	\$ 146,086	\$ 150,000	\$ 150,000	\$ 60,028	40%	
Repairs to Prop	\$ (26,764)	\$ -	\$ -	\$ (111,447)	0%	7
	\$ 540,171	\$ 755,188	\$ 755,188	\$ 399,838	53%	
TAXES	\$ 31,871	\$ 46,761	\$ 46,761	\$ 38,757	83%	
MISC EXPENSES						
Dues & Subscriptions	\$ 50,327	\$ 56,870	\$ 56,870	\$ 59,993	105%	8
Advertising - Revenue Prod.	\$ 5,356	\$ 15,000	\$ 15,000	\$ -	0%	
Employee Incentive Program	\$ 3,915	\$ 5,107	\$ 5,107	\$ 514	10%	
Training	\$ 3,529	\$ 9,600	\$ 96,374	\$ 23,078	24%	
Travel	\$ 13,329	\$ 27,170	\$ 31,170	\$ 18,721	60%	
Other Misc Expenses	\$ 9,296	\$ 18,533	\$ 20,183	\$ 597	0%	
	\$ 85,752	\$ 132,280	\$ 224,704	\$ 102,904	46%	
OTHER EXPENSES						
Leases & Rentals	\$ 577,539	\$ 832,134	\$ 834,135	\$ 692,288	83%	
	\$ 577,539	\$ 832,134	\$ 834,135	\$ 692,288	83%	
Total Operating Expense	\$ 23,939,592	\$ 35,960,000	\$ 36,580,000	\$ 26,932,720	74%	

NOTES:

1) **Other Overtime Expense** is at 93% of the budget due to Operations OT over budget. PSA (Professional Service Association) was short by two (2) Supervisor positions which had to be covered by OT. In addition, one (1) Schedule Analyst position was vacant and had to be covered by OT as well as expediting of new Operator training which took OT to cover all the aspects of running the Operations department.

2) **Medical Insurance Expense** is at 96% of the budget due to increased cost of premiums.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
April 2007

FY06	Final	Revised	FY07	Actual % to	
YTD Actual	Budget	Budget	YTD Actual	Budget	Notes

3) **Waste Disposal/Advertising/Other Services Expense** is at 107% of the budget due to classified ad costs for recruitments, and higher costs for hazardous waste disposal.

4) **Other Mobile Supplies** is at 95% of the budget due to required repairs to fans and upholstery in the buses.

5) **Revenue Vehicle Parts Expense** is at 90% of the budget due to expiration of warranties on newer buses.

6) **Repair/Maintenance Supplies Expense** is at 107% of the budget due to required repairs to facilities.

7) **Repairs To Property Expense** is a casualty and liability account to which repairs to District vehicles and property is charged when another party is liable for the damage. All collections made from other parties for property repair are applied to this account to offset the District's repair costs.

8) **Dues and Subscriptions Expense** is at 105% of the budget due to annual payment of APTA dues.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CAPITAL IMPROVEMENT PROGRAM
April 2007

	Final Budget	Monthly Actual	YTD Actual	Actual % to Budget	Notes
<u>CAPITAL PROJECTS</u>					
<u>Grant Funded Projects</u>					
MetroBase	\$ 29,622,709	\$ 61,962	\$ 7,361,187	25%	
CNG Bus Conversions	\$ 6,800,000	\$ -	\$ -	0%	
Revenue Vehicle Replacement	\$ 920,000	\$ 261	\$ 851,059	93%	
Short Range Transit Plan	\$ 100,000	\$ -	\$ -	0%	
Bike Rack Project	\$ 90,000	\$ 39,882	\$ 83,093	0%	
	\$ 37,532,709	\$ 102,104	\$ 8,295,338	22%	
<u>District Funded Projects</u>					
Purchase & Renovation of Vernon	\$ 7,100,000	\$ 100,000	\$ 102,600	1%	
Non-Revenue Vehicle Replacement	\$ 340,000	\$ 61,457	\$ 155,365	46%	
Bus Stop Imprvmnts/Bus Shelter Projects	\$ 310,000	\$ 2,734	\$ 14,674	5%	
Revenue Vehicle Replacement (3 ParaCruz Vans)	\$ 192,000	\$ -	\$ -	0%	
Rebuild Low Floor Buses (8)	\$ 152,000	\$ -	\$ -	0%	
Facilities Repairs & Improvements	\$ 113,500	\$ -	\$ 70,798	62%	
Rebuild Bus Engines (4)	\$ 72,000	\$ 20,564	\$ 55,996	78%	
Mobile Sweeper & Trailer	\$ 45,000	\$ -	\$ -	0%	
IT Projects	\$ 40,700	\$ -	\$ 31,112	76%	
Office Equipment	\$ 17,500	\$ -	\$ 17,195	98%	
Mt. Biewlaski Repeater	\$ 15,000	\$ -	\$ -	0%	
Diagnostic Reader/Fleet	\$ 3,000	\$ -	\$ -	0%	
Noise Meter	\$ 2,400	\$ 2,361	\$ 2,361	98%	
	\$ 8,403,100	\$ 187,116	\$ 450,101	5%	
TOTAL CAPITAL PROJECTS	\$ 45,935,809	\$ 289,220	\$ 8,745,439	19%	
<u>CAPITAL FUNDING</u>					
Federal Capital Grants	\$ 9,230,246	\$ -	\$ 5,396,831	58%	
State/Local Capital Grants	\$ 14,381,000	\$ 39,882	\$ 56,665	0%	
STA Funding	\$ 4,720,782	\$ 61,961	\$ 1,439,979	31%	
Bus Stop Improvement Reserves	\$ 310,000	\$ 261	\$ 5,919	2%	
District Reserves	\$ 17,293,781	\$ 187,116	\$ 1,846,045	11%	
TOTAL CAPITAL FUNDING	\$ 45,935,809	\$ 289,220	\$ 8,745,439	19%	

NOTES:

FY 07 BUDGET TRANSFERS
April 1-30, 2007

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
TRANSFER # 07-015			
TRANSFER FROM:	501021-1200	Other Salaries	\$ (41,280)
	503012-1200	Bank & Admin Fees	\$ (1,500)
			<u>\$ (42,780)</u>
TRANSFER TO:	503031-1200	Prof/Tech Fees	\$ 6,640
	503041-1200	Temp Help	\$ 34,640
	504311-1200	Office Supplies	\$ 1,500
			<u>\$ 42,780</u>

REASON: To cover Temp Help and Professional Services in Finance.

TRANSFER # 07-016			
TRANSFER FROM:	503012-1200	Admin & Bank Fees	\$ (13,000)
			<u>\$ (13,000)</u>
TRANSFER TO:	504311-1500	Office Supplies & Equipment	\$ 13,000
			<u>\$ 13,000</u>

REASON: To buy flat screen monitors for SCMTD staff in FY07.

TRANSFER # 07-017			
TRANSFER FROM:	503012-1200	Admin & Bank Fees	\$ (4,110)
			<u>\$ (4,110)</u>
TRANSFER TO:	503031-1700	Professional & Technical Fees	\$ 4,110
			<u>\$ 4,110</u>

REASON: To fund the WTS Consultation Service Contract.

TRANSFER # 07-018			
TRANSFER FROM:	503161-2200	Custodial Services	\$ (13,800)
			<u>\$ (13,800)</u>
TRANSFER TO:	503351-2200	Out Repair-Bldgs & Imp	\$ 7,500
	504311-2200	Office Supplies	\$ 300
	505021-2200	Water & Garbage	\$ 3,000
	512061-2200	Equipment Rental	\$ 3,000
			<u>\$ 13,800</u>

REASON: To cover account over-runs in Facilities.

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
TRANSFER # 07-019			
TRANSFER FROM:	503352-4100	Out Rpr Equipment	\$ (15,000)
			<u>\$ (15,000)</u>
TRANSFER TO:	512061-4100	Equipment Rental	\$ 15,000
			<u>\$ 15,000</u>

REASON: To cover account over-run in Fleet Maintenance.

TRANSFER # 07-020			
TRANSFER FROM:	501011-3300	Bus Operator Pay	\$ (350,000)
			<u>\$ (350,000)</u>
TRANSFER TO:	502031-3300	Medical Insurance	\$ 350,000
			<u>\$ 350,000</u>

REASON: To cover increased medical premiums for Bus Operators.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: MONTHLY BUDGET STATUS REPORT FOR MAY 2007

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors approve the budget status report for May 2007.

II. SUMMARY OF ISSUES

- **Operating Revenues** for May 07 YTD were \$32,481K or \$575K (2%) over the amount of revenue expected.
- **Operating Expenses** for May 07 YTD were \$29,865K or 82% of the budget.
- **Capital Improvement Program Expenses** for May 07 YTD were \$10,814K or 24% 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 report represents the status of the District's FY 07 annual budget as of May 31, 2007.

The fiscal year has elapsed **92%**.

A. Operating Revenue

Revenues are \$575K over the amount of revenue projected for the period due to Passenger Revenue, Advertising and Interest Income. Detailed revenue variances are explained in the notes following the report.

B. Departmental Operating Expense

Total Departmental Operating Expense is running at 82% for the year; 1% below where we are in the fiscal year (92%).

C. Consolidated Operating Expense

Operating expenses for the year to date total \$29,865K or 82% of the budget. Variances are explained in the notes following the report.

5-10.1

D. Capital Improvement Program

A total of \$10,814K or 24% has been expended in the Capital Improvement Program YTD. Of this, \$9,401K or 78% has been spent on MetroBase.

IV. FINANCIAL CONSIDERATIONS

None.

V. ATTACHMENTS

Attachment A: Revenue, Expense and Capital Report for May 2007

Attachment B: FY07 Budget Transfers – May 1-31, 2007

5-10.2

FY07
MONTHLY REVENUE AND EXPENSE REPORT
OPERATING REVENUE
May 2007

Attachment A

Operating Revenue	FY07 Monthly			FY06	FY07 YTD				Notes
	Budget	Actual	Variance	YTD Actual	Budget	Actual	\$ Var	% Var	
Passenger Fares	\$ 303,506	\$ 318,937	\$ 15,431	\$ 2,674,051	\$ 3,068,606	\$ 3,115,504	\$ 46,898	2%	
Paratransit Fares	\$ 20,597	\$ 19,397	\$ (1,200)	\$ 204,308	\$ 218,564	\$ 208,663	\$ (9,901)	-5%	
Special Transit Fares	\$ 248,156	\$ 314,973	\$ 66,817	\$ 1,873,767	\$ 2,305,901	\$ 2,532,261	\$ 226,360	10%	
Highway 17 Revenue	\$ 97,614	\$ 108,649	\$ 11,035	\$ 922,855	\$ 1,036,269	\$ 1,156,374	\$ 120,105	12%	
<i>Subtotal Passenger Rev</i>	\$ 669,873	\$ 761,956	\$ 92,083	\$ 5,674,981	\$ 6,629,340	\$ 7,012,802	\$ 383,462	6%	1
Advertising Income	\$ 10,000	\$ 15,695	\$ 5,695	\$ 87,135	\$ 110,000	\$ 200,126	\$ 90,126	82%	2
Commissions	\$ 500	\$ 407	\$ (93)	\$ 4,766	\$ 5,500	\$ 5,288	\$ (212)	-4%	
Rent Income	\$ 11,391	\$ 12,127	\$ 737	\$ 122,860	\$ 125,298	\$ 129,859	\$ 4,561	4%	
Interest - General Fund	\$ 84,932	\$ 102,455	\$ 17,523	\$ 941,306	\$ 880,549	\$ 1,227,957	\$ 347,408	39%	3
Non-Transportation Rev	\$ 29,708	\$ 63,977	\$ 34,269	\$ 325,350	\$ 326,792	\$ 317,700	\$ (9,091)	-3%	
Sales Tax Income	\$ 1,539,294	\$ 1,352,500	\$ (186,794)	\$ 15,186,018	\$ 15,905,806	\$ 15,664,396	\$ (241,410)	-2%	
TDA Funds	\$ -	\$ -	\$ -	\$ 4,258,265	\$ 4,624,376	\$ 4,624,376	\$ -	0%	
FTA Op Asst - Sec 5307	\$ -	\$ 125,680	\$ 125,680	\$ 3,021,556	\$ 3,130,496	\$ 3,130,226	\$ (270)	0%	
FTA Op Asst - Sec 5311	\$ -	\$ -	\$ -	\$ 65,475	\$ 168,582	\$ 168,582	\$ -	0%	
FY 05-06 Carryover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Transfer from									
Insurance Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Transfer - Proj Mgr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Total Operating Revenue	\$ 2,345,698	\$ 2,434,798	\$ 89,100	\$ 29,687,711	\$ 31,906,738	\$ 32,481,313	\$ 574,574	2%	

NOTES:

- 1) **Passenger Revenue Income** (fare box and pass sales) is \$383K or 6% over the budgeted amount for the year. Passenger Fares are \$47K or 2% over budget. Paratransit fares are \$10K or 5% under the budgeted amount. Special Transit Fares (contracts) are \$226K or 10% over the budgeted amount. Highway 17 Express Revenue is \$120K or 12% over the year to date budgeted amount.
- 2) **Advertising Income** is \$90K or 82% over the budgeted amount for the fiscal year based on current advertising levels on the exterior of District buses.
- 3) **Interest Income** is \$347K or 39% over budget for the fiscal year due to higher interest rates than projected in the County investment pool.

5-10.a1

FY07
MONTHLY REVENUE AND EXPENSE REPORT
DEPARTMENTAL OPERATING EXPENSE
May 2007

Operating Expense	FY06	FY 07		Actual % to Budget	Notes
	YTD Actual	Final Budget	Revised Budget			YTD Actual
PERSONNEL ACCOUNTS					
Administration	\$ 738,422	\$ 966,287	\$ 968,846	\$ 817,628	84%
Finance	\$ 440,432	\$ 572,352	\$ 557,210	\$ 443,651	80%
Customer Service	\$ 348,364	\$ 482,804	\$ 485,651	\$ 357,514	74%
Human Resources	\$ 307,546	\$ 468,664	\$ 468,664	\$ 357,814	76%
Information Technology	\$ 390,098	\$ 466,252	\$ 466,252	\$ 411,182	88%
District Counsel	\$ 336,469	\$ 404,446	\$ 411,585	\$ 338,447	82%
Risk Management	\$ -	\$ -	\$ -	\$ -	0%
Facilities Maintenance	\$ 779,444	\$ 946,857	\$ 946,857	\$ 797,716	84%
Paratransit Program	\$ 2,291,455	\$ 2,913,145	\$ 2,912,145	\$ 2,409,445	83%
Operations	\$ 1,605,660	\$ 2,010,685	\$ 2,058,074	\$ 1,810,002	88%
Bus Operators	\$ 10,326,906	\$ 13,634,430	\$ 13,694,127	\$ 11,216,834	82%
Fleet Maintenance	\$ 3,222,261	\$ 3,928,485	\$ 3,928,484	\$ 3,207,327	82%
COBRA Benefits	\$ -	\$ -	\$ -	\$ -	0%
Retired Employees/COBRA	\$ 1,001,958	\$ 1,251,291	\$ 1,349,291	\$ 1,354,559	100% 1
SCCIC/COPS	\$ -	\$ -	\$ -	\$ -	0%
Total Personnel	\$ 21,789,014	\$ 28,045,699	\$ 28,247,187	\$ 23,522,119	83%
NON-PERSONNEL ACCOUNTS					
Administration	\$ 619,342	\$ 706,589	\$ 734,797	\$ 622,343	85%
Finance	\$ 704,083	\$ 937,123	\$ 951,265	\$ 566,490	60%
Customer Service	\$ 71,628	\$ 112,469	\$ 112,469	\$ 64,125	57%
Human Resources	\$ 53,149	\$ 61,733	\$ 86,607	\$ 79,550	92%
Information Technology	\$ 141,141	\$ 138,140	\$ 212,790	\$ 120,503	57%
District Counsel	\$ 29,584	\$ 17,943	\$ 17,943	\$ 17,390	97%
Risk Management	\$ 186,216	\$ 245,027	\$ 245,027	\$ 96,972	40%
Facilities Maintenance	\$ 282,294	\$ 378,572	\$ 378,572	\$ 366,882	97%
Paratransit Program	\$ 526,186	\$ 732,898	\$ 735,048	\$ 561,464	76%
Operations	\$ 556,074	\$ 619,922	\$ 678,412	\$ 509,928	75%
Bus Operators	\$ 4,405	\$ 5,000	\$ 7,000	\$ 4,961	71%
Fleet Maintenance	\$ 2,773,140	\$ 3,958,386	\$ 4,172,386	\$ 3,332,409	80%
COBRA Benefits	\$ -	\$ -	\$ -	\$ -	0%
Retired Employees/COBRA	\$ -	\$ -	\$ -	\$ -	0%
SCCIC/COPS	\$ 500	\$ 500	\$ 500	\$ 280	56%
Total Non-Personnel	\$ 5,947,743	\$ 7,914,301	\$ 8,332,815	\$ 6,343,296	76%
Total Operating Expense	\$ 27,736,756	\$ 35,960,000	\$ 36,580,000	\$ 29,865,416	82%

YTD Operating Revenue - \$ 32,481,313

YTD Operating Revenue vs. YTD Operating Expense - \$ 2,615,897

NOTES:

1) Retired Employees/COBRA Personnel Accounts are at 100% of the budget since the retroactive payment for restoration of the retirees medical premium supplemental program was made during September.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
May 2007

	FY06	FY07			Actual % to Budget	Notes
	YTD Actual	Final Budget	Revised Budget	YTD Actual		
LABOR						
Operators Wages	\$ 5,855,626	\$ 8,548,386	\$ 8,626,083	\$ 6,674,425	77%	
Operators Overtime	\$ 1,434,454	\$ 1,359,914	\$ 1,359,914	\$ 1,180,402	87%	
Other Salaries & Wages	\$ 4,590,988	\$ 6,048,264	\$ 6,086,141	\$ 5,132,476	84%	
Other Overtime	\$ 224,179	\$ 246,200	\$ 248,700	\$ 246,808	99%	1
	\$ 12,105,247	\$ 16,202,764	\$ 16,320,838	\$ 13,234,110	81%	
FRINGE BENEFITS						
Medicare/Soc Sec	\$ 152,202	\$ 245,815	\$ 245,815	\$ 176,040	72%	
PERS Retirement	\$ 1,655,175	\$ 2,078,184	\$ 2,084,597	\$ 1,652,365	79%	
Medical Insurance	\$ 3,299,822	\$ 3,876,236	\$ 3,938,536	\$ 4,141,826	105%	2
Dental Plan	\$ 428,037	\$ 481,836	\$ 481,836	\$ 447,861	93%	
Vision Insurance	\$ 123,483	\$ 153,182	\$ 153,182	\$ 128,548	84%	
Life Insurance	\$ 40,061	\$ 46,691	\$ 46,691	\$ 46,709	100%	
State Disability Ins	\$ 160,250	\$ 349,704	\$ 349,704	\$ 135,595	39%	
Long Term Disability Ins	\$ 162,613	\$ 201,006	\$ 182,007	\$ 188,433	104%	
Unemployment Insurance	\$ 57,565	\$ 91,645	\$ 91,645	\$ 54,078	59%	
Workers Comp	\$ 884,757	\$ 1,396,681	\$ 1,396,681	\$ 772,961	55%	
Absence w/ Pay	\$ 2,657,575	\$ 2,832,656	\$ 2,832,656	\$ 2,433,803	86%	
Other Fringe Benefits	\$ 62,227	\$ 89,301	\$ 123,002	\$ 109,790	89%	
	\$ 9,683,768	\$ 11,842,935	\$ 11,926,352	\$ 10,288,007	86%	
SERVICES						
Acctng/Admin/Bank Fees	\$ 222,691	\$ 326,850	\$ 326,850	\$ 150,813	46%	
Prof/Legis/Legal Services	\$ 316,964	\$ 407,172	\$ 440,497	\$ 292,226	66%	
Temporary Help	\$ 66,739	\$ -	\$ 36,849	\$ 51,745	140%	3
Custodial Services	\$ 59,583	\$ 71,300	\$ 71,300	\$ 58,691	82%	
Uniforms & Laundry	\$ 32,849	\$ 39,780	\$ 41,780	\$ 38,762	93%	
Security Services	\$ 408,035	\$ 431,000	\$ 482,240	\$ 365,331	76%	
Outside Repair - Bldgs/Eqmt	\$ 143,034	\$ 223,551	\$ 209,401	\$ 181,228	87%	
Outside Repair - Vehicles	\$ 151,792	\$ 336,051	\$ 336,051	\$ 277,498	83%	
Waste Disp/Ads/Other	\$ 59,568	\$ 81,575	\$ 68,200	\$ 77,203	113%	4
	\$ 1,461,255	\$ 1,917,279	\$ 2,013,168	\$ 1,493,496	74%	
CONTRACT TRANSPORTATION						
Contract Transportation	\$ -	\$ -	\$ -	\$ -	0%	
Paratransit Service	\$ 125,350	\$ 200,000	\$ 200,000	\$ 152,771	76%	
	\$ 125,350	\$ 200,000	\$ 200,000	\$ 152,771	76%	
MOBILE MATERIALS						
Fuels & Lubricants	\$ 1,731,372	\$ 2,745,595	\$ 2,745,595	\$ 2,005,860	73%	
Tires & Tubes	\$ 140,114	\$ 201,000	\$ 201,000	\$ 164,311	82%	
Other Mobile Supplies	\$ 9,676	\$ 7,500	\$ 7,500	\$ 7,543	101%	5
Revenue Vehicle Parts	\$ 483,686	\$ 365,000	\$ 579,000	\$ 582,886	101%	6
	\$ 2,364,848	\$ 3,319,095	\$ 3,533,095	\$ 2,760,599	78%	

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
May 2007

	FY06		FY07		Actual % to Budget	Notes
	YTD Actual	Final Budget	Revised Budget	YTD Actual		
OTHER MATERIALS						
Postage & Mailing/Freight	\$ 14,480	\$ 26,550	\$ 26,550	\$ 13,550	51%	
Printing	\$ 74,942	\$ 85,610	\$ 85,610	\$ 40,640	47%	
Office/Computer Supplies	\$ 69,163	\$ 65,400	\$ 76,100	\$ 58,972	77%	
Safety Supplies	\$ 8,526	\$ 16,375	\$ 15,575	\$ 13,336	86%	
Cleaning Supplies	\$ 36,851	\$ 47,650	\$ 47,650	\$ 37,656	79%	
Repair/Maint Supplies	\$ 31,253	\$ 40,000	\$ 40,000	\$ 51,092	128%	7
Parts, Non-Inventory	\$ 39,671	\$ 40,500	\$ 42,000	\$ 28,653	68%	
Small Tools	\$ 6,000	\$ 12,100	\$ 12,100	\$ 6,721	56%	
Promo/Photo Supplies	\$ 4,009	\$ 8,805	\$ 8,805	\$ 5,997	68%	
	\$ 284,894	\$ 342,990	\$ 354,390	\$ 256,618	72%	
UTILITIES						
	\$ 283,876	\$ 368,574	\$ 371,375	\$ 316,660	85%	
CASUALTY & LIABILITY						
Insurance - Prop/PL & PD	\$ 466,167	\$ 605,188	\$ 605,188	\$ 496,763	82%	
Settlement Costs	\$ 146,135	\$ 150,000	\$ 150,000	\$ 65,600	44%	
Repairs to Prop	\$ (26,764)	\$ -	\$ -	\$ (113,872)	0%	8
	\$ 585,538	\$ 755,188	\$ 755,188	\$ 448,491	59%	
TAXES						
	\$ 35,342	\$ 46,761	\$ 46,761	\$ 40,071	86%	
MISC EXPENSES						
Dues & Subscriptions	\$ 52,129	\$ 56,870	\$ 56,870	\$ 61,621	108%	9
Advertising - Revenue Prod.	\$ 7,677	\$ 15,000	\$ 15,000	\$ -	0%	
Employee Incentive Program	\$ 4,367	\$ 5,107	\$ 5,107	\$ 2,860	56%	
Training	\$ 3,929	\$ 9,600	\$ 96,374	\$ 23,855	25%	
Travel	\$ 15,339	\$ 27,170	\$ 31,170	\$ 20,529	66%	
Other Misc Expenses	\$ 10,699	\$ 18,533	\$ 20,183	\$ 447	0%	
	\$ 94,140	\$ 132,280	\$ 224,704	\$ 109,313	49%	
OTHER EXPENSES						
Leases & Rentals	\$ 712,500	\$ 832,134	\$ 834,135	\$ 692,288	83%	
	\$ 712,500	\$ 832,134	\$ 834,135	\$ 765,281	92%	
Total Operating Expense	\$ 27,736,756	\$ 35,960,000	\$ 36,580,000	\$ 29,865,416	82%	

NOTES:

1) **Other Overtime Expense** is at 99% of the budget due to Operations OT over budget. PSA (Professional Service Association) was short by two (2) Supervisor positions which had to be covered by OT. In addition, one (1) Schedule Analyst position was vacant and had to be covered by OT as well as expediting of new Operator training which took OT to cover all the aspects of running the Operations department.

2) **Medical Insurance Expense** is at 105% of the budget due to increased cost of premiums.

3) **Temporary Help** is at 140% of the budget due to vacant employee positions and extended leaves.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CONSOLIDATED OPERATING EXPENSE
 May 2007

FY06	Final Budget	Revised Budget	FY07 YTD Actual	Actual % to Budget	Notes
YTD Actual					

4) **Waste Disposal/Advertising/Other Services Expense** is at 113% of the budget due to classified ad costs for recruitments, and higher costs for hazardous waste disposal.

5) **Other Mobile Supplies** is at 101% of the budget due to required repairs to fans and upholstery in the buses.

6) **Revenue Vehicle Parts Expense** is at 101% of the budget due to expiration of warranties on newer buses.

7) **Repair/Maintenance Supplies Expense** is at 128% of the budget due to required repairs to facilities.

8) **Repairs To Property Expense** is a casualty and liability account to which repairs to District vehicles and property is charged when another party is liable for the damage. All collections made from other parties for property repair are applied to this account to offset the District's repair costs.

9) **Dues and Subscriptions Expense** is at 108% of the budget due to annual payment of APTA dues.

FY07
MONTHLY REVENUE AND EXPENSE REPORT
CAPITAL IMPROVEMENT PROGRAM
May 2007

	Final Budget	Monthly Actual	YTD Actual	Actual % to Budget	Notes
<u>CAPITAL PROJECTS</u>					
<u>Grant Funded Projects</u>					
MetroBase	\$ 29,622,709	\$ 2,039,385	\$ 9,400,572	32%	
CNG Bus Conversions	\$ 6,800,000	\$ -	\$ -	0%	
Revenue Vehicle Replacement	\$ 920,000	\$ 1,159	\$ 852,217	93%	
Short Range Transit Plan	\$ 100,000	\$ 9,698	\$ 9,698	0%	
Bike Rack Project	\$ 90,000	\$ -	\$ 83,093	0%	
	\$ 37,532,709	\$ 2,050,242	\$ 10,345,580	28%	
<u>District Funded Projects</u>					
Purchase & Renovation of Vernon	\$ 7,100,000	\$ 7,230	\$ 109,830	2%	
Non-Revenue Vehicle Replacement	\$ 340,000	\$ 1,054	\$ 156,419	46%	
Bus Stop Imprvmnts/Bus Shelter Projects	\$ 310,000	\$ 692	\$ 15,366	5%	
Revenue Vehicle Replacement (3 ParaCruz Vans)	\$ 192,000	\$ -	\$ -	0%	
Rebuild Low Floor Buses (8)	\$ 152,000	\$ -	\$ -	0%	
Facilities Repairs & Improvements	\$ 113,500	\$ 5,443	\$ 76,241	67%	
Rebuild Bus Engines (4)	\$ 72,000	\$ -	\$ 55,996	78%	
Mobile Sweeper & Trailer	\$ 45,000	\$ -	\$ -	0%	
IT Projects	\$ 40,700	\$ 3,539	\$ 34,651	85%	
Office Equipment	\$ 17,500	\$ -	\$ 17,195	98%	
Mt. Biewlaski Repeater	\$ 15,000	\$ -	\$ -	0%	
Diagnostic Reader/Fleet	\$ 3,000	\$ -	\$ -	0%	
Noise Meter	\$ 2,400	\$ -	\$ 2,361	98%	
	\$ 8,403,100	\$ 17,958	\$ 468,059	6%	
TOTAL CAPITAL PROJECTS	\$ 45,935,809	\$ 2,068,200	\$ 10,813,639	24%	
<u>CAPITAL FUNDING</u>					
Federal Capital Grants	\$ 9,230,246	\$ -	\$ 5,396,831	58%	
State/Local Capital Grants	\$ 14,381,000	\$ 9,698	\$ 66,363	0%	
STA Funding	\$ 4,720,782	\$ 2,039,385	\$ 3,479,364	74%	
Bus Stop Improvement Reserves	\$ 310,000	\$ -	\$ 5,919	2%	
District Reserves	\$ 17,293,781	\$ 19,117	\$ 1,865,162	11%	
TOTAL CAPITAL FUNDING	\$ 45,935,809	\$ 2,068,200	\$ 10,813,639	24%	

NOTES:

FY 07 BUDGET TRANSFERS
May 1-31, 2007

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
TRANSFER # 07-021			
TRANSFER FROM:	501021-1100	Other Salaries	\$ (9,000)
			<u>\$ (9,000)</u>
TRANSFER TO:	503041-1100	Temp Help	\$ 9,000
			<u>\$ 9,000</u>
REASON:	To cover Temporary Point Checkers for Planning Department.		
TRANSFER # 07-022			
TRANSFER FROM:	503031-1500	Professional/Technical Fees	\$ (2,000)
			<u>\$ (2,000)</u>
TRANSFER TO:	504311-1500	Office Supplies & Equipment	\$ 2,000
			<u>\$ 2,000</u>
REASON:	To cover account over-runs in IT.		
TRANSFER # 07-023			
TRANSFER FROM:	503352-1500	Admin & Bank Fees	\$ (7,000)
			<u>\$ (7,000)</u>
TRANSFER TO:	504311-1500	Office Supplies & Equipment	\$ 7,000
			<u>\$ 7,000</u>
REASON:	New project to convert fixed route drivers to use Qquest time clock system.		
TRANSFER # 07-024			
TRANSFER FROM:	504211-3200	Postage & Mailing	\$ (500)
	502251-3300	Physical Exam Renewal	\$ (1,000)
	503162-3300	Uniforms/Laundry	\$ (500)
	509101-3300	Incentive Program	\$ (500)
			<u>\$ (2,500)</u>
TRANSFER TO:	504215-3200	Printing	\$ 2,500
			<u>\$ 2,500</u>
REASON:	To increase budget to cover printing of bus passes and IWC timecards in Operations.		

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
<u>TRANSFER # 07-025</u>			
TRANSFER FROM:	504215-4100	Printing	\$ (4,575)
			<u>\$ (4,575)</u>
TRANSFER TO:	504311-4100	Office Supplies & Equipment	\$ 4,575
			<u>\$ 4,575</u>
REASON:	To move excess funds to cover shortage in Office Supplies in Fleet Maintenance.		

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Steve Paulson, Paratransit Administrator
**SUBJECT: CONSIDERATION OF IMPACT OF POLICY CHANGE ON
FREQUENCY OF CUSTOMER NO-SHOWS FOR PARACRUZ PICK UPS**

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 next day 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.
- Customer no shows for service cost METRO essentially the same as if the ride was performed, since METRO resources were scheduled and dispatched to provide the service.
- Policy and procedural changes were implemented with the adoption of the revised Customer Guide in the fall of 2006.
- The Board of Directors requested to be apprised of the impact of policy changes on the frequency of customer “no-shows”.

III. DISCUSSION

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

In 2001, the Board adopted a rigid “no-show” policy which included a provision for the suspension of service for thirty (30) days if the customer was charged with 3 “no-shows” in a ninety (90) day period.

Prior to the adoption of the revisions to the Customer Guide in the fall of 2006, District Counsel worked with staff to modify the “no-show” policy in order to be consistent with recent guidance coming from the FTA’s Office of Civil Rights. This modified policy includes a provision for the

5-11.1

suspension of service for fourteen (14) days if the customer exceeds 15% “no-shows” within a rolling ninety (90) day period.

With the adoption of the Customer Guide, ParaCruz staff instituted procedures to consistently review each instance when a “no-show” was charged. In instances that were determined to be beyond the control of the customer, the “no-show” was excused. If the “no-show” was not excused, the customer receives a letter advising them that they have been charged with a “no-show” and information about the policy. Should the customer continue to “no-show” to the point that they reach a 10% threshold (based on their usage of ParaCruz service), a second level of letter is sent, advising them of this percentage and warning them of the potential suspension of service should the percentage continue to increase.

In preparing this report, data was reviewed for the period January 1 through March 31, 2007 to the same period in 2006 as well as the period April 1 through June 30, 2007, as compared to the previous year. Included in this review are counts of total rides for these periods as well as the count of cancels that occur on the day of service, as this data helps to illustrate trends in behavior

	Total Ride Count	Percent +/-	No Show Count	Percent +/-	Same Day Cancels	Percent +/-
1/1/07 through 3/31/07	20801	+1.05%	685	-8.42%	2292	+3.62%
1/1/06 through 3/31/06	20584		748		2212	
4/1/07 through 6/30/07	22251	+1.97%	556	-28.53%	2052	-13.49%
4/1/06 through 6/30/06	21821		778		2372	

It appears that changes in the “no show” policy and the reduction of number of days ahead that a reservation can be made (from 14 ahead days under the previous Customer Guide to 3 days ahead under the current Customer Guide) are increasing in effectiveness over time as customers become adjusted to the changes.

There is reason to expect continued improvement in these areas in the short term.

IV. FINANCIAL CONSIDERATIONS

A reduction in “no-shows” creates a savings to METRO, thereby slowing the financial impact of projected increased service demand.

V. ATTACHMENTS

NONE

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
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

None

TWENTY-FIVE YEARS

Olivia Diaz, Ticket and Pass Program Specialist

THIRTY YEARS

None

6.21

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007

TO: Board of Directors

FROM: Mark Dorfman, Assistant General Manager

SUBJECT: PUBLIC HEARING: CONSIDER AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA FUNDS FOR FY2007.

I. RECOMMENDED ACTION

Receive public comments. Adopt the attached Program of Projects and authorize an application for Federal Transit Administration Urbanized Area Formula Funds.

II. SUMMARY OF ISSUES

- The federal surface transportation act, the *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users* (SAFETEA-LU) maintains the Urbanized Area Formula Program within the Federal Transit Administration for public transit operating assistance in urbanized areas.
- SAFETEA-LU added formula funding for Small Transit Intensive Cities (STIC) and Growing States. METRO qualifies to receive both in addition to the urbanized area formula for Santa Cruz and Watsonville
- The US Congress has appropriated funds for the Federal Transit Administration in accordance with the formulas in SAFETEA-LU.
- METRO must submit an application and execute a grant agreement with the FTA to receive these funds.

III. DISCUSSION

The Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) legislated programs within the Federal Transit Administration (FTA) to provide financial assistance to public transit operators in urban areas. In addition to the traditional Urbanized Area Formula Program (49 USC §5307) from which METRO has received the bulk of its federal operating assistance in the past, SAFETEA-LU funds two levels of supplemental assistance for small urbanized areas with higher-than-average transit ridership and for its location in a rapidly growing state. Santa Cruz receives both of these supplements in FY2007.

Both Santa Cruz and Watsonville annually receive Urbanized Area Formula Program funds. Because METRO and Monterey-Salinas Transit both operate public transit service in Watsonville, the two operators agreed to split the Watsonville apportionment according to the

proportion of service each provides in Watsonville. Monterey Salinas Transit then returns part of its portion to METRO as rent for using the Watsonville Transit Center.

METRO will use the traditional Urbanized Area Formula funds and the Growing States allocation for operating assistance. The Small Transit Intensive Cities allocation will be used for MetroBase construction.

IV. FINANCIAL CONSIDERATIONS

The traditional Urbanized Area Formula Program plus the Growing State supplement contributes \$3,153,552 to METRO's FY2007 operating budget. STIC adds \$723,646 in capital funding for MetroBase construction. Local sales tax will contribute the required match.

V. ATTACHMENTS

Attachment A: Program of Projects for FY2007 FTA §5307 Funds

**Santa Cruz Metropolitan Transit District
FY2007 Program of Projects
Using Federal Transit Administration Funds**

The Federal Transit Administration allocated \$3,877,198 in federal funds to the Santa Cruz Metropolitan Transit District (METRO) for urbanized area public transit operations during FY 2007. METRO, in accordance with 49 USC Part 5307 is implementing the following Program of Projects with these Federal Transit Administration (FTA) funds:

1. FY2007 Operating Assistance: \$3,153,552 for public transit service operations for the period July 1, 2006 through June 30, 2007. This project provides public transit conforming to land use and transportation plans in Santa Cruz County without causing negative environmental impacts or relocation of families or businesses. Local sales tax, Transportation Development Act revenue and passenger fares pay the remaining project costs.
2. Capital Assistance: \$723,646 for MetroBase construction.

If adopted by the Board, METRO staff will submit an application to the FTA requesting funds for these projects, and the General Manager will execute a grant agreement authorizing reimbursement of project costs from the FTA.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007
TO: Board of Directors
FROM: Ciro F. Aguirre, Manager of Operations
SUBJECT: **CONSIDERATION OF CALIFORNIA DEPARTMENT OF MOTOR VEHICLES (DMV) EMPLOYER TESTING PROGRAM THAT IS IN PLACE AT METRO.**

I. RECOMMENDED ACTION

That the Board of Directors review the DMV Employer Testing Program that is in place at METRO

II. SUMMARY OF ISSUES

- Recently individuals appearing before the Board of Directors have expressed concerns regarding the California DMV Employer Testing program that is in place at METRO.
- This Staff Report has been prepared to inform the Board of the components of the DMV Employer Testing Program.
- METRO is certified by the California Department of Motor Vehicles (DMV) to perform an in-house Employer Testing Program (ETP).
- The ETP program is designed to allow METRO to certify potential Bus/ParaCruz Operators (Applicants) or to re-certify existing Bus/ParaCruz Operators for the commercial class 'B' license with Passenger Endorsement.
- Driver Performance Evaluation (DPE) consists of three scripted tests; Pre-trip Inspection, Skills Test, and Road Test.
- Four levels of responsibility have been incorporated into the program to ensure fair, equitable, and accurate testing to be performed according to required DMV criteria.
- Staff conducted a review of the ETP in order to determine adequacy and objectivity regarding the processes for certification and re-certification within the context of DMV requirements.

III. DISCUSSION

METRO is enrolled in the Employer Testing Program (ETP) in which the Department of Motor Vehicles (DMV) allows employers of commercial drivers to conduct the drive test portion for the DMV's Commercial licensing requirements. The ETP requires an employer-employee relationship in order to conduct third party testing. DMV works in concert with

the Federal Regulations regarding the eligibility, administrative responsibilities, examiner qualifications, training standards, and inspection requirements for third party testing program.

Authorization for METRO to enroll and participate in the ETP consisted of a DMV on-site review demonstrating a commercial drive test comparable to the standards used by DMV Examiners to license commercial drivers. Since becoming enrolled, METRO has been required to maintain DMV established criteria as found in Title 13 of the California Code of Regulations. The DMV now audits compliance with its requirements on a tri-annual basis.

The Driver Performance Evaluation (DPE) is used to test applicants or existing operators. The evaluation consists of three major components; Pre-trip Inspection, Skills Test, and Road Test, each with its own set of sub-criteria. Each test is scripted in order to ensure that each applicant or operator receives the same test.

Each test is monitored and scored by METRO Transit Supervisors that have been certified by DMV as Examiners. Supervisors certified to be examiners must attend a two-day class sponsored by DMV and pass the administered test. Additionally, certification must be kept current every ninety- (90) days by actively monitoring and scoring operator tests.

Pre-trip Inspection – Requires the applicant or operator to conduct an extensive inspection of the vehicle in order to determine that it may be placed into service. Fixed route operators are required to memorize and accurately identify 39 scored items with a miss rate of only eight (8) items, nine (9) missed items will constitute a fail score. ParaCruz operators are required to memorize and accurately identify 37 scored items, with a miss rate of only eight (8) items, nine (9) missed items will constitute a fail score.

Skills Test – This test consists of an applicant or operator's ability to safely and skillfully maneuver a Fixed Route vehicle or ParaCruz vehicle through various predetermined obstacles.

Road Test – Consists of actual on the road driving of the vehicle. Applicant or operator is evaluated on their ability to drive safely and skillfully in different real driving situations. Two routes exist that are used for this testing process and are established with DMV review and approval. The test is scripted so each applicant or operator receives the same set of instructions at the same location. Once the test commences, the examiner cannot engage in conversation other than directing the driver according to the script. For a passing score on the road test, the applicant must have a score of forty-five (45) or lower with ZERO critical driving errors. Once the number of allowable critical errors is exceeded, the test is stopped and the driver is instructed to return to the garage. The test is scored as "FAIL". The driver is instructed as to the areas of failure and scheduled for a subsequent test. Under our current practice, the applicant may be terminated after a second fail. Under our authority, METRO may grant a third test.

Primary Route - The primary route consists of approximately 20 miles combining Rural, Urban, and Freeway driving.

Alternate Route – Same combination of Rural, Urban and Freeway driving performed on a different set of streets. The purpose of the alternate route is for make up tests or if sections of the primary route are not available due to construction or other route disruptions.

Four Levels of Responsibility

Each test has four (4) levels of responsibility to ensure fair, equitable, and accurate testing in accordance with required DMV criteria. Responsibilities include, but are not limited to:

Level 1 – Applicant: The applicant is responsible for having the appropriate instruction permit for the type of vehicle to be driven. Must be an METRO employee; ensure that appropriate and accurate driving record information has been provided to METRO. Non-compliance with any one of the aspects mentioned will negate issuance of a commercial license.

Level 2 – Examiner: Ensures applicant has valid appropriate permit for vehicle to be driven. Driver Performance Evaluation criteria is used appropriately, and verifies that the applicant completed all commercial drive tests Pre-trip, Skills, and Road Test in accordance with DMV criteria.

Level 3 – Authorized Representative (METRO’s Safety and Training Coordinator) Ensures certificate of Driving Skill is complete and accurate. Verifies appropriate class of license. Ensures Examiners receive appropriate DMV training and that Examiner contract is on file with the employer. Will not allow certificate of driving skill to be submitted with false or incorrect information.

Level 4 – Administrator (Base Superintendent) Ensures that all provisions and terms of ETP between the METRO and DMV are complied with in accordance with DMV expectations and criteria. Same responsibilities as each participant previously mentioned, i.e., Applicant, Examiner, Authorized Representative. Reviews and monitors program criteria. Ensures all examiners are qualified, DMV certified, and that certification is maintained. The Administrator, because of the separation of duties, cannot act as an examiner.

Review of METRO’s participation in the California Department of Motor Vehicles Employer Testing Program is confirmed to be current and conducted within the criteria complying with all DMV requirements. Testing, monitoring, scoring and administration of the program in conjunction with DMV oversight has established a fair, objective and equitable process in which METRO issues Commercial licenses.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 27, 2007

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF THE STATUS OF THE STATE OF CALIFORNIA'S FISCAL YEAR 2008 BUDGET AND POTENTIAL IMPACTS ON METRO.

I. RECOMMENDED ACTION

That the Board of Directors review the status of the Fiscal Year 2008 Budget of the State of California and review the potential impacts of the Budget on transit funding in Santa Cruz County.

II. SUMMARY OF ISSUES

- In January 2007 the Governor of California outlined a Proposed Budget for the State of California for Fiscal Year 2008. On May 14, 2007 the Governor of California outlined his Revised FY 2008 Budget.
- The Governor's proposed FY 2008 Budget contained the redirection of \$1.1 billion in funds that are statutorily identified for public transit projects and services. The Revised Proposed Budget outlined by the Governor on May 14, 2007 increased the amount to \$1.3 billion in funds proposed to be redirected from transit programs.
- In addition to redirecting funds in the Public Transportation Account to non-transit uses the Governor's Proposed FY 2008 Budget also proposed to use funds available from Proposition 1B to offset existing expenses rather than new projects.
- The Governor's Proposed Budget would permanently restructure funding in the Public Transportation Account in a manner that would have a long-term negative effect on transit funding in Santa Cruz.
- Senate and Assembly Budget Committees have reviewed the Governor's proposed FY 2008 Budget over the past few weeks.
- The Senate and Assembly Budget Committees appointed a Budget Conference Committee that concluded its work on Friday June 29, 2007.
- The Budget Conference Committee report modified the impacts that the Governor's Proposed FY 2008 Budget would have had both on statewide funding and on transit funding in Santa Cruz County.
- The Conference Committee adopted a compromise that would divert \$660 million in spillover revenue to the General Fund, repayment of Proposition 42 loans, repayment

of transportation bond debt service, the state highway SHOPP Program and high-speed rail. The Conference Committee also indicated that \$551 million from the spillover will be an “ongoing” diversion in future years.

- After funds are diverted to other programs there would be approximately \$640 million in the Public Transportation Account for FY 2008.
- As a result of the action of the Conference Committee the FY 2008 State Transit Assistance Program (STA) is estimated to be approximately \$408.5 million compared to the \$619 million that should be provided under state statute.
- The impact of the reduced STA Program funding for Santa Cruz is a loss in approximately \$2.5 million in capital funds. As the Conference Committee has indicated that the diversion of spillover will be continued indefinitely the estimated loss in transit capital funds over the next 10 years would be approximately \$25 million.
- Currently the California State Legislature has not acted to implement the capital funding for transit projects provided for in Proposition 1B that was approved by the voters in November 2006. If the Legislature fails to act on this program Santa Cruz County will lose approximately \$27 million in transit capital funds.
- Members of the Legislature have indicated that a lack of approval of the Conference Committee Report by the full Legislature could result in more cuts in transit funding.
- Staff recommends that Members of the Board of Directors continue to contact Members of the California State Legislature to impress upon them the critical need for transit funding in Santa Cruz County.

III. DISCUSSION

In January 2007 the Governor of California outlined a Proposed Budget for the State of California for Fiscal Year 2008. On May 14, 2007 the Governor of California outlined his Revised FY 2008 Budget. The Governor’s proposed FY 2008 Budget contained the redirection of \$1.1 billion in funds that are statutorily identified for public transit projects and services. The Revised Proposed Budget outlined by the Governor on May 14, 2007 increased the amount to \$1.3 billion in funds proposed to be redirected from transit programs to the General Fund. In addition to redirecting funds in the Public Transportation Account to non-transit uses the Governor’s Proposed FY 2008 Budget also proposed to use funds available from Proposition 1B to offset existing expenses rather than new projects. The Governor’s Proposed Budget would permanently restructure funding in the Public Transportation Account in a manner that would have a long-term negative effect on transit funding in Santa Cruz.

Over the past few weeks Senate and Assembly Budget Committees have reviewed the Governor's proposed FY 2008 Budget. The Senate and Assembly Budget Committees appointed a Budget Conference Committee that concluded its work on Friday June 29, 2007. The Budget Conference Committee report modified the impacts that the Governor's Proposed FY 2008 Budget would have had both on statewide funding and on transit funding in Santa Cruz County. The Conference Committee adopted a compromise that would divert \$660 million in spillover revenue to the General Fund, repayment of Proposition 42 loans, repayment of transportation bond debt service, the state highway SHOPP Program and high-speed rail. The Conference Committee also indicated that \$551 million from the spillover will be an "ongoing" diversion in future years. After funds are diverted to other programs there would be approximately \$640 million in the Public Transportation Account for FY 2008. As a result of the action of the Conference Committee the FY 2008 State Transit Assistance Program (STA) is estimated to be approximately \$408.5 million compared to the \$619 million that should be provided under state statute.

The impact of the reduced STA Program funding for Santa Cruz is a loss in approximately \$2.5 million in capital funds. As the Conference Committee has indicated that the diversion of spillover will be continued indefinitely the estimated loss in transit capital funds to Santa Cruz over the next 10 years would be approximately \$25 million.

Currently the California State Legislature has not acted to implement the capital funding for transit projects provided for in Proposition 1B that was approved by the voters in November 2006. If the Legislature fails to act on this program Santa Cruz County will lose approximately \$27 million in transit capital funds.

Members of the Legislature have indicated that a lack of approval of the Conference Committee Report by the full Legislature could result in more cuts in transit funding. Staff recommends that Members of the Board of Directors continue to contact Members of the California State Legislature to impress upon them the critical need for transit funding in Santa Cruz County.

IV. FINANCIAL CONSIDERATIONS

The adoption of the FY 2008 Budget as developed by the Conference Committee will reduce the level of STA funds that are received in Santa Cruz County by \$2.5 million this year. The lack of implementing action by the Legislature for the 1B transit funds will eliminate approximately \$27 million in transit funding for Santa Cruz County.

V. ATTACHMENTS

None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 13, 2007
TO: Board of Directors
FROM: Tom Stickel, Manager of Maintenance
SUBJECT: CONSIDERATION OF AWARD OF CONTRACT FOR SUPPLY AND DELIVERY OF LIQUEFIED NATURAL GAS (LNG) WITH CLEAN ENERGY AND PROMETHEUS ENERGY

ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING

I. RECOMMENDED ACTION

District Staff recommends that the Board of Directors authorize the General Manager to execute contracts for supply and delivery of liquefied natural gas with Clean Energy and Prometheus Energy.

II. SUMMARY OF ISSUES

- A competitive procurement was conducted to solicit bids from qualified firms.
- Three firms submitted bids for the District's review.
- District staff has reviewed all submitted bids.
- District staff is recommending that contracts be established to supply and deliver LNG with Clean Energy as the primary supplier of LNG and Prometheus Energy as the secondary supplier of LNG.

III. DISCUSSION

District began an ambitious fleet upgrade in 1998. Since then, District has replaced 79 buses and purchased its first CNG fueled buses. Now, in order to meet California clean air requirements, District is converting a substantial number of its remaining diesel buses to run on CNG fuel in 2007 with the eventual goal to eliminate diesel-powered buses. In order to fuel the converted fleet, the District is nearing completion of a new LCNG fueling facility.

On May 18, 2007, District Invitation for Bid No. 06-23 for the supply and delivery on LNG was mailed to several firms and was legally advertised. On June 12, 2007, bids were received and opened from three firms. A recap of the bids received is provided in Attachment A. All bidders submitted pricing formulas for a five-year contract based on regional natural gas price indexes.

District staff have reviewed all submitted bids and are recommending that contracts be established with Clean Energy to be the primary supplier of LNG and Prometheus Energy to be

the secondary supplier of LNG to the District. A five-year budget for the supply and delivery of LNG fuel is estimated to be \$ 9,000,000 based on current fuel consumption data. Future fuel price increases would require an increase in future budgets. Both Contractors will provide all equipment and materials meeting all District specifications and requirements.

IV. FINANCIAL CONSIDERATIONS

Funding for this contract is contained in Fleet's operating budget.

V. ATTACHMENTS

- Attachment A:** Recap of Bids Received
- Attachment B:** Contract with Clean Energy
- Attachment C:** Contract with Prometheus Energy

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

RECAP IFB NO. 06-23 LNG	CLEAN ENERGY	PROMETHUS ENERGY	EARTH BIOFUELS
1. FIXED PRICE PER GALLON	NOT OFFERED	NOT OFFERED	NOT OFFERED
2. PRICING FORMULA	Years 1-2: RMI/12.1 + \$0.63 - (\$0.25 Tax Credit) + 8.5% Sales Tax Years 3-5: SoCal/12.1 + \$0.63 - (\$0.25 Tax Credit) + 8.5%	$((\text{SoCal index}/12.104) * 1.2) + .73) * 1.085$	$[(\text{SoCal}/12.104) * 1.2] + 0.80 + \$4,100 + \text{sales tax}$
3. INDEX USED AND INDEX VALUE AS OF MAY 31, 2007	Rocky Mountain Index (RMI) years 1-2 and SoCal Gas Border years 3-5 (\$4.66)	SoCal Border (\$6.98/MMBtu)	SoCal Gas (\$6.98/MMBtu)
4. TANK TRAILER CAPACITY	10,000 gallons approximately	10,000 gallons nominal capacity	9,500 gallons
5. CLIENT REFERENCES PROVIDED	yes	yes	yes
6. LIST OF SUBS AND DBES ATTACHED	yes	yes	yes
7. PROOF OF LICENSES ATTACHED	yes	yes	yes
8. PROOF OF PERMITS ATTACHED	yes	yes	yes
9. INFO PROVIDED AS PER PART III, ARTICLE 6	yes	yes	yes
Primary Source of Supply	ExxonMobil near Evanston WY	ALT LNG Plant in Topock, AZ	ALT LNG Plant in Topock, AZ
Secondary Source of Supply	Williams in Durango, Colorado	ExxonMobil near Evanston WY	ExxonMobil near Evanston WY
Tertiary Source of Supply	ALT LNG Plant in Topock, AZ	Pioneer Natural Resources Ulysses, KS	
	Pickens Plant in Willis Texas		

10.a.1

Attachment A

**CONTRACT FOR SUPPLY AND DELIVERY
OF LIQUEFIED NATURAL GAS (06-23)**

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

1. RECITALS

1.01 District's Primary Objective

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

1.02 District's Need For Supply And Delivery Of Liquefied Natural Gas

District requires the supply and delivery of liquefied natural gas to be used for standard purposes. In order to obtain said supply and delivery of liquefied natural gas, the District issued an Invitation for Bids, dated May 18, 2007 setting forth specifications for supply and delivery of liquefied natural gas. The Invitation for Bids is attached hereto and incorporated herein by reference as Exhibit A.

1.03 Contractor's Bid Form

Contractor is a supplier of liquefied natural gas desired by the District and whose principal place of business is 3020 Old Ranch Parkway, Suite 200, Seal Beach, California. Pursuant to the Invitation for Bids by the District, Contractor submitted a bid for Provision of said supply and delivery of liquefied natural gas, which is attached hereto and incorporated herein by reference as Exhibit B.

1.04 Selection of Contractor and Intent of Contract

On July 13, 2007 District selected Contractor as the lowest responsive, responsible bidder to supply and deliver liquefied natural gas. The purpose of this Contract is to set forth the provisions of this procurement.

1.05 Contractor and Supplier Synonymous

For the purposes of this Contract, the terms "contractor" and "supplier" are synonymous.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in This Contract

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

a) Exhibit A

Santa Cruz Metropolitan Transit District's "Invitation for Bids" dated May 18, 2007.

b) Exhibit B (Bid Form)

Contractor's Bid Form to the District for Item, signed by Contractor and dated June 12, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. TIME OF PERFORMANCE

3.01 General

Contractor shall perform work under this Contract at such times to enable it to meet the time schedules specified in the Specifications Section of the IFB. The Contractor shall not be responsible for delays caused by force majeure events described in Section 2 of the General Conditions of the Contract.

3.02 Term

The term of this Contract commences on the date of execution and shall remain in force for a five (5) year period thereafter. District and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

4. COMPENSATION

4.01 Terms of Payment

Upon written acceptance, District agrees to pay Contractor as identified in the Bid Form, Exhibit B, not to exceed \$9,000,000, for satisfactory completion of all work under the terms and provisions of this Contract within thirty (30) days thereof. Contractor understands and agrees that if he/she exceeds the \$9,000,000 maximum amount payable under this contract, that it does so at its own risk.

4.02 Invoices

Contractor shall submit invoices with a purchase order number provided by the District. Contractor's invoices shall include detailed records showing formula pricing, current index value, sales tax, total invoice amount and weights of delivered fuel loads (before and after delivery).

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this contract; and (4) necessary for performance of the services. No expenses shall be paid by the District unless specifically allowed by this contract.

10.62

5. NOTICES

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

DISTRICT

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

Attention: General Manager

CONTRACTOR

Clean Energy
3020 Old Ranch Parkway
Suite 200
Seal Beach CA 90740

Attention: Doug Cameron

6. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR—CLEAN ENERGY

By _____
James N. Harger
Senior Vice President, Marketing and Sales

Approved as to Form:

Margaret Rose Gallagher
District Counsel

10.63

EXHIBIT -A-

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Invitation for Bid (IFB)

For Supply and Delivery of Liquefied Natural Gas

District IFB No. 06-23

Date Issued: May 18, 2007

Bid Deadline: 2:00 p.m., June 12, 2007



Contents of this IFB

Part I.	Bid Form
Part II.	Instructions to Bidders
Part III.	Specifications
Part IV.	General Conditions of the Contract
Part V.	Special Conditions of the Contract
Part VI.	Contract
Part VII.	FTA Requirements for Non-Construction Contracts
Part VIII.	Protest Procedures

PART I

BID FORM

The undersigned ("Bidder"), upon acceptance by the District, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids for supply and delivery of liquefied natural gas dated May 18, 2007 at the following prices.

Bidders may choose to bid Firm Fixed Price, Price Based off Index, or both. In order to ensure the uniform assessment of all bid submittals by District's Evaluation Committee, Bidders **MUST** include all relevant pricing for each and every year of the 5-year term of the contract. All costs necessary to complete the terms of this IFB must be included in the appropriate boxes.

1. LNG Fuel: per GALLON	FIRM FIXED PRICE: Unit Price per LNG GALLON				
	Year 1	Year 2	Year 3	Year 4	Year 5
2. LNG Fuel: per GALLON	PRICE FORMULA USING MONTHLY INDEX: Unit Price per LNG GALLON				
	Years 1 through 5				

3. Index used **and value as of May 31, 2007:** _____

4. Tank trailer capacity: _____

5. Current Client References List Attached: Yes No

6. List of Subcontractors and DBEs attached: Yes No

7. Proof of Licenses attached: Yes No

8. Proof of Permits attached: Yes No

9. Information required per Part III, Article 6 is attached to this bid: Yes No

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. District reserves the right to award **a contract to one or more bidders**. District may accept or reject the bid items at its discretion. The Board of Directors also reserves the right to reject all bids for any reason.

Bidder has examined and is fully familiar with all terms and conditions of the Invitation for Bids and any addenda issued by the District thereto, and Bidder unconditionally submits this bid in strict accordance with said Invitation for Bids. Bidder has carefully checked all words and figures shown on this Bid Form and has carefully reviewed the accuracy of all documents, representations, manufacturer's literature, and statements submitted with this bid.

Bidder understands that this bid constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to the District executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of the District Notice of Award. Said Notice of Award shall be deemed duly given to Bidder upon delivery if delivered by hand, or three (3) calendar days after posting if sent by mail to Bidder's address.

Bidder understands that no partial, conditional or qualified bids shall be accepted for any bid item. Bidder further understands the right of the District Board of Directors to accept or reject any or all bids received for any reason. The District reserves the right to waive minor irregularities.

Bidder has included manufacturers' brochures describing the equipment bid under this IFB. Any proposed deviation from any item in the IFB specifications has been delineated on said brochures or on a separate attachment included with the bid. Bidder represents that the equipment and other work bid meets the specifications in all respects unless clearly noted to the contrary in the bid submittal.

The contract, if awarded, will be to the lowest responsive, responsible bidder. Bidder understands that the "lowest responsible bidder" is the lowest bidder whose offer best responds in quality, fitness and capacity to the requirements of the Invitation for Bids. The District reserves the right to award to other than the lowest bidder if the District finds that the lowest bidder is not responsible. **District reserves the right to award a contract to one or more bidders.**

Bidder acknowledges receipt of the following addenda to the Invitation for Bids. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the bidder and included in the bid.

Addenda No.'s _____

Bidder has submitted the following documents with the bid:

1. Exceptions, if any, taken to the specifications or other sections of the IFB. (Warning: Substantive exceptions will be cause for bid rejection.)
2. Copy of any standard warranties in accordance with the Specifications.
3. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
4. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable
5. Fully executed copy of the "Buy America Provision Certification" listed as Page I-5 of the Bid, if applicable.

Bidder understands that bids shall be placed in a sealed envelope marked as indicated below and delivered to the Purchasing Office of the Santa Cruz Metropolitan Transit District, 110 Vernon Street, Suite B, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

IFB No. 06-23
Supply and Delivery of LNG
Bid Opening 2:00 p.m., June 12, 2007

Bidder has full power and authority to enter into and perform the work described in the Invitation for Bids on behalf of the company noted below.

Company Name

Indicate:

Sole Proprietorship Partnership Corporation

Joint Venture with _____

Street Address

City, State, Zip Code

Signature of authorized company official

Typewritten name of above and title

Name, title, and email address of person to whom correspondence should be directed

Telephone Number

FAX Number

Date

Federal Tax ID No.

The Santa Cruz Metropolitan Transit District is a special purpose District and is a subdivision of the State of California.

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

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

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

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

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

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

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

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

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

Signature and Title of Authorized Official

AFFIDAVIT OF NON-COLLUSION

I hereby swear (or affirm) under penalty of perjury that:

1. I am the bidder (if the bidder is an individual), a partner in the bid (if the bidder is a partnership), or an officer or employee of the bidding corporation and have authority to sign on its behalf (if the bidder is a corporation);
2. The bidder has independently produced the attached bid(s) without collusion, agreement, understanding or planned common course of action, with any other source, that would limit independent bidding competition;
3. The contents of the bid(s) have not been communicated by the bidder and or its employees and or agents to any person not an employee and or agent of the bidder and or its surety, on any bond furnished with the bid, and will not be communicated to any such person prior to the official opening of the bid, and
4. I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Bidder's Company Name _____

Legal Structure (corp./partner/proprietor) _____

Principle Office Address _____

City, ST, Zip _____

Phone Number _____

Fax Number _____

E-Mail _____

Federal Employer Identification Number _____

Title of Person Authorized to Sign _____

Print Name of Person Authorized to Sign _____

Date Signed and Authorized Signature _____

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

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

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

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

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

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

Firm Name _____

Signature of Authorized Official _____

Name and Title of Authorized Official _____

Date _____

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

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

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

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

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

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

BUY AMERICA CERTIFICATE

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

Date: _____

Signature: _____

Company Name: _____

Title: _____

OR

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

Date: _____

Signature: _____

Company Name: _____

Title: _____

BIDDER DBE INFORMATION

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

BIDDER'S ADDRESS _____

 BID AMOUNT \$ _____
 BID OPENING DATE _____
 DATE OF DBE CERTIFICATON _____
 SOURCE ** _____

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

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

TOTAL CLAIMED DBE
 PARTICIPATION \$ _____ _____ %

SIGNATURE OF BIDDER

DATE

AREA CODE/TELEPHONE

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

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

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

BIDDER DBE INFORMATION

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

PART II

INSTRUCTIONS TO BIDDERS

1. **CONTENTS:** This Invitation for Bids (IFB) includes the (I) Bid Form, (II) Instructions to Bidders, (III) Specifications, (IV) General Conditions of the Contract, (V) Special Conditions of the Contract, (VI) Contract, (VII) FTA Requirements for Non-Construction Contracts, and (VIII) Formal Bidding Procedures. The final Contract with the Successful Bidder will be in the form and substance of the Contract (Part VI) included in the IFB.
2. **SUBMISSION OF BID:** Prior to the date and time of bid opening, all bids shall be delivered to the Purchasing Office of the District at 110 Vernon Street, Suite B, Santa Cruz, California, 95060. All bids shall be in a sealed envelope properly endorsed as to name and opening date. No bids received after said time or at any place other than the place as stated in the Notice and Invitation to Bidders will be considered. For example, bids postmarked before bid opening but received after shall be rejected. Telephone or electronic bids will not be accepted.
3. **BIDDER RESPONSIBILITY:** The District has made every attempt to provide all information needed by bidders for a thorough understanding of project terms, conditions and other requirements. It is expressly understood that it is Bidder's responsibility to examine and evaluate the work required under this Invitation for Bids (IFB) and the terms and conditions under which the work is performed. By submitting a bid, Bidder represents that it has investigated and agrees to all the terms and conditions of the IFB.
4. **BID FORM:** The bid shall be made on the Bid Form provided therefore and shall be enclosed in a sealed envelope marked and addressed as required. If the bid is made by a sole proprietor, it shall be signed with his/her full name and his address shall be given; if it is made by a partnership, it shall be signed with the co-partnership name by a member of the firm, who shall also sign his/her own name, and the name and address of each member shall be given; and if it is made by a corporation, it shall be signed by an officer or other individual who has the full and proper authorization to do so.

When the Bid Form is signed by an agent, other than the officer or officers of a corporation authorized to sign Contracts on its behalf, or is signed by an agent other than a partner of a partnership, or by an agent for an individual, a power of attorney must be submitted with the bid; otherwise, the bid will be rejected as irregular and unauthorized.

Blank spaces in the Bid Form shall be properly filled. The phraseology of the Bid Form must not be changed, and no additions shall be made to the items mentioned therein. Alterations by erasure or interlineation must be explained or noted in the bid over the signature of the Bidder. If the unit price and the total amount named by a Bidder for any item do not agree, the unit price alone will be considered as representing the Bidder's intention.

Submission of alternative bid or bids, except as specifically called for in the IFB, will render it informal and may cause its rejection.

5. **COMPETITIVE BIDDING:** If more than one bid is offered by any individual, firm, partnership, corporation, association, or any combination thereof, under the same or different names, all such bids may be rejected. A party who has quoted prices on materials or work to a Bidder is not thereby disqualified from quoting prices to other Bidders, or from submitting a bid directly for the materials or work if otherwise qualified to do so.

All Bidders are put on notice that any collusive agreement fixing the prices to be bid so as to control or affect the awarding of this Contract is in violation of the District's competitive bidding requirements and may render void any Contract let under such circumstances.

6. **EXPENSES TO BE INCLUDED IN BID PRICE:** Unless otherwise specified in the IFB, the bid price shall include all expenses necessary that go into making the items procured under the IFB complete and ready for immediate use by the District without additional expense. Bid price shall include, without limitation, all costs for labor, services, equipment, materials, supplies, transportation, installation, overhead, packing, cartage, insurance, license, fees, taxes, permits, bonds, inspection, and other expenses necessary to satisfy the provisions of the IFB, expressed and implied.

Unless bidder is specifically instructed to do otherwise in the Specifications section of this IFB, sales taxes shall be included in the bid price in the amount of 8.5 % of the total bid price. Federal Excise Tax, from which the District is exempt, should not be included in the bid price. A Federal Excise Tax Exemption certificate will be furnished to the successful Bidder.

Samples of items, when required, must be furnished free of expense to the District and, if not destroyed by tests may, upon request made at the time the samples are furnished, be returned at Bidder's expense.

7. **WITHDRAWAL OF BID:** Bidder may withdraw the bid before the expiration of the time during which bids may be submitted, without prejudice, by submitting a written request for its withdrawal to the District Secretary/General Manager.
8. **TIME OF DELIVERY:** Time of delivery is part of the bid and must be strictly adhered to by the Bidder. Bidder obligates itself to complete the work within the number of days specified in the Contract.
9. **CANVASS OF BID:** At the hour specified in the Notice of Invitation to Bidders, the District, in open session, will open, examine and publicly declare all bids received and shall announce each bidder's price. The remaining content of the bids shall not be made public until after an award is made by the Board of Directors or District Staff as appropriate. Bidders, their representatives and others interested, are invited to be present at the opening of bids. Award will be made or bids rejected by the District within the time period specified in the Bid, if none is specified, within sixty (60) days after the date of bid opening.
10. **RIGHT TO REJECT BIDS:** The District may reject any and all bids at its discretion, and may reject the bid of any party who has been delinquent or unfaithful in any former contract with the District. The right is reserved to reject any or all bids and to waive technical defects, as the interest of the District may require. The District may reject bids from Bidders who cannot satisfactorily prove the experience and qualifications outlined in the Instructions to Bidders.
11. **SINGLE BID:** If only one bid is received in response to the IFB, Bidder may be required to submit to District within five (5) days of District demand, a detailed cost proposal. The District may conduct a cost or price analysis of the cost proposal to determine if the bid price(s) are fair and reasonable. Bidder shall cooperate with District in compiling and submitting detailed information for the cost and price analysis.
12. **EXPERIENCE AND QUALIFICATIONS:** The Bidder may be required upon request of the District to prove to the District's satisfaction that the Bidder is responsible. Criteria used by the District to determine Bidder responsibility includes, without limitation, whether Bidder and its proposed contractors have the skill, experience, necessary facilities and financial resources to perform the Contract in a satisfactory manner and within the required time. Other criteria include whether the original equipment manufacturer of the items bid (1) has in operation, or has the capability to have in operation, a manufacturing plant adequate to assure delivery of all equipment within the time specified under the Contract and (2) has adequate engineering and service personnel, or has the capability to have such personnel, to satisfy any engineering or service problems that may arise during the warranty period and the useful life of all items bid. To help the District assess Bidder's responsibility and ability to provide continued parts, service, and engineering support for the useful life of all items bid, Bidder may be required to submit, at its own cost, its latest Dunn & Bradstreet report and its latest independently audited financial statements.
13. **APPROVED EQUALS:** In order to establish a basis of quality, certain items or processes may be specified by description or brand name. Unless otherwise specified, it is not the intent of the IFB to exclude other items or processes of equal value, utility or merit.

Bids for equivalent items meeting the standards of quality thereby indicated will be considered provided they are received by no later than fourteen calendar days before the date of bid opening. Any such bid shall include adequate information and samples, including technical data, test results, performance characteristics, life-cycle costs, and other salient characteristics to clearly describe the item or process offered and how it equals or exceeds the characteristics of the referenced brand or process.

Unless the Bidder clearly indicates otherwise in the bid, it is understood that he/she is offering a referenced brand or process as specified herein. The District reserves the right to determine whether a substitute offer is equivalent to, and meets the standards of, quality indicated by the brand name or process referenced.

14. **AWARD OF CONTRACT:** The award of the Contract, if awarded, will be to the responsive, responsible Bidder whose bid complies with the IFB in all respects, and whose ADJUSTED BID PRICE is the lowest of all qualified bids received. The methodology for determining the adjusted bid price is described in the Bid Form (Part I of the IFB). If the lowest responsive, responsible Bidder refuses or fails to execute the Contract, the District may award the Contract to the next lowest responsive, responsible Bidder or solicit new bids. **The District reserves the right to award a contract to one or more bidders.**
15. **EXECUTION OF CONTRACT:** The Contract shall be provided by the District in substantially the same form as provided in Part VI and shall be executed by the successful Bidder and returned to the District Purchasing Office (110 Vernon Street, Suite B, Santa Cruz, CA 95060) no later than ten (10) calendar days after the date of receipt of the Notice of Award. Successful Bidder shall submit the required insurance certificate(s) no later than ten (10) days after receipt of Notice of Award. Successful Bidder's execution and delivery of the insurance certificate(s) specified in the IFB is a condition precedent to the finalization of the Contract. In no event shall the successful Bidder commence work until it has received the signed Contract and notification from the District that the required insurance certificate(s) have been approved.
16. **ERRORS AND ADDENDA:** If omissions, discrepancies, or apparent errors are found in the IFB prior to the date of bid opening, the Bidder shall request a clarification from the District which, if substantiated, will be given in the form of addenda to all Bidders.
17. **NON-DISCRIMINATION:** The Santa Cruz Metropolitan Transit District will not discriminate with regard to race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability in the consideration for an award.
18. **DISADVANTAGED AND BUSINESS ENTERPRISES:** The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of District contracting to the maximum extent practicable. Consistent with the DBE Policy, the Bidder shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.
19. **INQUIRIES AND CORRESPONDENCE DURING BIDDING PERIOD:** Questions pertaining to the Specifications and the Bid Documents during the bidding period shall be directed to the Purchasing Agent at (831) 426-0199.

PART III

SPECIFICATIONS FOR SUPPLY AND DELIVERY OF LIQUEFIED NATURAL GAS

1. INTRODUCTION

- 1.1 The purpose of this Invitation for Bids (IFB) is to obtain the services of a qualified firm to provide the Santa Cruz Metropolitan Transit District (District or METRO) with an indefinite quantity of bulk Liquefied Natural Gas (LNG) requirements for its Santa Cruz fueling facility under the terms of this Agreement.
- 1.2 District operates a fixed route fleet of 113 buses of which eleven (11) buses are CNG powered and forty (40) buses will be converted to CNG power within the next 9 months. All future bus purchases will have CNG engines.
- 1.3 District has one LCNG fueling facility located at 1200 River Street, Santa Cruz, California. This fuel station is currently under construction and is expected to be completed by mid July of 2007. This site will have a fifteen thousand gallon vertical LNG storage tank.
- 1.4 District seeks a competitive solution to meet its bulk LNG vehicle fuel requirements.
- 1.5 Vendors may offer additional services in their respective bid; however, such services are not accepted unless so authorized in writing.

2. BACKGROUND

- 2.1 The Santa Cruz Metropolitan Transit District is a special utility district established by legislation in 1967 to provide public transit service in Santa Cruz County, California. METRO is the single designated fixed-route operator in Santa Cruz County and has the authority to receive local transportation funds, collect sales tax revenue, sell bonds, condemn property and execute agreements with other agencies, among other things.
- 2.2 METRO operates 41 fixed transit routes and ADA Complementary Paratransit service throughout the County. METRO operates one regional route, the Highway 17 Express, between San Jose and Santa Cruz. With a service area population of 252,000, METRO carries approximately 6 million passenger trips annually. Service operates from approximately 4:15 a.m. until midnight Monday through Friday with a reduced service level on Saturdays, Sundays and Holidays. A deviated, on-demand route provides extended late-night service to the University.
- 2.3 METRO began an ambitious fleet upgrade in 1998. Since then, METRO has replaced 79 buses and purchased its first CNG fueled buses. Now, in order to meet California clean air requirements, METRO will convert forty diesel buses to run on CNG in 2007 and all future bus purchases will be CNG.
- 2.4 District's fixed-route transit operations are conducted from one facility located at 1200 River Street, Santa Cruz, California.

3. SCOPE OF SPECIFICATIONS

- 3.1 Provide LNG bulk fuel requirements for District's operations facility.
- 3.2 This agreement is for an indefinite quantity of LNG fuel, within the limits stated hereunder, and District does not guarantee the purchase of a particular volume or amount during the contract period.
- 3.3 Each qualified Bidder shall conduct a careful examination of District's facility and shall thoroughly familiarize themselves with the requirements of the contract and scope of the work prior to submitting a bid.

3.4 Contractor shall carefully check and verify all access points, conditions, configurations, and arrangements of the respective site.

4. STATEMENT OF WORK

4.1 Contractor's work shall include the following tasks and shall be completed on or before the timeframes indicated in the Schedule outlined below:

EVENT	DATE
Invitation for Bids Released	May 18, 2007
Bid Deadline	June 12, 2007, 2:00 p.m., PST
Contract Approval By District Board of Directors	June 22, 2007
Target Contract Start Date	July 1, 2007
Contract End Date (5 yrs)	June 30, 2012

4.2 Provide LNG fuel to District's bulk storage facility located at 1200 River Street, Santa Cruz, California.

4.3 The Contractor shall check the onsite storage vessels at District's location on a regular (daily) basis and deliver fuel as required, and in a timely manner, to ensure that District is supplied, at all times, with at least **one third (5,000 LNG gallons)** of the maximum storage capacity of the bulk storage facility (15,000 LNG gallons). LNG gallons for this purpose shall be defined as: LNG @ 0 PSI and minus (-)259F.

4.3.1 The successful bidder shall monitor and maintain necessary fuel levels as listed. The fuel levels shall not include LNG at the plant or on the road unless mutually agreed to.

4.3.2 Contractor must have the capability to link into District's remote inventory monitoring system.

4.4 The Contractor shall furnish all trucks, trailers, off-loading hose(s), tools, equipment, resources, apparatus, facility, transportation, trained labor and materials necessary to furnish the services herein described.

4.5 Contractor must provide District with proof of compliance of relevant local, state, and federal laws/regulations, and Contractor must notify District of any changes, amendments, and modifications in relevant regulations, laws, statutes and policies. Prior to delivery of the first load of LNG under this contract fuel supplier shall inspect and provide to District their safety validation of the site and equipment.

4.6 Supplier shall notify District prior to the delivery of any reformulation of products supplied under this contract, and changes shall not be accepted without the prior written consent of District.

4.7 The Supplier must follow and observe District safety polices and procedures while on District property.

5. FUEL REQUIREMENTS

5.1 The LNG shall satisfy the following requirements:

Property	Limit Mole Percent	ASTM Test Method
Methane	98% - 100%	
Ethane	1.0% max	
Heavy Hydrocarbon	0.5% max	D 1945
Inert Gas	0.5% max	

6. EACH BID MUST PROVIDE THE FOLLOWING INFORMATION:

6.1 Description of Primary Supply Source(s) for District location.

6.1.2 Source(s) and location(s) for both the raw product (natural gas/methane) or liquefier plant/production plant sites;

6.1.3 Primary source for District’s LNG fuel supply.

6.1.4 Letter from primary source of supply that contractor has an established LNG supply agreement with contractor and list how many LNG gallons per day/week/month source has contracted to supply contractor.

6.2 LNG Tanker Trucks/Transport Vehicles

6.2.1 Owner

6.2.2 The number of relevant vehicles retained by Owner

6.2.3 A brief description of each vehicle & trailer (e.g., capacity, year of manufacture, year of restoration, etc.)

6.2.4 Delivery sub-contractor if applicable - Items 6.2.1, 6.2.2, 6.2.3.

6.3 IRS Tax refund: the Bidder shall provide District with a written detail describing how they plan to incorporate IRS LNG automotive fuel tax refund to District beginning October 2006. This item shall be considered part of the District LNG fuel purchase terms and conditions.

6.4 Bidder shall provide District with written detail how they shall provide LNG fuel should their primary source of LNG fuel become unavailable. Within this detail Bidder shall provide the names of primary and secondary sources of LNG fuel as designated District fuel sources. It is understood that a force majeure shall only occur if both of these sources of supply cannot provide LNG fuel.

6.5 This agreement is for an indefinite quantity of LNG fuel, within the limits stated herein, and District does not guarantee the purchase of a particular volume or amount during the term of the IFB.

6.6 Contractor shall guarantee supply of District’s LNG fuel requirements as herein described for the term of the Agreement.

6.7 The Bidder shall elaborate on the LNG fuel pricing methodology. Will the pricing be fixed or based off an index.

6.8 List of client references who receive regular repeated LNG deliveries for fleet or public transportation purposes. Provide contact names and telephone numbers.

7. ESTIMATED FUEL USAGE

7.1 District has estimated is projected LNG fuel usage for the next five (5) years. These are just estimates to be used for the bidding price of LNG.

7.2 The estimated LNG fuel usage is as follows:

Time Period	Gallons/Std.	Cubic Feet
07/01/07 – 06/30/08	1,107,120	914,70,254
07/01/08 – 06/30/09	1,251,046	103,361,421
07/01/09 – 06/30/10	1,313,598	108,529,467
07/01/10 – 06/30/11	1,379,278	113,955,948
07/01/11 – 06/30/12	1,793,061	148,142,700

7.2.1 The projected daily fuel usage shall average approximately 98.44 LNG gallons per vehicle per day.

7.2.2 The LNG fuel shall be invoiced based upon quantities delivered to the sites by weight. One (1) LNG gallon shall be determined as: minus -259F @ 0 PSI =3.6 pounds per gallon. The Contractor agrees to weigh LNG deliveries at the nearest approved weighing location to the property and use the weigh ticket as a means to calculate the amount of LNG delivered. LNG delivered to the property shall have a head pressure no greater than 30 psi. If head pressure exceeds 30 psi, the trailer tank shall be vented and the trailer shall be reweighed at the nearest approved weighing station. The contractor shall reweigh the trailer after each delivery. Each invoice shall include a copy of individual delivery weight before and after each delivery to the District. Invoice shall have site and signature of District employee receiving the fuel. No LNG deliveries will be accepted at more than 30 PSI unless a predetermined District employee provides written exception for the out of spec load of LNG.

8. LIQUIDATED DAMAGES

8.1 Contractor's failure to maintain minimum onsite fuel requirement(s) under this Agreement shall result in liquidated damages being assessed against the fuel supplier.

8.1.1 These damages shall be deducted from any monies due, or which may thereafter become due, to Contractor under this Contract.

8.1.2 Force Majeure applies:

- a) When it is beyond the control of Contractor to provide the service requirements contained in this contract, the Liquidated Damages shall be prorated accordingly.
- b) District shall be the sole judge of the applicability of the Force Majeure clause as relates to Liquidated Damages.

8.1.3 Specific Daily Liquidated Damages Amount.

From the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. District and Contractor, therefore, presume that in the event of any such delay the amount of damage which shall be sustained from a delay shall be \$18,400 per day.

8.1.4 District and the Contractor agree that in the event of any such delay, the Contractor shall pay such amounts as liquidated damages and not as a penalty.

9. PREPARATION AND DELIVERY

- 9.1 The fuel delivery hours shall be between 7 a.m. and 3 p.m. Monday through Friday each week, except holidays.
 - 9.1.1 Contractor must address and coordinate the scheduling of fuel deliveries with District staff in order to accommodate District's holiday schedule.
 - 9.1.2 District does not operate (closed) on any of the following national holidays: Thanksgiving, Christmas, and New Years Day and will not receive LNG deliveries
- 9.2 Contractor shall assume full responsibility for providing tankers or containers suitable for delivery of the fuel to District's bulk storage tank.
- 9.3 Contractor shall be responsible for off-loading fuel into District's bulk storage tank and providing trained personnel capable of performing the off-loading of fuel without assistance from District.
- 9.4 All LNG tanker trucks making deliveries shall be properly certified by the State of California including but not limited to Vehicle Tank Measurement Certificates, and in accordance with Federal Department of Transportation regulations, policies, and procedures.
 - 9.4.1 If requested, the Contractor shall provide copies of requested certificates within three (3) days after notification is received from a designated District representative.
 - 9.4.2 All drivers making deliveries of LNG to District shall have Hazardous Materials Endorsements on their Commercial Driver's License, and such other Endorsement as may be required by relevant laws and/or regulations.
 - 9.4.3 Prior to the first delivery of LNG, the Contractor shall provide District with a material safety data sheet (MSDS) for the LNG.
- 9.5 Contractor shall provide vapor return to the tanker from the LNG storage vessels.
- 9.6 District may require all vessels of delivery trucks to be sealed with devices that are tamper free and identified on the delivery documents.
- 9.7 Contractor, its agents or employees, must notify District's fleet supervisor or his/her designee, upon delivery of each LNG fuel, as all fuel deliveries to District's bulk storage tank must be acknowledged by a designated District representative.
- 9.8 Contractor shall, at its expense, make every reasonable effort necessary to maintain minimum fuel levels. Contractor agrees to notify District's designated representative if, at any time, it appears that the delivery schedule set forth may not be met.
 - 9.8.1 Such notification shall include the reasons for any possible delays, and steps being taken by Contractor to remedy any such problem(s).
 - 9.8.2 Nothing herein shall be interpreted as waiving remedies otherwise available to District.
- 9.9 The bid prices must include all freight delivery costs and applicable fees.

10. TECHNICAL SUPPORT

- 10.1 Bids must include a description of technical support services offered by Contractor, if any, and hours of availability for Bidder's Technical Support Services Staff.
- 10.2 Testing
 - 10.2.1 District reserves the right to periodically request a written laboratory report (within five days of the request), at Contractor's expense, containing the specifications of the LNG contained in the Contractor's bulk storage tank from which District's supply is drawn. (1) Contractor shall list on each sample report all procedures that were used, and shall retain records of the test results for two (2) years.

- 10.2.2 District may, if the results of the testing show the LNG to be deficient, require Contractor to prepare and deliver a written program designed to eliminate deliveries of defective product.
- 10.2.3 If Contractor fails to promptly take necessary and reasonable steps to ensure the quality of LNG fuel, District shall have the unilateral right to terminate this contract for default as provided in Part IV, Article 2.02, Termination for Default.
- 10.3 If Contractor questions or disputes the result of tests made by District or its designee, District shall have the right to appoint an independent testing laboratory, who is also acceptable to the Contractor, to make the required tests.
- 10.4 The expense of such tests shall be paid by the Contractor if it is determined that any LNG failed to satisfy the specifications set forth herein; and by District if it is deemed that the tested LNG sample(s) satisfied the specification standards set forth herein.
 - 10.4.1 The decision of the independent laboratory shall be final and binding on both parties.
- 10.5 Inspection of Services
 - 10.5.1 All services provided and materials utilized in the performance of such services, shall be subject to inspection by District, or its designee, to the extent practicable at all times and places during the term of this Agreement.
 - 10.5.2 All inspections made by District, or its designee, shall be made in such a manner as not to unduly delay the Contractor's delivery and/or dispensing of fuel.

11. PERMITS AND LICENSES

- 11.1 Contractor shall be responsible for obtaining all necessary permits and licenses required by local, state, and federal authorities for performance under the terms of this Agreement.
- 11.2 Contractor shall pay all charges and fees, and furnish all notices necessary for lawful execution of the work.
- 11.3 Contractor shall give all required notices and comply with all federal, state, and local laws, ordinances, rules, regulations and orders of any public authority bearing on the performance of this Agreement.
- 11.4 Upon request, the Contractor shall furnish to District certificates of compliance with all such laws, orders, regulations and driving records of the supplier truck drivers.

12. DISTRICT'S RESPONSIBILITIES

- 12.1 District's shall, at all times, provide reasonable access to the fueling facility, and shall permit the unloading of Contractor's truck at the delivery location without undue delay.
- 12.2 District shall have available a transfer pump with a 3" CGA coupling connection capable of average unload rate of 200 gallons per minute.
- 12.3 District shall provide adequate power and pumps for off-loading the LNG in a timely manner.
- 12.4 District will supply an attendant to observe the off loading of all LNG deliveries. This attendant will monitor a portable methane detection system and will act as an emergency back up to the driver if there is a problem. This attendant does not negate the need for the Contractor to properly train their operators to safely off load LNG at District sites.

13. EMPLOYEE HAZARDS

- 13.1 Contractor shall perform all work in a clean, safe and professional manner, causing no hazards to District staff, facility the environment or Contractors service personnel.
- 13.2 All Hazardous waste must be handled, collected, stored and disposed of in accordance with federal, state and local environmental compliance regulations.

13.3 The contractor is responsible for providing safety training for all the all employees that deliver LNG fuel to District.

13.3.1 The bidder shall submit their safety plan for their drivers and schedule of training to District.

14. TERM OF CONTRACT

The term of this contract will be for a period of five (5) years.

15. AWARD OF CONTRACTS

The District intends to award two contracts to the top two bidders. The lowest responsive responsible bidder shall receive a contract for a majority of the District's requirements. The second lowest responsive responsible bidder shall receive a contract for District's requirements that are not met by the lowest responsive responsible bidder.

The basis for selecting the lowest responsive responsible bidder includes the bidder meeting all technical requirements for this solicitation and offering the best overall value for the services requested. Additional requirements include the following:

- **Demonstrated a sustainable and regular supply of LNG with a delivery fleet capable of meeting District requirements.**
- **Adequate capabilities to offset or minimize loss of supply events.**
- **Demonstrated experience in supplying regular repeated LNG deliveries to customers for transportation purposes.**

16. FUEL PRICING

The Contractor shall be responsible to provide:

- LNG fuel per LNG gallon delivered to the District.
- Provide a cost breakdown of the LNG price including freight and weighing charges, and any charges for delivery delay. Bidders are to use a monthly adjusted Natural Gas Price Index.
- Bidders may also bid the fuel supply commodity portion as a fixed price for five years.
- **Lowest cost bid will be calculated over a five year contract period, using the formula or fixed unit price(s) offered and the annual estimated quantities provided in Part III, Article 7.2. If a formula is used, the index quoted value as of May 31, 2007 will be used to calculate all five years of the contract.**

PART IV

GENERAL CONDITIONS TO THE CONTRACT

I. GENERAL PROVISIONS

1.01 Governing Law & Compliance with All Laws

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect.

1.02 Right to Modify Contract

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

2. TERMINATION

2.01 Termination for Convenience

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

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by the District, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to the District in the manner, at the time, and to the extent directed by the District all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the District shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of the District, to the extent the District may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to the District and deliver in the manner, at the time, and to the extent, if any, directed by District the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to the District; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by the District, any property of the types referred to above provided, however, that the Contractor shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by the District, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to the District to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this Contract or paid in such other manner as the District may direct; (8) complete performance of such part of the Work as shall not have been terminated by the notice of termination; and (9)

take such action as may be necessary, or as the District may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which the District has or may acquire an interest.

2.02 Termination for Default

- 2.02.01 The District may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within time period stated in the Specifications section of the IFB; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.
- 2.02.02 If the Contract is terminated in whole or in part for default, the District may procure, upon such terms and in such manner as the District may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to the District, the Contractor shall be liable to the District for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.
- 2.02.03 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and District shall be considered to have been terminated pursuant to termination for convenience of the District pursuant to Article 2.01 from the date of Notification of Default.

2.03 No Limitation

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

3. FORCE MAJEURE

3.01 General

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

3.2 Notification by Contractor

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

3.03 Losses

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

4. PROFESSIONAL STANDARDS

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

5. PROFESSIONAL RELATIONS

5.01 Independent Contractor

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

5.02 Benefits

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

6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

6.01 Scope

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

- 6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which District may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's performance under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property(ies) of Contractor and third persons.
- 6.01.02 Any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).

7. INSURANCE

7.01 General

Contractor, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage. Such insurance

coverage shall be primary coverage as respects District and any insurance or self-insurance maintained by District shall be excess of Contractor's insurance coverage and shall not contribute to it.

7.02 Types of Insurance and Minimum Limits

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

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

7.03 Other Insurance Provisions

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

8. RESERVED

9. NO DISCRIMINATION

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

10. DISADVANTAGED BUSINESS ENTERPRISES

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

11. PROMPT PAYMENT

11.01 Prompt Progress Payment to Subcontractors

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

11.2 Prompt Payment of Withheld Funds to Subcontractors

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

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

12. RESERVED

13. MISCELLANEOUS PROVISIONS

13.01 Successors and Assigns

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

13.02 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall be extended as provided in Section 13.15; and the hold harmless agreement contained in Article 6 shall survive.

13.03 Limitation on District Liability

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

13.04 Drug and Alcohol Policy

Contractor shall comply with Federal Transit Administration's (FTA) drug and alcohol testing regulations, 49 CFR Parts 653 and 654. Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on District premises or distribute same to District employees.

13.05 Publicity

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

13.06 Consent to Breach Not Waiver

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

13.07 Attorneys' Fees

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

13.08 No Conflict of Interest

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

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

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

13.10 Cal OSHA/Hazardous Substances

13.10.01 Contractor shall comply with California Administrative Code Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on District property, (2) ensure that its employees take appropriate protective measures, and (3) provide the District's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on District property.

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

13.10.03 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 - 25249.13. Contractor will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.

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

13.11 Non-Assignment of Contract

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

13.12 No Subcontract

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

13.13 Severability

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

13.14 All Amendments in Writing

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

13.15 Audit

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

13.16 Smoking Prohibited

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

13.17 Responsibility for Equipment

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

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

13.18 Grant Contracts

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

13.19 Time of the Essence

Time is of the essence in this Contract.

PART V

SPECIAL CONDITIONS OF THE CONTRACT

1. BASIC SCOPE OF WORK

1.01 Basic Scope of Work

Contractor shall, without limitation, furnish and deliver equipment in accordance with the "Specifications" section of the Invitation for Bids, dated May 18, 2007.

2. DEFINITIONS

2.01 General

The terms (or pronouns in place of them) have the following meaning in the Contract.

2.01.01 ACCEPTANCE DATE - The date on which delivery is deemed to be complete in accordance with the provisions of the Contract and accepted in writing by the District.

2.01.02 CONTRACT - The Contract consists of this document, the attachments incorporated herein in accordance with Article 2 of Part VI - "Contract for ITEM," and any written amendments made in accordance with Article 13.14 of Part IV - "General Conditions of the Contract".

2.01.03 CONTRACTOR - Synonymous with Bidder.

2.01.04 DAYS - Calendar Days

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

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

3. BUY AMERICA CERTIFICATE

Contractor shall comply with the requirements of Section 165(a) of the Surface Transportation Assistance Act of 1982 and the applicable regulations in 49 Code of Federal Register Part 661. As evidence of Contractor's knowledge and understanding and certification of intention of compliance, Contractor has executed a Buy America Certificate, which is included as part of the "Bid Form" and incorporated herein by reference. If steel and manufactured products are needed by Contractor for its performance under the provisions of the Contract, Contractor shall only use steel and manufactured products that were produced in the United States.

4. LIQUIDATED DAMAGES

If the work is not completed within the time required, damage will be sustained by the District. It is, and will be impracticable and extremely difficult to ascertain and determine the actual damage which the District will sustain by reason of such delay; and it is therefore agreed that the Contractor shall pay to the District fifty dollars (\$50.00) for each and every day's delay in finishing the Work beyond the time prescribed. If the Contractor fails to pay such liquidated damages, the District may deduct the amount thereof from any money due or that may become due the Contractor under the Contract.

The Work shall be regarded as completed upon the date the District has accepted the same in writing.

5. STATE CONTRACT PROVISIONS

- 5.01 In the performance of work under these provisions, Contractor and its subcontractors will not discriminate against any employee or applicant for employment because of race, religious creed, medical condition, color, marital status, ancestry, sex, age, national origin, or physical handicap (Government Code Section 12940 et seq.). Contractor and all its subcontractors will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religious creed, medical condition, color, marital status, ancestry, sex, age, national origin, or physical handicap. such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor and its subcontractors shall post in conspicuous places, available to employees and applicants for employment, notice to be provided by STATE setting for the provisions of this section.
- 5.02 Contractor and its subcontractors will permit access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by STATE, for the purpose of investigation to ascertain compliance with Section 1 of this Article.
- 5.03 Contractor shall establish and maintain an accounting system and records that properly accumulate and segregate incurred costs by line item for the project. Contractor's accounting system shall conform to generally accepted accounting principles (GAAP), enable to determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of Contractor connected with performance under this Agreement shall be maintained for a minimum of three years from the date of final payment to District under these provisions and shall be held open to inspection and audit by representatives of STATE and the Auditor General of the State and copies thereof will be furnished upon request.
- 5.04 Contractor agrees that contract cost principles at least as restrictive as 48 CFR, Federal Acquisition Regulation System, Chapter 1 Part 31, shall be used to determine the allowability of individual items of costs. Contractor also agrees to comply with Federal procedures as set forth in 49 CFR, Part 18, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments.
- 5.05 For the purpose of determining compliance with Public Contract Code Section 10115, et seq., Military and Veterans Code Sections 999 et seq. and Title 2, California Code of Regulations, Section 1896.60 et seq., when applicable, and other matters connected with the performance of District's contracts with third parties pursuant to Government code Section 10532, Contractors and subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including but not limited to, the costs of administering the various contracts. Contractor and its subcontractors shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under such contract. STATE, the State Auditor General, the Federal Highway Administration, or any duly authorized representative of the Federal Government shall have access to any books, records and documents that are pertinent to the Agreement for audits, examinations, excerpts, and transactions and copies thereof shall be furnished if requested.

6. LABOR HARMONY REQUIREMENT

The construction manager/general and sub-contractor(s) at all tiers must be able to furnish labor that can work in harmony with all other elements employed or to be employed in conjunction with the construction work on the site. Without limiting the generality of the foregoing, 'labor harmony' shall include a provision of labor that will not cause, cause to be threatened, engage in, or give rise to, either directly or indirectly, any work disruption, slowdowns

or stoppages, or any violence or harm to any persons or property while performing any work or activities affecting the project in any way, including but not limited to: (1) traveling to and from the work site; (2) loading, transporting and off-loading of equipment and materials on the construction site; (3) delivery, receipt and unloading of material or equipment, or the provision or receipt of any construction-related services at any designated storage area, or the work site; (4) the performing of the work of the contract at the work site; and on non-working time associated with the above while employees are on site (e.g. lunch hours, breaks, queuing for transportation, etc.).

If a contractor causes any work disruption, slowdowns or work stoppages as a result of its inability to ensure labor harmony, that contractor shall pay to District the sum of \$100 per day as liquated damages while such work disruption, slowdown or work stoppage is underway. As an independent and further remedy, District reserves the right to order the offending contractor to cease work on the project until such time as the work disruption, slowdown or stoppage is resolved and, if the work disruption, slowdown or stoppage is not resolved in District's opinion, within a reasonable period of time, District reserves the right to withdraw the contract from the contractor and to put such contract or remainder of such contract out for re-bid.

If District claims that this provision has been violated, the contractor(s) must agree to submit the issue to emergency arbitration for final and binding resolution. The permanent arbitrator over such disputes shall be the Honorable Nat Agliano, retired or, if he is unavailable, the Honorable Richard Silver, retired. If they decline to serve and the parties are unable to agree on an acceptable alternative, the arbitrator will be selected by petition to the Superior Court for the County of Santa Cruz. The Arbitrator's authority shall be limited to a determination of whether the Labor Harmony requirement has been violated and, if so, what shall be the remedy.

PART VI

CONTRACT FOR SUPPLY AND DELIVER OF LIQUEFIED NATURAL GAS (06-23)

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

1. RECITALS

1.01 District's Primary Objective

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

1.02 District's Need for Item

District requires the supply and delivery of liquefied natural gas to be used for standard purposes. In order to obtain said supply and delivery of liquefied natural gas, the District issued an Invitation for Bids, dated May 18, 2007 setting forth specifications for supply and delivery of liquefied natural gas. The Invitation for Bids is attached hereto and incorporated herein by reference as Exhibit A.

1.03 Contractor's Bid Form

Contractor is a supplier of liquefied natural gas desired by the District and whose principal place of business is _____. Pursuant to the Invitation for Bids by the District, Contractor submitted a bid for Provision of said supply and delivery of liquefied natural gas, which is attached hereto and incorporated herein by reference as Exhibit B.

1.04 Selection of Contractor and Intent of Contract

On _____, District selected Contractor as the lowest responsive, responsible bidder to supply and delivery of liquefied natural gas. The purpose of this Contract is to set forth the provisions of this procurement.

1.05 Contractor and Supplier Synonymous

For the purposes of this Contract, the terms "contractor" and "supplier" are synonymous.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in This Contract

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

a) Exhibit A

Santa Cruz Metropolitan Transit District's "Invitation for Bids" dated May 18, 2007.

b) Exhibit B (Bid Form)

Contractor's Bid Form to the District for Item, signed by Contractor and dated June 12, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. TIME OF PERFORMANCE

3.01 General

Contractor shall perform work under this Contract at such times to enable it to meet the time schedules specified in the Specifications Section of the IFB. The Contractor shall not be responsible for delays caused by force majeure events described in Section 2 of the General Conditions of the Contract.

3.02 Term

The term of this Contract commences on the date of execution and shall remain in force for a five (5) year period thereafter. District and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

4. COMPENSATION

4.01 Terms of Payment

Upon written acceptance, District agrees to pay Contractor _____ as identified in the Bid Form, Exhibit B, not to exceed \$ _____, for satisfactory completion of all work under the terms and provisions of this Contract within thirty (30) days thereof. Contractor understands and agrees that if he/she exceeds the \$ _____ maximum amount payable under this contract, that it does so at its own risk.

4.02 Invoices

Contractor shall submit invoices with a project number provided by the District on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the contract. Telephone call expenses shall show the nature of the call and identify location and individual called.

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this contract; and (4) necessary for performance of the services. No expenses shall be paid by the District unless specifically allowed by this contract.

5. NOTICES

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

DISTRICT

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

Attention: General Manager

CONTRACTOR

Attention: _____

6. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR-- _____

By _____

Approved as to Form:

Margaret Rose Gallagher
District Counsel

PART VII

FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS

1.0 GENERAL

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

2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS

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

3.0 INELIGIBLE CONTRACTORS

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

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

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

5.0 TITLE VI CIVIL RIGHTS ACT OF 1964

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

5.1 Compliance with Regulations

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

5.2 Nondiscrimination

The Contractor, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination

prohibited in Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the regulations.

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

5.4 Information and Reports

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

5.5 Sanctions for Noncompliance

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

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

5.6 Incorporation of Provisions

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

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

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

7.0 CONSERVATION

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

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

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

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

9.1 Overtime Requirements

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

9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

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

9.3 Withholding for Unpaid Wages and Liquidated Damages

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

9.4 Nonconstruction Grants

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

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

9.5 Subcontracts

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

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

The Contractor agrees:

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

11.0 BUY AMERICA PROVISION

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

12.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

12.1 Policy

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

12.2 DBE Obligation

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

12.3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

13.0 CONFLICT OF INTEREST

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

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

The Contractor must provide a certification that:

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

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

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

16.0 DEBARRED BIDDERS

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

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

17.1 General

The District and Contractor agree:

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

17.2 Applicability

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

17.3 Definitions

The terms used in this clause have the following meanings:

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

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

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

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

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

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

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

District and Contractor shall indemnify and save and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the District and Contractor of proprietary rights, copyrights or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Contract.

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

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

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

20.0 NEW RESTRICTIONS ON LOBBYING

20.1 Prohibition

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

20.2 Disclosure

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

information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:

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

20.3 Agreement

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

20.4 Penalties.

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

20.5 Cost allowability

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

PART VIII

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURE

PROCUREMENT PROTESTS

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT - B



Clean EnergySM

**Liquefied Natural Gas Supply
Santa Cruz Metropolitan Transit District
IFB-06.23**

Submitted by:

**Doug Cameron
Regional Manager
Clean Energy**

3020 Old Ranch Parkway, Suite 200
Seal Beach, CA 90740
(562) 493-2804
www.cleanenergyfuels.com

June 12, 2007



LNG Transit Buses at Big Blue Buses Yard in Santa Monica

Attachments

Bid Forms
Proof of Licenses
Proof of Permits
Information required per Part III, Article 6
Monthly NG Prices

Index

1. Clean Energy Profile
2. Statement of Work
3. Fuel Requirements
4. Description of Primary and Secondary LNG Supply Sources
5. LNG Tank Trucks/ Transport Vehicles
6. IRS Tax Refund
7. Pricing
8. Liquidated Damages
9. Preparation and Delivery
10. Technical Support
11. Permits and Licenses
12. Hazardous Materials
13. Current Customer Reference List

PART I

BID FORM

The undersigned ("Bidder"), upon acceptance by the District, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids for supply and delivery of liquefied natural gas dated May 18, 2007 at the following prices

Bidders may choose to bid Firm Fixed Price, Price Based off Index, or both. In order to ensure the uniform assessment of all bid submittals by District's Evaluation Committee, Bidders **MUST** include all relevant pricing for each and every year of the 5-year term of the contract. All costs necessary to complete the terms of this IFB must be included in the appropriate boxes

1. LNG Fuel: per GALLON	FIRM FIXED PRICE: Unit Price per LNG GALLON				
	Year 1	Year 2	Year 3	Year 4	Year 5
2. LNG Fuel: per GALLON	PRICE FORMULA USING MONTHLY INDEX: Unit Price per LNG GALLON				
	Years 1 through 5				
see attached sheet					

3. Index used and value as of **May 31, 2007**: Rocky Mountain Index (RMI) Years 1 & 2; SoCalGas Border Years 3-5

4. Tank trailer capacity: approximately 10,000 gallons

5. Current Client References List Attached: Yes No

6. List of Subcontractors and DBEs attached: Yes No

7. Proof of Licenses attached: Yes No

8. Proof of Permits attached: Yes No

9. Information required per Part III, Article 6 is attached to this bid: Yes No

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. District reserves the right to award a **contract to one or more bidders**. District may accept or reject the bid items at its discretion. The Board of Directors also reserves the right to reject all bids for any reason.

Bidder has examined and is fully familiar with all terms and conditions of the Invitation for Bids and any addenda issued by the District thereto, and Bidder unconditionally submits this bid in strict accordance with said Invitation for Bids. Bidder has carefully checked all words and figures shown on this Bid Form and has carefully reviewed the accuracy of all documents, representations, manufacturer's literature, and statements submitted with this bid.

Price per LNG Gallon	
Years 1 – 2	
Index	RMI/12.1
Margin	\$0.63
50% of Tax Credit	- \$0.25
County Sales Tax (currently at 8.25%)	8.25%
Based Jun 07 RMI \$2.82/ MMBTU Price = \$0.663/gal	

Price per LNG Gallon	
Years 3 – 5 **	
Index	Socal /12.1
Margin	\$0.63
50% of Tax Credit	- \$0.25
County Sales Tax (currently at 8.25%)	8.25%

*CE has only applied sales tax to the margin since the RMI is unknown for future months. Sales tax will also be applied to the RMI monthly price if applicable. The monthly published RMI indexes from *Platt's Inside FERC* are listed in \$/MMBTU. There are 12.1 LNG gallons per MMBTU

** If Primary supply source is changed to Clean Energy California LNG plant once construction is completed in 2008 See Section 4.5

Bidder understands that this bid constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to the District executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of the District Notice of Award. Said Notice of Award shall be deemed duly given to Bidder upon delivery if delivered by hand, or three (3) calendar days after posting if sent by mail to Bidder's address.

Bidder understands that no partial, conditional or qualified bids shall be accepted for any bid item. Bidder further understands the right of the District Board of Directors to accept or reject any or all bids received for any reason. The District reserves the right to waive minor irregularities.

Bidder has included manufacturers' brochures describing the equipment bid under this IFB. Any proposed deviation from any item in the IFB specifications has been delineated on said brochures or on a separate attachment included with the bid. Bidder represents that the equipment and other work bid meets the specifications in all respects unless clearly noted to the contrary in the bid submittal.

The contract, if awarded, will be to the lowest responsive, responsible bidder. Bidder understands that the "lowest responsible bidder" is the lowest bidder whose offer best responds in quality, fitness and capacity to the requirements of the Invitation for Bids. The District reserves the right to award to other than the lowest bidder if the District finds that the lowest bidder is not responsible. **District reserves the right to award a contract to one or more bidders.**

Bidder acknowledges receipt of the following addenda to the Invitation for Bids. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the bidder and included in the bid.

Addenda No.'s 0

Bidder has submitted the following documents with the bid:

1. Exceptions, if any, taken to the specifications or other sections of the IFB (Warning: Substantive exceptions will be cause for bid rejection.)
2. Copy of any standard warranties in accordance with the Specifications.
3. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
4. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
5. Fully executed copy of the "Buy America Provision Certification" listed as Page I-5 of the Bid, if applicable.

Bidder understands that bids shall be placed in a sealed envelope marked as indicated below and delivered to the Purchasing Office of the Santa Cruz Metropolitan Transit District, 110 Vernon Street, Suite B, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

IFB No. 06-23
Supply and Delivery of LNG
Bid Opening 2:00 p m., June 12, 2007

Bidder has full power and authority to enter into and perform the work described in the Invitation for Bids on behalf of the company noted below

Clean Energy

Company Name

Indicate:


Sole Proprietorship Partnership Corporation

Joint Venture with _____

3020 Old Ranch Parkway, Suite 200
Street Address

Seal Beach, CA 90740

City, State, Zip Code


Signature of authorized company official

James N. Harger, Senior Vice President, Marketing & Sales
Typewritten name of above and title

Doug Cameron, Regional Manager dcameron@cleanenergyfuels.com
Name, title, and email address of person to whom correspondence should be directed

(925) 833-0872
Telephone Number

(925) 833-0872
FAX Number

June 11, 2007
Date

95-4603747
Federal Tax ID No.

The Santa Cruz Metropolitan Transit District is a special purpose District and is a subdivision of the State of California.

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

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

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

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

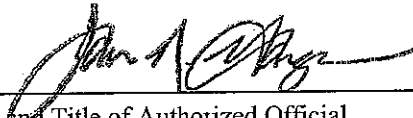
Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public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

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

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

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

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



Signature and Title of Authorized Official

James N. Harger

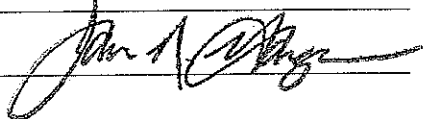
Senior Vice President, Marketing & Sales

AFFIDAVIT OF NON-COLLUSION

I hereby swear (or affirm) under penalty of perjury that:

1. I am the bidder (if the bidder is an individual), a partner in the bid (if the bidder is a partnership), or an officer or employee of the bidding corporation and have authority to sign on its behalf (if the bidder is a corporation);
2. The bidder has independently produced the attached bid(s) without collusion, agreement, understanding or planned common course of action, with any other source, that would limit independent bidding competition;
3. The contents of the bid(s) have not been communicated by the bidder and or its employees and or agents to any person not an employee and or agent of the bidder and or its surety, on any bond furnished with the bid, and will not be communicated to any such person prior to the official opening of the bid, and
4. I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Bidder's Company Name	Clean Energy
Legal Structure (corp /partner/proprietor)	Corporation
Principle Office Address	3020 Old Ranch Parkway, Suite 200
City, SI, Zip	Seal Beach, CA 90740
Phone Number	(562) 493-2804
Fax Number	(562) 493-4532
E-Mail	dcameron@cleanenergyfuels.com
Federal Employer Identification Number	95-4603747
Title of Person Authorized to Sign	Senior Vice President, Marketing & Sales
Print Name of Person Authorized to Sign	James N. Harger
Date Signed and Authorized Signature	June 11, 2007



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

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

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

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

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

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

Firm Name Clean Energy

Signature of Authorized Official _____

Name and Title of Authorized Official James N. Harger, Senior Vice President, Marketing & Sales

Date June 11, 2007

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

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

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

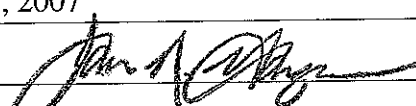
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

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

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

BUY AMERICA CERTIFICATE

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

Date: June 11, 2007
Signature: 
Company Name: Clean Energy
Title: Senior Vice President, Marketing & Sales

OR

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

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

BIDDER DBE INFORMATION

NOT APPLICABLE

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

BIDDER'S ADDRESS _____

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

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

CONTRACT ITEM NO. _____
ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *

CERTIFICATION FILE NUMBER

NAME OF DBE _____
DOLLAR AMOUNT DBE *** \$ _____

PERCENT DBE _____ %

TOTAL CLAIMED DBE PARTICIPATION \$ _____ %

SIGNATURE OF BIDDER _____

DATE _____

AREA CODE/TELEPHONE _____

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

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

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

BIDDER DBE INFORMATION

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

1.0 Clean Energy Profile

Clean Energy (CE) is pleased to provide Santa Cruz Metropolitan Transit District (SCMTD) with the following proposal to supply and deliver Liquefied Natural Gas (LNG) fuel for its fleet of natural gas transit buses. With a growing high-volume customer base, CE understands the importance of providing SCMTD a secure and cost effective LNG fueling source. CE has continued to increase its LNG customer base since 2001 and we currently deliver over 120,000 gallons of LNG on a daily basis to customers in Arizona, California, Idaho, New Mexico, Texas and British Columbia, Canada.

During the past few years, CE has grown significantly by making strategic acquisitions and building new infrastructure throughout North America. CE is North America's largest natural gas vehicle fuel provider both in number of stations and gallons sold per year. Today CE owns and operates over 165 natural gas fueling stations with a broad customer base in the transit, refuse, shuttle, taxi, intrastate trucking, airport and municipal fleet markets.

CE is proud to be the natural gas fuel provider for other large volume LNG fleets including CR&R, City of Bakersfield, City of Fresno, City of Mesa, City of Sacramento, City of Tulare, County of Sacramento, Dallas Area Rapid Transit, Harris Ranch Feeding Company, Los Angeles World Airports, Phoenix Transit, Republic Industries, Santa Monica's Big Blue Bus, Sun Metro, Tempe Transit, Norcal Waste and Solano Garbage. CE also fuels a number of large volume Compressed Natural Gas (CNG) fleets including Foothill Transit, North County Transit District, San Diego Transit, Santa Clarita Transit and Boston's MBTA. Having provided LNG and CNG fueling services to thousands of fleet customers on a daily basis, CE understands SCMTD's proactive alternative fuel policy and welcomes the opportunity to provide LNG fueling services to SCMTD on an as needed basis.



CE's trailer making a delivery at Phoenix Transit

2.0 Statement of Work

- 2.1 Clean Energy will provide LNG fuel to SCMTD's bulk storage facility located at 1200 River Street, Santa Cruz, California
- 2.2 CE will conduct a careful examination of SCMTD's facility and be thoroughly familiar with the requirements for fuel delivery prior to making any LNG deliveries. If CE is awarded the contract, the site visit will be conducted by Doug Cameron, Regional Manager, Christa Peila, LNG Logistics Manager and CE's LNG subcontracted trucking firm Trimac USA. This is standard protocol prior to all initial deliveries. CE will develop site specific delivery procedures, driver maps for entry and exit from the facility and identify all special needs or requirements prior to the initial delivery.
- 2.3 CE will remotely monitor the on-site storage vessels at SCMTD's location on a regular basis from our Operations Center in Seal Beach, California. CE's Operations Center will schedule and deliver fuel as required, in a timely manner, to ensure that SCMTD is supplied, at all times, with sufficient fuel to meet daily rollout.
- LNG fuel levels on-site may be one third (5,000 LNG gallons) of the 15,000 gallon capacity in order to allow CE to deliver full loads (typically 9,900 gallons). So long as SCMTD has sufficient LNG to meet daily roll out, we believe it is reasonable that no liquidated damages will be assessed.
- 2.4 CE shall monitor and maintain necessary fuel levels. The fuel levels shall not include LNG at the plant or on the road unless mutually agree to.
- 2.5 CE will link into SCMTD's remote inventory monitoring system. CE will remotely monitor LNG levels at SCMTD's facility from our Operations Center in Seal Beach. We will coordinate with SCMTD to obtain the necessary technical information for the existing equipment to allow us to monitor fuel tank levels on a continuous basis throughout the term of the contract.
- 2.6 CE will furnish all trucks, trailers, off-loading hose(s), tools, equipment, resources, apparatus, facility, transportation, trained labor and material necessary to furnish the services herein described.
- 2.7 CE will provide SCMTD with proof of compliance of relevant local, state, and federal laws/regulations, and CE will notify SCMTD of any changes, amendments, and modifications in relevant regulations, laws, statues and policies. Prior to delivery of the first load of LNG to SCMTD, CE shall inspect and provide CE's validation of the site and equipment.

- 2.8 CE shall notify SCMTD prior to the delivery of any reformulation of products supplied under this contract, and CE agrees that changes shall not be accepted without prior written consent of SCMTD.
- 2.9 CE will follow and observe SCMTD safety policies and procedures while on SCMTD property.

3.0 Fuel Requirements

CE supplied LNG shall satisfy the following requirements:

	Limit	ASTM Test
Property	Mole Percent	Method
Methane	98% to 100%	
Ethane	1.0% max	
Heavy Hydrocarbon	0.5% max	D 1945
Inert Gas	0.5% max	

3.1 Plant Capacity and Fuel Specification Detail by Plant

3.1.1 ExxonMobil near Evanston, Wyoming production capacity is 50,000 gallons per day and storage capacity is 80,000 gallons. LNG produced at the ExxonMobil Plant shall be 98.00 mole percent methane or greater; less than 0.5 mole percent hydrocarbons and no more than 2.00 mole percent total inerts.

3.1.2 Williams in Colorado production capacity is 40,000 gallons per day and storage capacity is 80,000 gallons. LNG produced at Williams shall contain no more than 0.01 mole percent carbon dioxide, no more than 0.10 mole percent propane and/or heavier hydrocarbons, no more than 0.50 mole percent nitrogen, no more than 2.00 mole percent ethane, and no less than 98.00 mole percent methane. Gas reports are provided to CE on a bi-monthly basis, however each load received has a composition report. Typical methane content from the Williams is above 99 percent Methane.

3.1.3 ALT LNG plant in Topock, AZ production capacity is 80,000 gallons per day and storage capacity is 100,000 gallons. LNG produced at Topock shall contain no less than 97 percent methane and, no more than 1.0 percent ethane and 0.5 percent other hydrocarbons, with the balance to be inert gases.

3.1.4 Pickens Plant, production capacity is 100,000 gallons per day and storage capacity is 1,000,000 gallons. The Pickens Plant is owned by Clean Energy and therefore 100 percent of production and storage capacity is available to Clean Energy's LNG customers. Pickens Plant LNG quality shall be greater than 99 percent Methane, less than 1 percent Ethane, less than 0.5 percent Propane and less than 0.5 percent Inert Gases.

3.1.4 Clean Energy's LNG plant in Boron, California, when completed in 2008, will have a production capacity of 160,000 gallons per day and a storage capacity of 1.5 million gallons. LNG produced at the plant shall be 98 percent methane or greater, less than 1.0 percent ethane, less than 0.50 percent propane and no more than 0.5 percent nitrogen.

4.0 Description of Primary and Secondary LNG Supply Source(s)

- 4.1 The primary source of LNG fuel supply will be from the ExxonMobil near Evanston Wyoming. Clean Energy is contracted for between 10,000 and 23,000 gallons per day. The attached contract schedule from ExxonMobil documents CE's access to provide adequate supply to meet demand for SCMTD as described in the IFB. Letter available upon request.
- 4.2 A secondary source of LNG fuel supply will be from Williams in Durango, Colorado. Clean Energy is contracted for William's entire LNG capacity which has a minimum of 38,888 gallons per day production. The attached letter from Williams documents CE's access to provide adequate supply to meet demand for SCMTD as described in the IFB.
- 4.3 A secondary source of LNG fuel supply will be from Alt LNG in Topock, AZ. Clean Energy is contracted for 20,000 gallons per day six days per week. The attached letter from ALT LNG documents CE's access to provide adequate supply to meet demand for SCMTD as described in the IFB.
- 4.4 CE owns the Pickens Plant in Willis, Texas. The Plant can produce over 100,000 gallons of LNG per day and has over 1 million gallons of on-site storage. Total capacity is available to CE customers on demand, ensuring an ongoing supply to meet demand for SCMTD as described in the IFB.
- 4.5 CE is in the process of constructing an LNG Liquefaction Plant in Boron, California to serve our growing LNG customer base. In the plant's first phase, it will produce over 160,000 gallons of LNG per day and have over 1.5 million gallons of on-site storage. Once construction is completed, CE would use the Clean Energy California plant as the primary source for SCMTD. At which time natural gas pricing index would switch to Socal border.
- 4.6 CE has multiple LNG fuel sources to supply high fuel use customers who must meet a critical rollout window on a daily basis. In addition to the sources listed above, CE has access to Amoco, Pioneer and Northwest Natural Gas in Newport and Portland, Oregon which are available on an as needed basis. All LNG supply sources offload to CE's fleet of tanker trailers.

CE is California's only corporate based LNG fuel provider. We are confident that we can provide reliable and consistent fuel deliveries to SCMTD. We currently supply over 20 customers throughout the State.

Clean Energy understands that its commitment is to supply SCMTD with an indefinite quantity of LNG fuel within the required limitations. We also understand that SCMTD does not guarantee a minimum volume of LNG fuel during the term of the IFB.

CE guarantees supply of SCMTD's LNG fuel requirements as described in the IFB for the term of the five-year Agreement.

By
S
:
:
:
:

ExxonMobil
*Gas & Power
Marketing*


June 11, 2007

To Whom It May Concern:

This letter is to confirm that Clean Energy has an established supply agreement in place with our company. We are under contract to supply up to the following gallons of LNG per day subject to the other terms and conditions of our contract.

July 2007	23,000
August 2007	23,000
September 2007	20,000
October 2007	10,000
November 2007	10,000
December 2007	10,000
January 2008	12,000
February 2008	12,000
March 2008	12,000
April 2008	20,000
May 2008	20,000
June 2008	20,000

Sincerely,



LNG SCHEDULE NUMBER 5

A. TERM: This LNG schedule shall become effective July 1, 2007 and shall continue in effect through June 30, 2008, and all of the terms, provisions, and conditions of that certain Liquid Natural Gas Sales Agreement (ExxonMobil Number 1010806, formerly A806NGD) effective July 1, 2003 (hereinafter the "Agreement") previously executed by Seller and Buyer, shall be incorporated herein by reference and shall control all sales under this LNG schedule. This LNG Schedule supersedes any pre-existing LNG Schedule(s)

B. QUANTITY RESERVATION: Seller may, from time to time, have quantities of LNG which have been produced and are not committed to other sales arrangements. Seller may make such quantities available for sale to Buyer under the following terms:

1. Each day Buyer is obligated to purchase the lesser of (i) the number of gallons of LNG listed by month in Table 1 below or (ii) the volume of LNG that the Seller makes available for sale to the Buyer at Seller's Plant ("Purchase Obligation").
2. Each day Seller is obligated to make available for sale to Buyer the lesser of (i) the number of gallons of LNG listed by month in Table 1 or (ii) the percent of Seller's daily LNG available for sale listed by month in Table 1 ("Percent Obligation"), subject to the provisions of the Agreement ("Sales Obligation"). Seller may, in its sole discretion, change the Percent Obligation, and Seller shall give Buyer sixty (60) days' written notice of any change.

TABLE 1:

Month	(i) Number of Gallons per day	(ii) Percent of Seller's Daily LNG Available for Sale
July	23,000	28%
August	23,000	28%
September	20,000	24%
October	10,000	18%
November	10,000	18%
December	10,000	18%
January	12,000	22%
February	12,000	22%
March	12,000	22%
April	20,000	24%
May	20,000	24%
June	20,000	24%

3. Buyer's failure to purchase and receive each day the Purchase Obligation shall not affect the Sales Obligation during any other day.
4. The Buyer may purchase from Seller each month quantities of LNG in excess of the Purchase Obligation on an interruptible basis. Whether quantities of LNG are available in excess of the Purchase Obligation shall be determined by Seller in its sole discretion, taking into account its other contractual obligations.
5. The price Buyer shall pay for all quantities of LNG purchased and sold hereunder shall be as described in Article C, below.
6. Buyer shall schedule delivery of LNG pursuant to Section 9 of the Agreement in approximately equal daily increments (including weekends and holidays) during each month.
7. The quantities in this Schedule can be amended from time to time by mutual written agreement of both Buyer and Seller.

C. PRICE: For each month Buyer accepts delivery of LNG hereunder, Buyer shall pay Seller a price for such month's deliveries equal to the sum of

~~_____~~
~~_____~~
~~_____~~

Buyer and Seller may also agree in writing to a different price prior to the delivery of LNG hereunder

vy

D. **PAYMENTS:** Buyer shall prepay for LNG as required by Seller

E. **PREPARATION AND DELIVERY:** Buyer's tankers shall be in compliance with any applicable laws, rules and regulations and shall be in a condition normally acceptable in the industry for filling with LNG. Buyer must have proved the tankers, including all piping, valves and fittings (in accordance with 49 CFR 178.338-8) are free from leaks. This requirement is met when such piping, valves and fittings have been tested after initial installation as well as following any modification or repair work performed thereafter, with gas or air and proved leak tight at not less than the design pressure marked on the tanker. Buyer shall maintain documentation of such pressure test on file and furnish a copy to Seller upon request

AGREED TO AND ACCEPTED:



BUYER

SELLER

CLEAN ENERGY

**EXXONMOBIL GAS & POWER
MARKETING COMPANY
(a division of EXXON MOBIL CORPORATION)**

By:  _____

By:  _____ 

Name: Brian Powers
Title: Vice President, Operations

Name: Stewart W. McMickle
Title: Area Manager - U.S. Gas Sales - West

Date: 6/11/07

Date: 6/11/07



June 11, 2007

Clean Energy Fuels Corp.
Christa Peila
3020 Old Ranch Parkway
Suite 200
Seal Beach, CA 90740

Re: Santa Cruz Metropolitan Transit District LNG Supply

Dear Christa,

Pursuant to the LNG Sales Agreement and Amendment between Williams Gas Processing Company ("Williams") and Clean Energy Fuels Corp. ("Clean Energy") dated March 3, 2005, Williams has been contracted to supply the following quantities of LNG to Clean Energy:

- 38,888 gallons per day
- 272,216 gallons per week
- 1,166,640 gallons per month

Pursuant to the aforementioned agreement, the agreement shall be in force and in effect through June 30, 2008.

Sincerely,

A handwritten signature in black ink that reads "Melissa McGillen".

Melissa McGillen
Williams Midstream
Commodity Optimization Representative



reliable natural gas solutions

June 11, 2007

To whom it may concern

This letter is to confirm that Clean Energy has an established supply agreement in place with our company. We are under contract to supply 20,000 gallons of LNG per day six days a week

Sincerely,

Kevin W. Markey
VP of Operations
Applied LNG Technologies
214.634.6246

5.0 LNG Tank Trucks/Transport Vehicles

5.1 CE owns and operates a fleet of 54 LNG tankers. All tankers are capable of carrying more than 10,000 gallons at maximum gross weight. The majority of the tanker fleet has been manufactured by Alloy Custom Products (39). Delivery on these trailers began in 2000. The following is a list of trailer make, model year, manufacturer and capacity.

5.2 Detailed Description of CE Owned Trailers

Count	Year	Make	<u>LNG Gallon Capacity</u>
1	2000	Alloy Custom Products	10,000
2	2000	Alloy Custom Products	10,000
3	2000	Alloy Custom Products	10,000
4	2000	Alloy Custom Products	10,000
5	2001	Alloy Custom Products	10,000
6	2002	Alloy Custom Products	10,000
7	2003	Alloy Custom Products	10,000
8	2003	Alloy Custom Products	10,000
9	2003	Alloy Custom Products	10,000
10	2003	Alloy Custom Products	10,000
11	2005	Alloy Custom Products	10,000
12	2005	Alloy Custom Products	10,000
13	2005	Alloy Custom Products	10,000
14	2005	Alloy Custom Products	10,000
15	2006	Alloy Custom Products	10,000
16	2006	Alloy Custom Products	10,000
17	2006	Alloy Custom Products	10,000
18	2006	Alloy Custom Products	10,000
19	2006	Alloy Custom Products	10,000
20	2006	Alloy Custom Products	10,000
21	2006	Alloy Custom Products	10,000
22	2006	Alloy Custom Products	10,000
23	2006	Alloy Custom Products	10,000
24	2006	Alloy Custom Products	10,000
25	2006	Alloy Custom Products	10,000
26	2006	Alloy Custom Products	10,000
27	2006	Alloy Custom Products	10,000
28	2006	Alloy Custom Products	10,000
29	2006	Alloy Custom Products	10,000
30	2007	Alloy Custom Products	10,000
31	2007	Alloy Custom Products	10,000
32	2007	Alloy Custom Products	10,000
33	2007	Alloy Custom Products	10,000
34	2007	Alloy Custom Products	10,000
35	2007	Alloy Custom Products	10,000
36	2007	Alloy Custom Products	10,000
37	2007	Alloy Custom Products	10,000

38	2007	Alloy Custom Products	10,000
39	2007	Alloy Custom Products	10,000
40	2002	Edasainfra	10,000
41	2002	Edasainfra	10,000
42	2006	Envases	10,000
43	2006	Envases	10,000
44	1971	Russell	10,000
45	1971	Russell	10,000
46	1970	Ryan	10,000
47	1993	LOX LNG trailer	10,000
48	1992	LOX LNG trailer	10,000
49	1998	Cryenco	10,000
50	1995	Process Engineering	10,000
51	1969	Process Engineering	10,000
52	1969	Process Engineering	10,000
53	1995	Process Engineering	10,000
54	1969	Process Engineering	10,000

5.3 Subcontracted Trucking Company

Logex has been providing transportation services for CE since we entered the LNG fuel supply industry more than five years ago. Logex was recently acquired by Trimac, which is one of North America's largest carriers of bulk commodities. Trimac operates at 118 terminals throughout the United States and Canada employing over 3000 drivers and owner/operators to safely and reliably meet its customer needs.

Trimac requires drivers to be at least 25 years of age with a minimum of two years of verifiable over-the-road Commercial Drivers License experience. Drivers must also have a good driving record with tankers and carry hazardous materials endorsements. Trimac owns 20, 2006 International 9400 series tractors that are dedicated to transporting LNG for CE. All of these tractors are equipped with QUALCOMM GPS systems that are monitored from CE's Seal Beach Operations Center as well as the Trimac Dispatch Center. In addition, all of these tractors are equipped with the most advanced safety systems in the industry today. All tractors are governed for maximum speed; have anti roll over systems on both the tractor and tanker trailers, lane departure warning systems, lane change warning systems and a VORAD forward looking radar system.

CE contracted more than \$7 million in transportation service during 2006.

Trimac USA
 David Perry
 VP Business Development US
 3663 N Sam Houston Parkway E Suite 300
 Houston, TX 77032

6.0 IRS Tax Refund

With the enactment of the Volumetric Excise Tax Credits (Tax Credits) that were recently passed in the 2005 Highway Bill, CE has provided SCMTD with a significant pricing discount. CE will sell LNG to SCMTD that will be used in motor vehicles. CE's understanding of the Energy Bill is that the seller of the LNG fuel is eligible to take the Tax Credits, which are effective from October 1, 2006 through November 30, 2009. As such, CE would split the Tax Credits 50/50 with SCMTD.

7.0 Pricing

CE proposes the following "Margin" plus "Index" pricing model. The Margin will cover all fixed and variable operating costs for each delivery and will be subject to an annual price escalation based on the local Consumer Price Index, finished energy goods, beginning July 1, 2008 and each year thereafter. The monthly Index for years 1-5 will be based on the Rocky Mountain Index (RMI).

CE will honor the margin pricing below from CE's primary, secondary or tertiary sources. Example, for June 2007, the delivered price to SCMTD would be $\$2.82/12.1 + \$0.63 - (\$0.25 \text{ Tax Credit}) + 8.25\% \text{ sales tax} = \$0.615 \text{ per LNG gallon}$

Price per LNG Gallon	
Years 1 – 2	
Index	RMI/12.1
Margin	\$0.63
50% of Tax Credit	- \$0.25
County Sales Tax (currently at 8.25%)	8.25%
Based Jun 07 RMI \$2.82/ MMBTU Price = \$0.663/gal	

Price per LNG Gallon	
Years 3 – 5 **	
Index	Socal /12.1
Margin	\$0.63
50% of Tax Credit	- \$0.25
County Sales Tax (currently at 8.25%)	8.25%

*CE has only applied sales tax to the margin since the RMI is unknown for future months. Sales tax will also be applied to the RMI monthly price if applicable. The monthly published RMI indexes from *Platt's Inside FERC* are listed in \$/MMBTU. There are 12.1 LNG gallons per MMBTU.

** If Primary supply source is changed to Clean Energy California LNG plant once construction is completed in 2008 See Section 4.5

- 7.2 CE's agrees to the specifications in the IFB. CE agrees to weigh LNG deliveries to SCMTD at the nearest DOT approved weighing station closest to the property and to use the weigh ticket as a means to calculate the amount of LNG delivered to SCMTD.

Each invoice will include a copy of individual delivery weight before and after each delivery to SCMTD. CE invoices will have the site location and signature of SCMTD employee receiving the fuel. No LNG deliveries will be delivered at more than 30 psig unless a predetermined SCMTD employee provides written exception for the out of spec load of LNG.

8.0 Liquidated Damages

- 8.1 CE understands that failure to maintain sufficient minimum on-site fuel requirement(s) under this Agreement will result in liquidated damages being assessed against CE. However, CE takes exception to the dollar amount of any such occurrence and agrees to negotiate a reasonable fee for any such occurrence after the selection process is complete.

CE acknowledges that these damages will be deducted from any monies due to CE, or which may thereafter become due, to CE under this Contract.

8.2 Force Majeure

CE understands that Force Majeure applies when it is beyond the control of CE to provide the service requirements contained in the Contract; the Liquidated Damages will be prorated accordingly.

CE will not accept SCMTD to be the sole judge of the applicability of the Force Majeure clause as it relates to Liquidated Damages.

8.3 Specific Daily Liquidated Damages

CE understands that from the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. CE agrees that in the event of any such delay because there was insufficient LNG fuel due to our negligence, CE will pay a negotiated rate for each bus/day that is unable to meet rollout by a specific time.

9.0 Preparation and Delivery

- CE will coordinate all deliveries with SCMTD staff.
- 9.1 CE will address and coordinate the scheduling of fuel deliveries with SCMTD staff in order to accommodate SCMTD's holiday schedule.
 - 9.2 CE understands that SCMTD does not operate and is closed on the following national holidays: Thanksgiving, Christmas Day and New Years Day and will not accept LNG deliveries on these days.
 - 9.3 CE will assume full responsibility for providing tankers or containers suitable for delivery of fuel to SCMTD's bulk storage tank.
 - 9.4 CE will be responsible for off-loading fuel into SCMTD's bulk storage tank and providing trained personnel capable of performing the off-loading of fuel without assistance from SCMTD.
 - 9.5 All CE LNG tanker trucks making deliveries will be properly in accordance with Federal Department of Transportation regulations, policies and procedures. State of California Vehicle Measurement Certificates do not apply to LNG tankers.
 - 9.6 If requested, CE will provide copies of requested certificates within three (3) days after notification is received from a designated SCMTD representative.
 - 9.7 All drivers making deliveries of LNG to SCMTD shall have Hazardous Materials Endorsements on the Commercial Driver's License (CDL) and such other Endorsement as may be required by relevant laws and/or regulations.
 - 9.8 Prior to the first delivery of LNG, CE shall provide SCMTD with a material data safety sheet (MSDS) for the LNG.
 - 9.9 CE shall provide vapor return to the tanker from the LNG storage vessels.
 - 9.10 CE understands that SCMTD may require all vessels of delivery trucks to be sealed with devices that are tamper free and identified on the delivery documents.
 - 9.11 CE, its agents or employees will notify SCMTD's Fleet Supervisor of his/her designee, upon delivery of each LNG delivery, as all fuel deliveries to SCMTD's bulk storage tank must be acknowledged by a designated SCMTD representative.
 - 9.12 CE shall, at its expense, make every reasonable effort necessary to maintain minimum fuel levels. CE agrees to notify SCMTD's designated

representative if, at any time, it appears that the delivery schedule set forth may not be met.

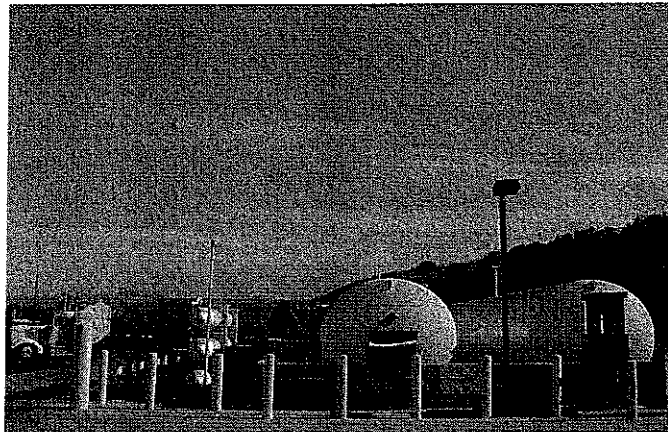
9.12.1 Such notification shall include the reasons for any possible delays and steps being taken by CE to remedy any such problem(s).

9.12.2 CE understands that nothing herein shall be interpreted as waiving remedies otherwise available to SCMTD.

9.13 CE understands that all Bid prices include all freight delivery costs and applicable fees.

10.0 Technical Support

CE employs the Industry's best Operations Management team. Mr. Brian Powers directs the ongoing operation and maintenance of all of CE's public and private natural gas fueling stations including LNG plant operations, supply and delivery. Mr. Powers is assisted by a team of Operations Managers and staff to ensure CE meets and exceeds our customer demands. CE's LNG Logistics Team is available on a 24/7 basis to ensure timely LNG orders and delivery. As Regional Manager, Doug Cameron is available to assist LNG customers on an as needed basis.



**L/CNG Station at Sanitation SCMTDs of Los Angeles
County, Puente Hills Landfill**

11.0 Permits and Licenses

- 11.1 CE shall be responsible for obtaining all necessary permits and licenses required by local, state and federal authorities for performance under the terms of this Agreement.
- 11.2 CE will pay all charges and fees and furnish all notices necessary for lawful execution of work.
- 11.2 CE shall give all required notices and comply with all federal, state and local laws, ordinances, rules, regulations and orders of any public authority bearing on the performance of this Agreement.
- 11.3 Upon written request, CE shall furnish to SCMTD certificates of compliance with all such laws, orders, and regulations.

12.0 Employee Hazards

- 12.1 CE shall perform all work in a clean, safe and professional manner, causing no hazards to SCMTD Staff, facility, the environment or CE personnel.
- 12.2 All Hazardous waste will be handled, collected, stored and disposed of in accordance with federal, state and local environmental compliance regulations.
- 12.3 CE is responsible for providing safety training for all the employees that deliver LNG fuel to SCMTD.



Vertical LNG Tanks at Tempe Transit

13.0 Current Client References

Los Angeles World Airports
David Waldner
Assistant Chief of Airports Construction and Maintenance
7411 World Way West
Los Angeles, CA 90045
(310) 646-3263

City of Santa Monica, Big Blue Bus
Ralph Merced
Transit Maintenance Manager
612 Colorado Ave.
Santa Monica, CA 90401
(310) 458-1975 ext. 5865

City of Bakersfield
Ernie Medina
Fleet Superintendent
4101 Truxtun Avenue
Bakersfield, CA 93301
(661) 326-3795

County of Sacramento
Cliff Samoville
Senior Contract Administrator
10545 Armstrong Avenue, Suite 201A
Mather, CA 95655
(916) 875-4226

City of Tulare
Lew Nelson
Public Works Director
3981 South "K" Street
Tulare, CA 93274
(559) 684-4318

City of Fresno
Joseph Oldham
Acquisition Supervisor
2101 "G" St., Bldg. "F"
Fresno, CA 93706
(559) 621-1106

City of Mesa
Pete Scarafiotti
Administrator

3320 North Greenfield Road
P.O. Box 1466
(480) 644-5909

Harris Ranch Feeding Company
Pat Smith
Transportation Manager
Route 1 Box 400
Coalinga, CA, 93210
(559) 884-2435

CONTRACT FOR SUPPLY AND DELIVERY OF LIQUEFIED NATURAL GAS (06-23)

THIS CONTRACT is made effective on August 1, 2007 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District"), and **PROMETHEUS ENERGY** ("Contractor").

1. RECITALS

1.01 District's Primary Objective

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

1.02 District's Need for Supply and Delivery of Liquefied Natural Gas

District requires the supply and delivery of liquefied natural gas to be used for standard purposes. In order to obtain said supply and delivery of liquefied natural gas, the District issued an Invitation for Bids, dated May 18, 2007 setting forth specifications for supply and delivery of liquefied natural gas. The Invitation for Bids is attached hereto and incorporated herein by reference as Exhibit A.

1.03 Contractor's Bid Form

Contractor is a supplier of liquefied natural gas desired by the District and whose principal place of business is 500 18th Ave NE, Suite 2340, Bellevue, Washington. Pursuant to the Invitation for Bids by the District, Contractor submitted a bid for Provision of said supply and delivery of liquefied natural gas, which is attached hereto and incorporated herein by reference as Exhibit B.

1.04 Selection of Contractor and Intent of Contract

On July 13, 2007, District selected Contractor as the second lowest responsive, responsible bidder to supply and deliver liquefied natural gas. The purpose of this Contract is to set forth the provisions of this procurement.

1.05 Contractor and Supplier Synonymous

For the purposes of this Contract, the terms "contractor" and "supplier" are synonymous.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in This Contract

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

a) Exhibit A

Santa Cruz Metropolitan Transit District's "Invitation for Bids" dated May 18, 2007.

b) Exhibit B (Bid Form)

Contractor's Bid Form to the District for supply and delivery of liquefied natural gas, signed by Contractor and dated June 12, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. TIME OF PERFORMANCE

3.01 General

Contractor shall perform work under this Contract at such times to enable it to meet the time schedules specified in the Specifications Section of the IFB. The Contractor shall not be responsible for delays caused by force majeure events described in Section 2 of the General Conditions of the Contract.

3.02 Term

The term of this Contract commences on the date of execution and shall remain in force for a five (5) year period thereafter. District and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

4. COMPENSATION

4.01 Terms of Payment

Upon written acceptance, District agrees to pay Contractor as identified in the Bid Form, Exhibit B, not to exceed \$9,000,000 for satisfactory completion of all work under the terms and provisions of this Contract within thirty (30) days thereof. Contractor understands and agrees that if he/she exceeds the \$9,000,000 maximum amount payable under this contract, that it does so at its own risk.

4.02 Invoices

Contractor shall submit invoices with a purchase order number provided by the District. Contractor's invoices shall include detailed records showing formula pricing, current index value, sales tax, total invoice amount and weights of delivered fuel loads (before and after delivery).

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this contract; and (4) necessary for performance of the services. No expenses shall be paid by the District unless specifically allowed by this contract.

10.02

5. NOTICES

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

DISTRICT

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

Attention: General Manager

CONTRACTOR

Prometheus Energy
500 108th Ave NE
Suite 2340
Bellevue WA 98004

Attention: Dan Anderson

6. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR--PROMETHEUS ENERGY

By _____
Kirt W. Montague
Chief Executive Officer

Approved as to Form:

Margaret Rose Gallagher
District Counsel

10.c3

EXHIBIT -A-

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Invitation for Bid (IFB)

For Supply and Delivery of Liquefied Natural Gas

District IFB No. 06-23

Date Issued: May 18, 2007

Bid Deadline: 2:00 p.m., June 12, 2007



Contents of this IFB

Part I.	Bid Form
Part II.	Instructions to Bidders
Part III.	Specifications
Part IV.	General Conditions of the Contract
Part V.	Special Conditions of the Contract
Part VI.	Contract
Part VII.	FTA Requirements for Non-Construction Contracts
Part VIII.	Protest Procedures

PART I

BID FORM

The undersigned ("Bidder"), upon acceptance by the District, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids for supply and delivery of liquefied natural gas dated May 18, 2007 at the following prices.

Bidders may choose to bid Firm Fixed Price, Price Based off Index, or both. In order to ensure the uniform assessment of all bid submittals by District's Evaluation Committee, Bidders **MUST** include all relevant pricing for each and every year of the 5-year term of the contract. All costs necessary to complete the terms of this IFB must be included in the appropriate boxes.

1. LNG Fuel: per GALLON	FIRM FIXED PRICE: Unit Price per LNG GALLON				
	Year 1	Year 2	Year 3	Year 4	Year 5
2. LNG Fuel: per GALLON	PRICE FORMULA USING MONTHLY INDEX: Unit Price per LNG GALLON				
	Years 1 through 5				

3. Index used **and value as of May 31, 2007:** _____

4. Tank trailer capacity: _____

5. Current Client References List Attached: Yes No

6. List of Subcontractors and DBEs attached: Yes No

7. Proof of Licenses attached: Yes No

8. Proof of Permits attached: Yes No

9. Information required per Part III, Article 6 is attached to this bid: Yes No

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. District reserves the right to award **a contract to one or more bidders**. District may accept or reject the bid items at its discretion. The Board of Directors also reserves the right to reject all bids for any reason.

Bidder has examined and is fully familiar with all terms and conditions of the Invitation for Bids and any addenda issued by the District thereto, and Bidder unconditionally submits this bid in strict accordance with said Invitation for Bids. Bidder has carefully checked all words and figures shown on this Bid Form and has carefully reviewed the accuracy of all documents, representations, manufacturer's literature, and statements submitted with this bid.

Bidder understands that this bid constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to the District executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of the District Notice of Award. Said Notice of Award shall be deemed duly given to Bidder upon delivery if delivered by hand, or three (3) calendar days after posting if sent by mail to Bidder's address.

Bidder understands that no partial, conditional or qualified bids shall be accepted for any bid item. Bidder further understands the right of the District Board of Directors to accept or reject any or all bids received for any reason. The District reserves the right to waive minor irregularities.

Bidder has included manufacturers' brochures describing the equipment bid under this IFB. Any proposed deviation from any item in the IFB specifications has been delineated on said brochures or on a separate attachment included with the bid. Bidder represents that the equipment and other work bid meets the specifications in all respects unless clearly noted to the contrary in the bid submittal.

The contract, if awarded, will be to the lowest responsive, responsible bidder. Bidder understands that the "lowest responsible bidder" is the lowest bidder whose offer best responds in quality, fitness and capacity to the requirements of the Invitation for Bids. The District reserves the right to award to other than the lowest bidder if the District finds that the lowest bidder is not responsible. **District reserves the right to award a contract to one or more bidders.**

Bidder acknowledges receipt of the following addenda to the Invitation for Bids. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the bidder and included in the bid.

Addenda No.'s _____

Bidder has submitted the following documents with the bid:

1. Exceptions, if any, taken to the specifications or other sections of the IFB. (Warning: Substantive exceptions will be cause for bid rejection.)
2. Copy of any standard warranties in accordance with the Specifications.
3. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
4. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable
5. Fully executed copy of the "Buy America Provision Certification" listed as Page I-5 of the Bid, if applicable.

Bidder understands that bids shall be placed in a sealed envelope marked as indicated below and delivered to the Purchasing Office of the Santa Cruz Metropolitan Transit District, 110 Vernon Street, Suite B, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

IFB No. 06-23
Supply and Delivery of LNG
Bid Opening 2:00 p.m., June 12, 2007

Bidder has full power and authority to enter into and perform the work described in the Invitation for Bids on behalf of the company noted below.

Company Name

Indicate:

Sole Proprietorship Partnership Corporation

Joint Venture with _____

Street Address

City, State, Zip Code

Signature of authorized company official

Typewritten name of above and title

Name, title, and email address of person to whom correspondence should be directed

Telephone Number

FAX Number

Date

Federal Tax ID No.

The Santa Cruz Metropolitan Transit District is a special purpose District and is a subdivision of the State of California.

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

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

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

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

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

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

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

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

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

Signature and Title of Authorized Official

AFFIDAVIT OF NON-COLLUSION

I hereby swear (or affirm) under penalty of perjury that:

1. I am the bidder (if the bidder is an individual), a partner in the bid (if the bidder is a partnership), or an officer or employee of the bidding corporation and have authority to sign on its behalf (if the bidder is a corporation);
2. The bidder has independently produced the attached bid(s) without collusion, agreement, understanding or planned common course of action, with any other source, that would limit independent bidding competition;
3. The contents of the bid(s) have not been communicated by the bidder and or its employees and or agents to any person not an employee and or agent of the bidder and or its surety, on any bond furnished with the bid, and will not be communicated to any such person prior to the official opening of the bid, and
4. I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Bidder's Company Name _____

Legal Structure (corp./partner/proprietor) _____

Principle Office Address _____

City, ST, Zip _____

Phone Number _____

Fax Number _____

E-Mail _____

Federal Employer Identification Number _____

Title of Person Authorized to Sign _____

Print Name of Person Authorized to Sign _____

Date Signed and Authorized Signature _____

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

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

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

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

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

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

Firm Name _____

Signature of Authorized Official _____

Name and Title of Authorized Official _____

Date _____

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

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

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

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

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

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

BUY AMERICA CERTIFICATE

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

Date: _____

Signature: _____

Company Name: _____

Title: _____

OR

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

Date: _____

Signature: _____

Company Name: _____

Title: _____

BIDDER DBE INFORMATION

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

BIDDER'S ADDRESS _____

 BID AMOUNT \$ _____
 BID OPENING DATE _____
 DATE OF DBE CERTIFICATON _____
 SOURCE ** _____

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

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

TOTAL CLAIMED DBE
 PARTICIPATION \$ _____ _____ %

SIGNATURE OF BIDDER

DATE

AREA CODE/TELEPHONE

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

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

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

BIDDER DBE INFORMATION

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

PART II

INSTRUCTIONS TO BIDDERS

1. **CONTENTS:** This Invitation for Bids (IFB) includes the (I) Bid Form, (II) Instructions to Bidders, (III) Specifications, (IV) General Conditions of the Contract, (V) Special Conditions of the Contract, (VI) Contract, (VII) FTA Requirements for Non-Construction Contracts, and (VIII) Formal Bidding Procedures. The final Contract with the Successful Bidder will be in the form and substance of the Contract (Part VI) included in the IFB.
2. **SUBMISSION OF BID:** Prior to the date and time of bid opening, all bids shall be delivered to the Purchasing Office of the District at 110 Vernon Street, Suite B, Santa Cruz, California, 95060. All bids shall be in a sealed envelope properly endorsed as to name and opening date. No bids received after said time or at any place other than the place as stated in the Notice and Invitation to Bidders will be considered. For example, bids postmarked before bid opening but received after shall be rejected. Telephone or electronic bids will not be accepted.
3. **BIDDER RESPONSIBILITY:** The District has made every attempt to provide all information needed by bidders for a thorough understanding of project terms, conditions and other requirements. It is expressly understood that it is Bidder's responsibility to examine and evaluate the work required under this Invitation for Bids (IFB) and the terms and conditions under which the work is performed. By submitting a bid, Bidder represents that it has investigated and agrees to all the terms and conditions of the IFB.
4. **BID FORM:** The bid shall be made on the Bid Form provided therefore and shall be enclosed in a sealed envelope marked and addressed as required. If the bid is made by a sole proprietor, it shall be signed with his/her full name and his address shall be given; if it is made by a partnership, it shall be signed with the co-partnership name by a member of the firm, who shall also sign his/her own name, and the name and address of each member shall be given; and if it is made by a corporation, it shall be signed by an officer or other individual who has the full and proper authorization to do so.

When the Bid Form is signed by an agent, other than the officer or officers of a corporation authorized to sign Contracts on its behalf, or is signed by an agent other than a partner of a partnership, or by an agent for an individual, a power of attorney must be submitted with the bid; otherwise, the bid will be rejected as irregular and unauthorized.

Blank spaces in the Bid Form shall be properly filled. The phraseology of the Bid Form must not be changed, and no additions shall be made to the items mentioned therein. Alterations by erasure or interlineation must be explained or noted in the bid over the signature of the Bidder. If the unit price and the total amount named by a Bidder for any item do not agree, the unit price alone will be considered as representing the Bidder's intention.

Submission of alternative bid or bids, except as specifically called for in the IFB, will render it informal and may cause its rejection.

5. **COMPETITIVE BIDDING:** If more than one bid is offered by any individual, firm, partnership, corporation, association, or any combination thereof, under the same or different names, all such bids may be rejected. A party who has quoted prices on materials or work to a Bidder is not thereby disqualified from quoting prices to other Bidders, or from submitting a bid directly for the materials or work if otherwise qualified to do so.

All Bidders are put on notice that any collusive agreement fixing the prices to be bid so as to control or affect the awarding of this Contract is in violation of the District's competitive bidding requirements and may render void any Contract let under such circumstances.

6. **EXPENSES TO BE INCLUDED IN BID PRICE:** Unless otherwise specified in the IFB, the bid price shall include all expenses necessary that go into making the items procured under the IFB complete and ready for immediate use by the District without additional expense. Bid price shall include, without limitation, all costs for labor, services, equipment, materials, supplies, transportation, installation, overhead, packing, cartage, insurance, license, fees, taxes, permits, bonds, inspection, and other expenses necessary to satisfy the provisions of the IFB, expressed and implied.

Unless bidder is specifically instructed to do otherwise in the Specifications section of this IFB, sales taxes shall be included in the bid price in the amount of 8.5 % of the total bid price. Federal Excise Tax, from which the District is exempt, should not be included in the bid price. A Federal Excise Tax Exemption certificate will be furnished to the successful Bidder.

Samples of items, when required, must be furnished free of expense to the District and, if not destroyed by tests may, upon request made at the time the samples are furnished, be returned at Bidder's expense.

7. **WITHDRAWAL OF BID:** Bidder may withdraw the bid before the expiration of the time during which bids may be submitted, without prejudice, by submitting a written request for its withdrawal to the District Secretary/General Manager.
8. **TIME OF DELIVERY:** Time of delivery is part of the bid and must be strictly adhered to by the Bidder. Bidder obligates itself to complete the work within the number of days specified in the Contract.
9. **CANVASS OF BID:** At the hour specified in the Notice of Invitation to Bidders, the District, in open session, will open, examine and publicly declare all bids received and shall announce each bidder's price. The remaining content of the bids shall not be made public until after an award is made by the Board of Directors or District Staff as appropriate. Bidders, their representatives and others interested, are invited to be present at the opening of bids. Award will be made or bids rejected by the District within the time period specified in the Bid, if none is specified, within sixty (60) days after the date of bid opening.
10. **RIGHT TO REJECT BIDS:** The District may reject any and all bids at its discretion, and may reject the bid of any party who has been delinquent or unfaithful in any former contract with the District. The right is reserved to reject any or all bids and to waive technical defects, as the interest of the District may require. The District may reject bids from Bidders who cannot satisfactorily prove the experience and qualifications outlined in the Instructions to Bidders.
11. **SINGLE BID:** If only one bid is received in response to the IFB, Bidder may be required to submit to District within five (5) days of District demand, a detailed cost proposal. The District may conduct a cost or price analysis of the cost proposal to determine if the bid price(s) are fair and reasonable. Bidder shall cooperate with District in compiling and submitting detailed information for the cost and price analysis.
12. **EXPERIENCE AND QUALIFICATIONS:** The Bidder may be required upon request of the District to prove to the District's satisfaction that the Bidder is responsible. Criteria used by the District to determine Bidder responsibility includes, without limitation, whether Bidder and its proposed contractors have the skill, experience, necessary facilities and financial resources to perform the Contract in a satisfactory manner and within the required time. Other criteria include whether the original equipment manufacturer of the items bid (1) has in operation, or has the capability to have in operation, a manufacturing plant adequate to assure delivery of all equipment within the time specified under the Contract and (2) has adequate engineering and service personnel, or has the capability to have such personnel, to satisfy any engineering or service problems that may arise during the warranty period and the useful life of all items bid. To help the District assess Bidder's responsibility and ability to provide continued parts, service, and engineering support for the useful life of all items bid, Bidder may be required to submit, at its own cost, its latest Dunn & Bradstreet report and its latest independently audited financial statements.
13. **APPROVED EQUALS:** In order to establish a basis of quality, certain items or processes may be specified by description or brand name. Unless otherwise specified, it is not the intent of the IFB to exclude other items or processes of equal value, utility or merit.

Bids for equivalent items meeting the standards of quality thereby indicated will be considered provided they are received by no later than fourteen calendar days before the date of bid opening. Any such bid shall include adequate information and samples, including technical data, test results, performance characteristics, life-cycle costs, and other salient characteristics to clearly describe the item or process offered and how it equals or exceeds the characteristics of the referenced brand or process.

Unless the Bidder clearly indicates otherwise in the bid, it is understood that he/she is offering a referenced brand or process as specified herein. The District reserves the right to determine whether a substitute offer is equivalent to, and meets the standards of, quality indicated by the brand name or process referenced.

14. **AWARD OF CONTRACT:** The award of the Contract, if awarded, will be to the responsive, responsible Bidder whose bid complies with the IFB in all respects, and whose ADJUSTED BID PRICE is the lowest of all qualified bids received. The methodology for determining the adjusted bid price is described in the Bid Form (Part I of the IFB). If the lowest responsive, responsible Bidder refuses or fails to execute the Contract, the District may award the Contract to the next lowest responsive, responsible Bidder or solicit new bids. **The District reserves the right to award a contract to one or more bidders.**
15. **EXECUTION OF CONTRACT:** The Contract shall be provided by the District in substantially the same form as provided in Part VI and shall be executed by the successful Bidder and returned to the District Purchasing Office (110 Vernon Street, Suite B, Santa Cruz, CA 95060) no later than ten (10) calendar days after the date of receipt of the Notice of Award. Successful Bidder shall submit the required insurance certificate(s) no later than ten (10) days after receipt of Notice of Award. Successful Bidder's execution and delivery of the insurance certificate(s) specified in the IFB is a condition precedent to the finalization of the Contract. In no event shall the successful Bidder commence work until it has received the signed Contract and notification from the District that the required insurance certificate(s) have been approved.
16. **ERRORS AND ADDENDA:** If omissions, discrepancies, or apparent errors are found in the IFB prior to the date of bid opening, the Bidder shall request a clarification from the District which, if substantiated, will be given in the form of addenda to all Bidders.
17. **NON-DISCRIMINATION:** The Santa Cruz Metropolitan Transit District will not discriminate with regard to race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability in the consideration for an award.
18. **DISADVANTAGED AND BUSINESS ENTERPRISES:** The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of District contracting to the maximum extent practicable. Consistent with the DBE Policy, the Bidder shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.
19. **INQUIRIES AND CORRESPONDENCE DURING BIDDING PERIOD:** Questions pertaining to the Specifications and the Bid Documents during the bidding period shall be directed to the Purchasing Agent at (831) 426-0199.

PART III

SPECIFICATIONS FOR SUPPLY AND DELIVERY OF LIQUEFIED NATURAL GAS

1. INTRODUCTION

- 1.1 The purpose of this Invitation for Bids (IFB) is to obtain the services of a qualified firm to provide the Santa Cruz Metropolitan Transit District (District or METRO) with an indefinite quantity of bulk Liquefied Natural Gas (LNG) requirements for its Santa Cruz fueling facility under the terms of this Agreement.
- 1.2 District operates a fixed route fleet of 113 buses of which eleven (11) buses are CNG powered and forty (40) buses will be converted to CNG power within the next 9 months. All future bus purchases will have CNG engines.
- 1.3 District has one LCNG fueling facility located at 1200 River Street, Santa Cruz, California. This fuel station is currently under construction and is expected to be completed by mid July of 2007. This site will have a fifteen thousand gallon vertical LNG storage tank.
- 1.4 District seeks a competitive solution to meet its bulk LNG vehicle fuel requirements.
- 1.5 Vendors may offer additional services in their respective bid; however, such services are not accepted unless so authorized in writing.

2. BACKGROUND

- 2.1 The Santa Cruz Metropolitan Transit District is a special utility district established by legislation in 1967 to provide public transit service in Santa Cruz County, California. METRO is the single designated fixed-route operator in Santa Cruz County and has the authority to receive local transportation funds, collect sales tax revenue, sell bonds, condemn property and execute agreements with other agencies, among other things.
- 2.2 METRO operates 41 fixed transit routes and ADA Complementary Paratransit service throughout the County. METRO operates one regional route, the Highway 17 Express, between San Jose and Santa Cruz. With a service area population of 252,000, METRO carries approximately 6 million passenger trips annually. Service operates from approximately 4:15 a.m. until midnight Monday through Friday with a reduced service level on Saturdays, Sundays and Holidays. A deviated, on-demand route provides extended late-night service to the University.
- 2.3 METRO began an ambitious fleet upgrade in 1998. Since then, METRO has replaced 79 buses and purchased its first CNG fueled buses. Now, in order to meet California clean air requirements, METRO will convert forty diesel buses to run on CNG in 2007 and all future bus purchases will be CNG.
- 2.4 District's fixed-route transit operations are conducted from one facility located at 1200 River Street, Santa Cruz, California.

3. SCOPE OF SPECIFICATIONS

- 3.1 Provide LNG bulk fuel requirements for District's operations facility.
- 3.2 This agreement is for an indefinite quantity of LNG fuel, within the limits stated hereunder, and District does not guarantee the purchase of a particular volume or amount during the contract period.
- 3.3 Each qualified Bidder shall conduct a careful examination of District's facility and shall thoroughly familiarize themselves with the requirements of the contract and scope of the work prior to submitting a bid.

3.4 Contractor shall carefully check and verify all access points, conditions, configurations, and arrangements of the respective site.

4. STATEMENT OF WORK

4.1 Contractor's work shall include the following tasks and shall be completed on or before the timeframes indicated in the Schedule outlined below:

EVENT	DATE
Invitation for Bids Released	May 18, 2007
Bid Deadline	June 12, 2007, 2:00 p.m., PST
Contract Approval By District Board of Directors	June 22, 2007
Target Contract Start Date	July 1, 2007
Contract End Date (5 yrs)	June 30, 2012

4.2 Provide LNG fuel to District's bulk storage facility located at 1200 River Street, Santa Cruz, California.

4.3 The Contractor shall check the onsite storage vessels at District's location on a regular (daily) basis and deliver fuel as required, and in a timely manner, to ensure that District is supplied, at all times, with at least **one third (5,000 LNG gallons)** of the maximum storage capacity of the bulk storage facility (15,000 LNG gallons). LNG gallons for this purpose shall be defined as: LNG @ 0 PSI and minus (-)259F.

4.3.1 The successful bidder shall monitor and maintain necessary fuel levels as listed. The fuel levels shall not include LNG at the plant or on the road unless mutually agreed to.

4.3.2 Contractor must have the capability to link into District's remote inventory monitoring system.

4.4 The Contractor shall furnish all trucks, trailers, off-loading hose(s), tools, equipment, resources, apparatus, facility, transportation, trained labor and materials necessary to furnish the services herein described.

4.5 Contractor must provide District with proof of compliance of relevant local, state, and federal laws/regulations, and Contractor must notify District of any changes, amendments, and modifications in relevant regulations, laws, statutes and policies. Prior to delivery of the first load of LNG under this contract fuel supplier shall inspect and provide to District their safety validation of the site and equipment.

4.6 Supplier shall notify District prior to the delivery of any reformulation of products supplied under this contract, and changes shall not be accepted without the prior written consent of District.

4.7 The Supplier must follow and observe District safety polices and procedures while on District property.

5. FUEL REQUIREMENTS

5.1 The LNG shall satisfy the following requirements:

Property	Limit Mole Percent	ASTM Test Method
Methane	98% - 100%	
Ethane	1.0% max	
Heavy Hydrocarbon	0.5% max	D 1945
Inert Gas	0.5% max	

6. EACH BID MUST PROVIDE THE FOLLOWING INFORMATION:

6.1 Description of Primary Supply Source(s) for District location.

6.1.2 Source(s) and location(s) for both the raw product (natural gas/methane) or liquefier plant/production plant sites;

6.1.3 Primary source for District’s LNG fuel supply.

6.1.4 Letter from primary source of supply that contractor has an established LNG supply agreement with contractor and list how many LNG gallons per day/week/month source has contracted to supply contractor.

6.2 LNG Tanker Trucks/Transport Vehicles

6.2.1 Owner

6.2.2 The number of relevant vehicles retained by Owner

6.2.3 A brief description of each vehicle & trailer (e.g., capacity, year of manufacture, year of restoration, etc.)

6.2.4 Delivery sub-contractor if applicable - Items 6.2.1, 6.2.2, 6.2.3.

6.3 IRS Tax refund: the Bidder shall provide District with a written detail describing how they plan to incorporate IRS LNG automotive fuel tax refund to District beginning October 2006. This item shall be considered part of the District LNG fuel purchase terms and conditions.

6.4 Bidder shall provide District with written detail how they shall provide LNG fuel should their primary source of LNG fuel become unavailable. Within this detail Bidder shall provide the names of primary and secondary sources of LNG fuel as designated District fuel sources. It is understood that a force majeure shall only occur if both of these sources of supply cannot provide LNG fuel.

6.5 This agreement is for an indefinite quantity of LNG fuel, within the limits stated herein, and District does not guarantee the purchase of a particular volume or amount during the term of the IFB.

6.6 Contractor shall guarantee supply of District’s LNG fuel requirements as herein described for the term of the Agreement.

6.7 The Bidder shall elaborate on the LNG fuel pricing methodology. Will the pricing be fixed or based off an index.

6.8 List of client references who receive regular repeated LNG deliveries for fleet or public transportation purposes. Provide contact names and telephone numbers.

7. ESTIMATED FUEL USAGE

7.1 District has estimated is projected LNG fuel usage for the next five (5) years. These are just estimates to be used for the bidding price of LNG.

7.2 The estimated LNG fuel usage is as follows:

Time Period	Gallons/Std.	Cubic Feet
07/01/07 – 06/30/08	1,107,120	914,70,254
07/01/08 – 06/30/09	1,251,046	103,361,421
07/01/09 – 06/30/10	1,313,598	108,529,467
07/01/10 – 06/30/11	1,379,278	113,955,948
07/01/11 – 06/30/12	1,793,061	148,142,700

7.2.1 The projected daily fuel usage shall average approximately 98.44 LNG gallons per vehicle per day.

7.2.2 The LNG fuel shall be invoiced based upon quantities delivered to the sites by weight. One (1) LNG gallon shall be determined as: minus -259F @ 0 PSI =3.6 pounds per gallon. The Contractor agrees to weigh LNG deliveries at the nearest approved weighing location to the property and use the weigh ticket as a means to calculate the amount of LNG delivered. LNG delivered to the property shall have a head pressure no greater than 30 psi. If head pressure exceeds 30 psi, the trailer tank shall be vented and the trailer shall be reweighed at the nearest approved weighing station. The contractor shall reweigh the trailer after each delivery. Each invoice shall include a copy of individual delivery weight before and after each delivery to the District. Invoice shall have site and signature of District employee receiving the fuel. No LNG deliveries will be accepted at more than 30 PSI unless a predetermined District employee provides written exception for the out of spec load of LNG.

8. LIQUIDATED DAMAGES

8.1 Contractor's failure to maintain minimum onsite fuel requirement(s) under this Agreement shall result in liquidated damages being assessed against the fuel supplier.

8.1.1 These damages shall be deducted from any monies due, or which may thereafter become due, to Contractor under this Contract.

8.1.2 Force Majeure applies:

- a) When it is beyond the control of Contractor to provide the service requirements contained in this contract, the Liquidated Damages shall be prorated accordingly.
- b) District shall be the sole judge of the applicability of the Force Majeure clause as relates to Liquidated Damages.

8.1.3 Specific Daily Liquidated Damages Amount.

From the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. District and Contractor, therefore, presume that in the event of any such delay the amount of damage which shall be sustained from a delay shall be \$18,400 per day.

8.1.4 District and the Contractor agree that in the event of any such delay, the Contractor shall pay such amounts as liquidated damages and not as a penalty.

9. PREPARATION AND DELIVERY

- 9.1 The fuel delivery hours shall be between 7 a.m. and 3 p.m. Monday through Friday each week, except holidays.
 - 9.1.1 Contractor must address and coordinate the scheduling of fuel deliveries with District staff in order to accommodate District's holiday schedule.
 - 9.1.2 District does not operate (closed) on any of the following national holidays: Thanksgiving, Christmas, and New Years Day and will not receive LNG deliveries
- 9.2 Contractor shall assume full responsibility for providing tankers or containers suitable for delivery of the fuel to District's bulk storage tank.
- 9.3 Contractor shall be responsible for off-loading fuel into District's bulk storage tank and providing trained personnel capable of performing the off-loading of fuel without assistance from District.
- 9.4 All LNG tanker trucks making deliveries shall be properly certified by the State of California including but not limited to Vehicle Tank Measurement Certificates, and in accordance with Federal Department of Transportation regulations, policies, and procedures.
 - 9.4.1 If requested, the Contractor shall provide copies of requested certificates within three (3) days after notification is received from a designated District representative.
 - 9.4.2 All drivers making deliveries of LNG to District shall have Hazardous Materials Endorsements on their Commercial Driver's License, and such other Endorsement as may be required by relevant laws and/or regulations.
 - 9.4.3 Prior to the first delivery of LNG, the Contractor shall provide District with a material safety data sheet (MSDS) for the LNG.
- 9.5 Contractor shall provide vapor return to the tanker from the LNG storage vessels.
- 9.6 District may require all vessels of delivery trucks to be sealed with devices that are tamper free and identified on the delivery documents.
- 9.7 Contractor, its agents or employees, must notify District's fleet supervisor or his/her designee, upon delivery of each LNG fuel, as all fuel deliveries to District's bulk storage tank must be acknowledged by a designated District representative.
- 9.8 Contractor shall, at its expense, make every reasonable effort necessary to maintain minimum fuel levels. Contractor agrees to notify District's designated representative if, at any time, it appears that the delivery schedule set forth may not be met.
 - 9.8.1 Such notification shall include the reasons for any possible delays, and steps being taken by Contractor to remedy any such problem(s).
 - 9.8.2 Nothing herein shall be interpreted as waiving remedies otherwise available to District.
- 9.9 The bid prices must include all freight delivery costs and applicable fees.

10. TECHNICAL SUPPORT

- 10.1 Bids must include a description of technical support services offered by Contractor, if any, and hours of availability for Bidder's Technical Support Services Staff.
- 10.2 Testing
 - 10.2.1 District reserves the right to periodically request a written laboratory report (within five days of the request), at Contractor's expense, containing the specifications of the LNG contained in the Contractor's bulk storage tank from which District's supply is drawn. (1) Contractor shall list on each sample report all procedures that were used, and shall retain records of the test results for two (2) years.

- 10.2.2 District may, if the results of the testing show the LNG to be deficient, require Contractor to prepare and deliver a written program designed to eliminate deliveries of defective product.
- 10.2.3 If Contractor fails to promptly take necessary and reasonable steps to ensure the quality of LNG fuel, District shall have the unilateral right to terminate this contract for default as provided in Part IV, Article 2.02, Termination for Default.
- 10.3 If Contractor questions or disputes the result of tests made by District or its designee, District shall have the right to appoint an independent testing laboratory, who is also acceptable to the Contractor, to make the required tests.
- 10.4 The expense of such tests shall be paid by the Contractor if it is determined that any LNG failed to satisfy the specifications set forth herein; and by District if it is deemed that the tested LNG sample(s) satisfied the specification standards set forth herein.
 - 10.4.1 The decision of the independent laboratory shall be final and binding on both parties.
- 10.5 Inspection of Services
 - 10.5.1 All services provided and materials utilized in the performance of such services, shall be subject to inspection by District, or its designee, to the extent practicable at all times and places during the term of this Agreement.
 - 10.5.2 All inspections made by District, or its designee, shall be made in such a manner as not to unduly delay the Contractor's delivery and/or dispensing of fuel.

11. PERMITS AND LICENSES

- 11.1 Contractor shall be responsible for obtaining all necessary permits and licenses required by local, state, and federal authorities for performance under the terms of this Agreement.
- 11.2 Contractor shall pay all charges and fees, and furnish all notices necessary for lawful execution of the work.
- 11.3 Contractor shall give all required notices and comply with all federal, state, and local laws, ordinances, rules, regulations and orders of any public authority bearing on the performance of this Agreement.
- 11.4 Upon request, the Contractor shall furnish to District certificates of compliance with all such laws, orders, regulations and driving records of the supplier truck drivers.

12. DISTRICT'S RESPONSIBILITIES

- 12.1 District's shall, at all times, provide reasonable access to the fueling facility, and shall permit the unloading of Contractor's truck at the delivery location without undue delay.
- 12.2 District shall have available a transfer pump with a 3" CGA coupling connection capable of average unload rate of 200 gallons per minute.
- 12.3 District shall provide adequate power and pumps for off-loading the LNG in a timely manner.
- 12.4 District will supply an attendant to observe the off loading of all LNG deliveries. This attendant will monitor a portable methane detection system and will act as an emergency back up to the driver if there is a problem. This attendant does not negate the need for the Contractor to properly train their operators to safely off load LNG at District sites.

13. EMPLOYEE HAZARDS

- 13.1 Contractor shall perform all work in a clean, safe and professional manner, causing no hazards to District staff, facility the environment or Contractors service personnel.
- 13.2 All Hazardous waste must be handled, collected, stored and disposed of in accordance with federal, state and local environmental compliance regulations.

13.3 The contractor is responsible for providing safety training for all the all employees that deliver LNG fuel to District.

13.3.1 The bidder shall submit their safety plan for their drivers and schedule of training to District.

14. TERM OF CONTRACT

The term of this contract will be for a period of five (5) years.

15. AWARD OF CONTRACTS

The District intends to award two contracts to the top two bidders. The lowest responsive responsible bidder shall receive a contract for a majority of the District's requirements. The second lowest responsive responsible bidder shall receive a contract for District's requirements that are not met by the lowest responsive responsible bidder.

The basis for selecting the lowest responsive responsible bidder includes the bidder meeting all technical requirements for this solicitation and offering the best overall value for the services requested. Additional requirements include the following:

- **Demonstrated a sustainable and regular supply of LNG with a delivery fleet capable of meeting District requirements.**
- **Adequate capabilities to offset or minimize loss of supply events.**
- **Demonstrated experience in supplying regular repeated LNG deliveries to customers for transportation purposes.**

16. FUEL PRICING

The Contractor shall be responsible to provide:

- LNG fuel per LNG gallon delivered to the District.
- Provide a cost breakdown of the LNG price including freight and weighing charges, and any charges for delivery delay. Bidders are to use a monthly adjusted Natural Gas Price Index.
- Bidders may also bid the fuel supply commodity portion as a fixed price for five years.
- **Lowest cost bid will be calculated over a five year contract period, using the formula or fixed unit price(s) offered and the annual estimated quantities provided in Part III, Article 7.2. If a formula is used, the index quoted value as of May 31, 2007 will be used to calculate all five years of the contract.**

PART IV

GENERAL CONDITIONS TO THE CONTRACT

I. GENERAL PROVISIONS

1.01 Governing Law & Compliance with All Laws

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect.

1.02 Right to Modify Contract

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

2. TERMINATION

2.01 Termination for Convenience

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

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by the District, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to the District in the manner, at the time, and to the extent directed by the District all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the District shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of the District, to the extent the District may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to the District and deliver in the manner, at the time, and to the extent, if any, directed by District the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to the District; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by the District, any property of the types referred to above provided, however, that the Contractor shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by the District, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to the District to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this Contract or paid in such other manner as the District may direct; (8) complete performance of such part of the Work as shall not have been terminated by the notice of termination; and (9)

take such action as may be necessary, or as the District may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which the District has or may acquire an interest.

2.02 Termination for Default

- 2.02.01 The District may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within time period stated in the Specifications section of the IFB; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.
- 2.02.02 If the Contract is terminated in whole or in part for default, the District may procure, upon such terms and in such manner as the District may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to the District, the Contractor shall be liable to the District for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.
- 2.02.03 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and District shall be considered to have been terminated pursuant to termination for convenience of the District pursuant to Article 2.01 from the date of Notification of Default.

2.03 No Limitation

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

3. FORCE MAJEURE

3.01 General

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

3.2 Notification by Contractor

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

3.03 Losses

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

4. PROFESSIONAL STANDARDS

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

5. PROFESSIONAL RELATIONS

5.01 Independent Contractor

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

5.02 Benefits

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

6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

6.01 Scope

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

- 6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which District may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's performance under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property(ies) of Contractor and third persons.
- 6.01.02 Any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).

7. INSURANCE

7.01 General

Contractor, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage. Such insurance

coverage shall be primary coverage as respects District and any insurance or self-insurance maintained by District shall be excess of Contractor's insurance coverage and shall not contribute to it.

7.02 Types of Insurance and Minimum Limits

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

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

7.03 Other Insurance Provisions

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

8. RESERVED

9. NO DISCRIMINATION

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

10. DISADVANTAGED BUSINESS ENTERPRISES

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

11. PROMPT PAYMENT

11.01 Prompt Progress Payment to Subcontractors

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

11.2 Prompt Payment of Withheld Funds to Subcontractors

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

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

12. RESERVED

13. MISCELLANEOUS PROVISIONS

13.01 Successors and Assigns

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

13.02 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall be extended as provided in Section 13.15; and the hold harmless agreement contained in Article 6 shall survive.

13.03 Limitation on District Liability

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

13.04 Drug and Alcohol Policy

Contractor shall comply with Federal Transit Administration's (FTA) drug and alcohol testing regulations, 49 CFR Parts 653 and 654. Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on District premises or distribute same to District employees.

13.05 Publicity

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

13.06 Consent to Breach Not Waiver

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

13.07 Attorneys' Fees

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

13.08 No Conflict of Interest

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

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

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

13.10 Cal OSHA/Hazardous Substances

13.10.01 Contractor shall comply with California Administrative Code Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on District property, (2) ensure that its employees take appropriate protective measures, and (3) provide the District's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on District property.

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

13.10.03 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 - 25249.13. Contractor will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.

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

13.11 Non-Assignment of Contract

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

13.12 No Subcontract

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

13.13 Severability

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

13.14 All Amendments in Writing

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

13.15 Audit

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

13.16 Smoking Prohibited

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

13.17 Responsibility for Equipment

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

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

13.18 Grant Contracts

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

13.19 Time of the Essence

Time is of the essence in this Contract.

PART V

SPECIAL CONDITIONS OF THE CONTRACT

1. BASIC SCOPE OF WORK

1.01 Basic Scope of Work

Contractor shall, without limitation, furnish and deliver equipment in accordance with the "Specifications" section of the Invitation for Bids, dated May 18, 2007.

2. DEFINITIONS

2.01 General

The terms (or pronouns in place of them) have the following meaning in the Contract.

2.01.01 ACCEPTANCE DATE - The date on which delivery is deemed to be complete in accordance with the provisions of the Contract and accepted in writing by the District.

2.01.02 CONTRACT - The Contract consists of this document, the attachments incorporated herein in accordance with Article 2 of Part VI - "Contract for ITEM," and any written amendments made in accordance with Article 13.14 of Part IV - "General Conditions of the Contract".

2.01.03 CONTRACTOR - Synonymous with Bidder.

2.01.04 DAYS - Calendar Days

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

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

3. BUY AMERICA CERTIFICATE

Contractor shall comply with the requirements of Section 165(a) of the Surface Transportation Assistance Act of 1982 and the applicable regulations in 49 Code of Federal Register Part 661. As evidence of Contractor's knowledge and understanding and certification of intention of compliance, Contractor has executed a Buy America Certificate, which is included as part of the "Bid Form" and incorporated herein by reference. If steel and manufactured products are needed by Contractor for its performance under the provisions of the Contract, Contractor shall only use steel and manufactured products that were produced in the United States.

4. LIQUIDATED DAMAGES

If the work is not completed within the time required, damage will be sustained by the District. It is, and will be impracticable and extremely difficult to ascertain and determine the actual damage which the District will sustain by reason of such delay; and it is therefore agreed that the Contractor shall pay to the District fifty dollars (\$50.00) for each and every day's delay in finishing the Work beyond the time prescribed. If the Contractor fails to pay such liquidated damages, the District may deduct the amount thereof from any money due or that may become due the Contractor under the Contract.

The Work shall be regarded as completed upon the date the District has accepted the same in writing.

5. STATE CONTRACT PROVISIONS

- 5.01 In the performance of work under these provisions, Contractor and its subcontractors will not discriminate against any employee or applicant for employment because of race, religious creed, medical condition, color, marital status, ancestry, sex, age, national origin, or physical handicap (Government Code Section 12940 et seq.). Contractor and all its subcontractors will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religious creed, medical condition, color, marital status, ancestry, sex, age, national origin, or physical handicap. such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor and its subcontractors shall post in conspicuous places, available to employees and applicants for employment, notice to be provided by STATE setting for the provisions of this section.
- 5.02 Contractor and its subcontractors will permit access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by STATE, for the purpose of investigation to ascertain compliance with Section 1 of this Article.
- 5.03 Contractor shall establish and maintain an accounting system and records that properly accumulate and segregate incurred costs by line item for the project. Contractor's accounting system shall conform to generally accepted accounting principles (GAAP), enable to determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of Contractor connected with performance under this Agreement shall be maintained for a minimum of three years from the date of final payment to District under these provisions and shall be held open to inspection and audit by representatives of STATE and the Auditor General of the State and copies thereof will be furnished upon request.
- 5.04 Contractor agrees that contract cost principles at least as restrictive as 48 CFR, Federal Acquisition Regulation System, Chapter 1 Part 31, shall be used to determine the allowability of individual items of costs. Contractor also agrees to comply with Federal procedures as set forth in 49 CFR, Part 18, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments.
- 5.05 For the purpose of determining compliance with Public Contract Code Section 10115, et seq., Military and Veterans Code Sections 999 et seq. and Title 2, California Code of Regulations, Section 1896.60 et seq., when applicable, and other matters connected with the performance of District's contracts with third parties pursuant to Government code Section 10532, Contractors and subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including but not limited to, the costs of administering the various contracts. Contractor and its subcontractors shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under such contract. STATE, the State Auditor General, the Federal Highway Administration, or any duly authorized representative of the Federal Government shall have access to any books, records and documents that are pertinent to the Agreement for audits, examinations, excerpts, and transactions and copies thereof shall be furnished if requested.

6. LABOR HARMONY REQUIREMENT

The construction manager/general and sub-contractor(s) at all tiers must be able to furnish labor that can work in harmony with all other elements employed or to be employed in conjunction with the construction work on the site. Without limiting the generality of the foregoing, 'labor harmony' shall include a provision of labor that will not cause, cause to be threatened, engage in, or give rise to, either directly or indirectly, any work disruption, slowdowns

or stoppages, or any violence or harm to any persons or property while performing any work or activities affecting the project in any way, including but not limited to: (1) traveling to and from the work site; (2) loading, transporting and off-loading of equipment and materials on the construction site; (3) delivery, receipt and unloading of material or equipment, or the provision or receipt of any construction-related services at any designated storage area, or the work site; (4) the performing of the work of the contract at the work site; and on non-working time associated with the above while employees are on site (e.g. lunch hours, breaks, queuing for transportation, etc.).

If a contractor causes any work disruption, slowdowns or work stoppages as a result of its inability to ensure labor harmony, that contractor shall pay to District the sum of \$100 per day as liquated damages while such work disruption, slowdown or work stoppage is underway. As an independent and further remedy, District reserves the right to order the offending contractor to cease work on the project until such time as the work disruption, slowdown or stoppage is resolved and, if the work disruption, slowdown or stoppage is not resolved in District's opinion, within a reasonable period of time, District reserves the right to withdraw the contract from the contractor and to put such contract or remainder of such contract out for re-bid.

If District claims that this provision has been violated, the contractor(s) must agree to submit the issue to emergency arbitration for final and binding resolution. The permanent arbitrator over such disputes shall be the Honorable Nat Agliano, retired or, if he is unavailable, the Honorable Richard Silver, retired. If they decline to serve and the parties are unable to agree on an acceptable alternative, the arbitrator will be selected by petition to the Superior Court for the County of Santa Cruz. The Arbitrator's authority shall be limited to a determination of whether the Labor Harmony requirement has been violated and, if so, what shall be the remedy.

PART VI

CONTRACT FOR SUPPLY AND DELIVER OF LIQUEFIED NATURAL GAS (06-23)

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

1. RECITALS

1.01 District's Primary Objective

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

1.02 District's Need for Item

District requires the supply and delivery of liquefied natural gas to be used for standard purposes. In order to obtain said supply and delivery of liquefied natural gas, the District issued an Invitation for Bids, dated May 18, 2007 setting forth specifications for supply and delivery of liquefied natural gas. The Invitation for Bids is attached hereto and incorporated herein by reference as Exhibit A.

1.03 Contractor's Bid Form

Contractor is a supplier of liquefied natural gas desired by the District and whose principal place of business is _____. Pursuant to the Invitation for Bids by the District, Contractor submitted a bid for Provision of said supply and delivery of liquefied natural gas, which is attached hereto and incorporated herein by reference as Exhibit B.

1.04 Selection of Contractor and Intent of Contract

On _____, District selected Contractor as the lowest responsive, responsible bidder to supply and delivery of liquefied natural gas. The purpose of this Contract is to set forth the provisions of this procurement.

1.05 Contractor and Supplier Synonymous

For the purposes of this Contract, the terms "contractor" and "supplier" are synonymous.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in This Contract

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

a) Exhibit A

Santa Cruz Metropolitan Transit District's "Invitation for Bids" dated May 18, 2007.

b) Exhibit B (Bid Form)

Contractor's Bid Form to the District for Item, signed by Contractor and dated June 12, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. TIME OF PERFORMANCE

3.01 General

Contractor shall perform work under this Contract at such times to enable it to meet the time schedules specified in the Specifications Section of the IFB. The Contractor shall not be responsible for delays caused by force majeure events described in Section 2 of the General Conditions of the Contract.

3.02 Term

The term of this Contract commences on the date of execution and shall remain in force for a five (5) year period thereafter. District and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

4. COMPENSATION

4.01 Terms of Payment

Upon written acceptance, District agrees to pay Contractor _____ as identified in the Bid Form, Exhibit B, not to exceed \$ _____, for satisfactory completion of all work under the terms and provisions of this Contract within thirty (30) days thereof. Contractor understands and agrees that if he/she exceeds the \$ _____ maximum amount payable under this contract, that it does so at its own risk.

4.02 Invoices

Contractor shall submit invoices with a project number provided by the District on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the contract. Telephone call expenses shall show the nature of the call and identify location and individual called.

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this contract; and (4) necessary for performance of the services. No expenses shall be paid by the District unless specifically allowed by this contract.

5. NOTICES

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

DISTRICT

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

Attention: General Manager

CONTRACTOR

Attention: _____

6. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR-- _____

By _____

Approved as to Form:

Margaret Rose Gallagher
District Counsel

PART VII

FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS

1.0 GENERAL

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

2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS

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

3.0 INELIGIBLE CONTRACTORS

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

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

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

5.0 TITLE VI CIVIL RIGHTS ACT OF 1964

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

5.1 Compliance with Regulations

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

5.2 Nondiscrimination

The Contractor, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination

prohibited in Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the regulations.

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

5.4 Information and Reports

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

5.5 Sanctions for Noncompliance

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

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

5.6 Incorporation of Provisions

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

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

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

7.0 CONSERVATION

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

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

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

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

9.1 Overtime Requirements

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

9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

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

9.3 Withholding for Unpaid Wages and Liquidated Damages

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

9.4 Nonconstruction Grants

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

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

9.5 Subcontracts

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

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

The Contractor agrees:

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

11.0 BUY AMERICA PROVISION

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

12.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

12.1 Policy

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

12.2 DBE Obligation

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

12.3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

13.0 CONFLICT OF INTEREST

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

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

The Contractor must provide a certification that:

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

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

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

16.0 DEBARRED BIDDERS

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

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

17.1 General

The District and Contractor agree:

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

17.2 Applicability

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

17.3 Definitions

The terms used in this clause have the following meanings:

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

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

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

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

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

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

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

District and Contractor shall indemnify and save and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the District and Contractor of proprietary rights, copyrights or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Contract.

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

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

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

20.0 NEW RESTRICTIONS ON LOBBYING

20.1 Prohibition

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

20.2 Disclosure

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

information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:

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

20.3 Agreement

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

20.4 Penalties.

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

20.5 Cost allowability

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

PART VIII

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURE

PROCUREMENT PROTESTS

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

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT - B



PROMETHEUSenergy

June 11, 2007

Mr Lloyd Longnecker
110 Vernon Street, Suite B
Santa Cruz, CA 95060

Prometheus Energy Company
500 108th Ave NE, Suite 2340
Bellevue Washington 98004

PHONE 206 267-0800
FAX 425 289-1858

www.Prometheus-Energy.com

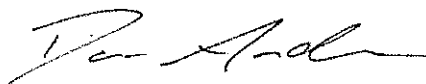
RE: Invitation for Bid for Supply and Delivery of Liquefied Natural Gas – District IFB No 06-23

Dear Mr. Longnecker:

Prometheus Energy Company is pleased to submit for your review, a response to Santa Cruz Metropolitan Transit District's Invitation for Bid for Supply and Delivery of Liquefied Natural Gas. Prometheus has completed the following proposal to meet your requirements and display our ability and desire to create a partnership this will result in a premier LNG operation.

Prometheus is working hard to become the leading supplier of Liquefied Natural Gas (LNG) solutions in the California transportation market. In the coming years, we hope to expand the supply of LNG in the California market to help alleviate the supply constraints felt by each and every user. Like many others, we recognize the difficulties with a limited number of baseload production facilities located far from demand markets. Coupled with the transportation and distribution of LNG, Prometheus also installs, owns, and operates distributed scale LNG production facilities capable of producing 5,000 gallons per day of LNG. By creating a redundant supply network of these facilities, Prometheus will remove these constraints with a diversified LNG supply portfolio to deliver high-quality fuel to our customers on time, every time.

Kind regards,



Dan Anderson
Fleet Fuel Sales

CC: Dave Rudisill

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Profile of Firm (History, Experience, Changes)

Prometheus Energy Company (Prometheus) is an alternative fuel company that produces, sells and distributes liquid natural gas (LNG). Our proprietary technology allows us to utilize stranded and waste sources of methane and economically convert them to automotive grade LNG. Our technology has been commercialized to economically process waste or low BTU methane into liquid natural gas ("LNG") at plant sizes significantly below the capability of competitive technology. Smaller plant size enables LNG production to occur close to the end user resulting in very competitive LNG cost. Our unique technology and business model allows us to, 1) capture stranded or waste methane; 2) remove toxic substances, pollutants, and trace elements; 3) process methane using significantly smaller plant sizes than competitive technology; 4) locate plants close to LNG demand; and 5) provide LNG at fixed prices, below market prices due to inherent cost savings.

Prometheus is positioned to become a significant player in the alternative fuels market by establishing itself as a leader in the global, distributed LNG market. One of Prometheus' competitive advantages is the ability to design, engineer and install LNG production systems with standard production capacities of 5,000-25,000 gallons per day from unconventional sources. Prometheus' distributed-scale LNG source-to-end-use projects integrate innovative equipment designs, high quality manufacturing, system operation and maintenance, LNG distribution, and direct fuels sales to wholesale and retail customers.

Prometheus also utilizes a diversified portfolio of energy resources. While proprietary LNG supply sources are in development in California and surrounding regions in order to expand the current supply to the west coast, we also utilize conventional, index based sources to supplement our supply and provide a redundant source of fuel.

6.1 – Description of Primary Supply Source(s) for District Locations

Prometheus is currently able to supply Santa Cruz Metropolitan Transit District (SCMTD) with LNG from traditional base load production facilities. Prometheus has accounts set up with suppliers located in Arizona, Wyoming, and Kansas. These production facilities produce high-quality LNG at 98% and 97% methane or greater, which meets the specifications for natural gas engines.

Prometheus has secured firm supply from two of these suppliers. These commitments as listed below have been made available to SCMTD through this bid and have not been committed elsewhere. This bid contains firm commitment schedules from not only our primary supply source, which complies with SCMTD's requirement of 98% methane, but also our secondary source in the event that our primary source is unable to deliver our committed demand.

- Primary LNG source

Topock Liquefier (Topock, AZ)

The plant is roughly two miles into Arizona on Interstate 40.

Methane – 98% or greater

Firm Supply Schedule – 10,000 gallons per week

Prometheus has acquired 10,000 gallons per week to meet the requirements of SCMTD. This firm supply has not been committed to any other demand source and is effective July 1, 2007.

- Secondary LNG Source

ExxonMobil (Shute Creek)

The plant is roughly 30 miles northeast of Kemmerer, WY off of Route 240. No physical address is available.

Methane – 97% or greater

Firm Supply Schedule –

For the 12 month period ending June, 2008 Prometheus Energy has acquired the following supply commitment from Exxon Mobil:

Month	(i) Number of Gallons per day
July	2,000
August	2,000
September	5,000
October	6,500
November	6,500
December	6,500
January	4,500

February	4,500
March	4,500
April	5,000
May	5,000
June	5,000

- Tertiary Supply Source
Pioneer Natural Resources (Satanta)
215 E Road 20
Ulysses, KS 67880

Methane – 97% or greater

Supply Schedule – As needed.

6.2 – LNG Tanker Trucks/Transport Vehicles

Prometheus currently owns four (4) LNG tanker trucks, each with a nominal capacity of 10,000 gallons. Two (2) new trailers are scheduled to be delivered in August 2007. Prometheus sub-contracts the transportation of our trailers to a certified common carrier, IXL Transportation.

Trailer #100

Manufacturer – Process Engineering
Model Year – 1969
LNG Capacity – 10,000 Gallons
Maximum Allowable Working Pressure – 70 psi

Trailer #101

Manufacturer – Process Engineering
Model Year – 1972
LNG Capacity – 10,000 Gallons
Maximum Allowable Working Pressure – 70 psi

Trailer #102

Manufacturer – Russell Engineering
Model Year – 1972
LNG Capacity – 10,000 Gallons
Maximum Allowable Working Pressure – 75 psi

Trailer #103

Manufacturer – Process Engineering
Model Year – 1972

LNG Capacity – 10,000 Gallons
Maximum Allowable Working Pressure – 70 psi

Two (2) Additional Trailers
Manufacturer – Alloy Custom Products
Model Year 2007
LNG Capacity – 11,320 gallons
Maximum Allowable Working Pressure – 70 psi

Delivery Sub-Contractor – IXL Transportation, Molalla, OR

The tractors that currently haul our trailers are;

1997 Peterbilt, 3 axle
1998 Freightliner, 3 axle

6.3 – IRS Tax Refund

Prometheus understands that the Excise Tax Credit for LNG would be taken by the party responsible for distributing the fuel into the vehicle tank. As such, SCMTD would be responsible for reporting and collecting the Excise Tax Credit. SCMTD, at its sole discretion, would be responsible for distributing allocations of this credit.

6.4 – Secondary Supply Explanation

In the event that the LNG supply facility in Topock, AZ cannot supply our firm commitment, Prometheus will make deliveries from Exxon Mobil until the primary facility is able to meet our firm supply. In the event that both our primary and secondary sources are unable to provide our firm commitment, Prometheus will procure LNG from our tertiary supply source in Kansas. This supply source provides LNG on an as-needed basis.

Prometheus Energy will also begin installation and production of purification and liquefaction equipment at proprietary methane sources that are under development. Prometheus anticipates production of more than 12,000 gallons per day will be operational and available to SCMTD by January 2008 from a new supply source. This source will increase the redundancy of our supply network and be instrumental to providing a reliable and distributed supply network. This purification and liquefaction facility will be the fourth supply source available to SCMTD and will be within comparable proximity as Exxon and Topock.

6.6 – Supply Guarantee Statement

Prometheus Energy guarantees the supply of LNG of the quantities described in this response for the District's fuel requirements as described in IFB No. 06-13 for the term of the agreement.

6.7 – LNG Pricing Methodology

Prometheus is currently able to offer SCMTD LNG commodity pricing tied to a floating first of month index pricing from our supply sources. The proposed method of pricing will reflect monthly changes in index prices. Monthly prices are issued at the beginning of each month from our current suppliers of LNG and are consistent with Inside F.E.R.C Gas Market Report. Our method of pricing also includes an adder that accounts for all other costs including transportation, liquefaction, and administrative services (TLA).

For example, the current May 2007 pricing from the SoCal Border Index (our primary supply source) indicate an average index cost of \$6.98 / MMBtu. This price is current as of May 2007's Inside F.E.R.C Gas Market Report for the SoCal Border Index and does not reflect future natural gas prices.

As outlined in the IFB, a tax rate of 8.25% has been used. If a delivery were to be scheduled by using this averaged cost of feedstock, the delivered price per LNG per gallon would be;

- Current average price of LNG – $\left(\left(\frac{\text{Index}}{12.104}\right) * 1.2\right) + \text{TLA} * (1 + \text{Tax}) = \text{May 2007 Sale Price}$
 $\left(\left(\frac{6.98}{12.104}\right) * 1.2\right) + 0.73 * (1 + 0.0825) = \1.54

6.8 – Current Client References

- Taormina Industries
1231 N Blue Gum St
Anaheim, CA 92806

Pam Diaz – Fuel Purchasing Manager
714 238-2459

Attachments

List of Subcontractors

IXL Transportation
(503) 829-5065

Point of Contact – David Riener

Physical Address
1210 Toliver road
Molalla, OR 97038

Mailing Address
PO Box 210
Molalla, OR 97038

IXL Transportation is a common carrier who is subcontracted by Prometheus to provide trucking services. All drivers carry HAZMAT DOT certificates and have been provided LNG safety training.



Proof of Licenses

Washington State Business License



STATE OF
WASHINGTON

MASTER LICENSE SERVICE
PO Box 9034 • Olympia, WA 98507-9034 • (360) 864-1400
REGISTRATIONS AND LICENSES

Unified Business ID #: 602 298 576
Business ID #: 1

Expires: 05-31-2007

PROMETHEUS ENERGY COMPANY
601 UNION ST STE 5450
SEATTLE WA 98101 2327

Domestic Profit Corporation
Renewed by Authority of Secretary of State

REGISTERED TRADE NAMES:
PROMETHEUS ENERGY COMPANY

The licensee named above has been issued the business registrations or licenses listed. By accepting this document the licensee certifies the information provided on the application for these licenses was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

Elizabeth A. Luce
Director, Department of Licensing

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA STATE BOARD OF EQUALIZATION

CERTIFICATE OF REGISTRATION - USE TAX



ACCOUNT NUMBER

10/1/2006 SC OH 100-846356

PROMETHEUS ENERGY COMPANY
500-108TH AVE NE STE 2340
BELLEVUE, WA 98004

IS REGISTERED WITH THE STATE BOARD OF EQUALIZATION AND IS AUTHORIZED TO COLLECT STATE AND LOCAL USE TAXES REQUIRED TO BE COLLECTED UNDER PARTS 1 AND 1.5 OF THE CALIFORNIA REVENUE AND TAXATION CODE, AND TO FURNISH RECEIPTS THEREFOR. FURTHER, THE SAME AUTHORITY EXTENDS TO SELLERS, WITH RESPECT TO COLLECTION OF TRANSIT DISTRICT USE TAXES UNDER PART 1.6 OF THE CALIFORNIA REVENUE AND TAXATION CODE, WHO ARE ENGAGED IN BUSINESS IN A TRANSIT DISTRICT IMPOSING TRANSIT DISTRICT USE TAXES, OR WHO, IF NOT ENGAGED IN BUSINESS IN A TRANSIT DISTRICT, HAVE BEEN AUTHORIZED TO COLLECT TRANSIT DISTRICT USE TAXES.

For general tax questions, please call our Information Center at 800-400-7115.

For information on your rights, contact the Taxpayers' Rights Advocate Office at 888-324-2798 or 916-324-2798.

BOE-442-U REV. 10 (2-06)

A MESSAGE TO OUR NEW CERTIFICATE HOLDER

As a certificate holder, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.boe.ca.gov
- Visiting a district office
- Attending a Basic Sales and Use Tax Law class offered at one of our district offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Information Center at 800-400-7115

If you become a seller, you need to notify the Board of Equalization to secure a Seller's Permit. As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. Conversely, you have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the Board
- You are responsible for following the regulations set forth by the Board

As a certificate holder or a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a Board representative when requested. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a Board office, or giving it to a Board representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the Board, please contact the Taxpayers' Rights Advocate Office for help by calling toll-free, 888-324-2798 or 916-324-2798. Their fax number is 916-323-3319.

Please post this certificate at the address for which it was issued and at a location visible to your customers.

STATE BOARD OF EQUALIZATION
Sales and Use Tax Department

Proof of Permits

DOT HAZMAT LNG Safety Permit

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION**



**HAZARDOUS MATERIALS
CERTIFICATE OF REGISTRATION
FOR REGISTRATION YEAR(S) 2006-2007**

Registrant: PROMETHEUS ENERGY
Attn: DAVID RUDISILL
3311 S 120TH PLACE
SEATTLE, WA 98168

This certifies that the registrant is registered with the U.S. Department of Transportation as required by 49 CFR Part 107, Subpart G.

This certificate is issued under the authority of 49 U.S.C. 5108. It is unlawful to alter or falsify this document.

Reg. No: 100506 550 0150 **Issued:** 10/05/2006 **Expires:** 06/30/2007

Record Keeping Requirements for the Registration Program

The following must be maintained at the principal place of business for a period of three years from the date of issuance of this Certificate of Registration:

- (1) A copy of the registration statement filed with PHMSA; and
- (2) This Certificate of Registration

Each person subject to the registration requirement must furnish that person's Certificate of Registration (or a copy) and all other records and information pertaining to the information contained in the registration statement to an authorized representative or special agent of the U.S. Department of Transportation upon request.

Each motor carrier (private or for-hire) and each vessel operator subject to the registration requirement must keep a copy of the current Certificate of Registration or another document bearing the registration number identified as the "U.S. DOT Hazmat Reg. No." in each truck and truck tractor or vessel (trailers and semi-trailers not included) used to transport hazardous materials subject to the registration requirement. The Certificate of Registration or document bearing the registration number must be made available, upon request, to enforcement personnel.

For information, contact the Hazardous Materials Registration Manager, PHH-62, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 400 Seventh Street, SW, Washington, DC 20590, telephone (202) 366-4109.

Letters of Firm Commitment

Topock Firm Supply Letter



June 11, 2007

To whom it may concern

This letter is to confirm that Prometheus Energy has an established supply agreement in place with our company. We are under contract to supply 10,000 gallons of LNG per week.

Sincerely,

Kevin W Markey
VP of Operations
Applied LNG Technologies
214.634.6246

Exxon Mobil Firm Supply Schedule

LNG SCHEDULE NUMBER 2

A. TERM: This LNG schedule shall become effective July 1, 2007 and shall continue in effect through June 30, 2008, and all of the terms, provisions, and conditions of that certain Liquid Natural Gas Sales Agreement (ExxonMobil Number 1021485) effective July 1, 2006 (hereinafter the "Agreement") previously executed by Seller and Buyer, shall be incorporated herein by reference and shall control all sales under this LNG schedule

B. QUANTITY RESERVATION: Seller may, from time to time, have quantities of LNG which have been produced and are not committed to other sales arrangements. Seller may make such quantities available for sale to Buyer under the following terms:

- 1 Each day Buyer is obligated to purchase the lesser of (i) the number of gallons of LNG listed by month in Table 1 below or (ii) the volume of LNG that the Seller makes available for sale to the Buyer at Seller's Plant ("Purchase Obligation").
- 2 Each day Seller is obligated to make available for sale to Buyer the lesser of (i) the number of gallons of LNG listed by month in Table 1 or (ii) the percent of Seller's daily LNG available for sale listed by month in Table 1 ("Percent Obligation"), subject to the provisions of the Agreement ("Sales Obligation"). Seller may, in its sole discretion, change the Percent Obligation, and Seller shall give Buyer sixty (60) days' written notice of any change

TABLE 1:

Month	(i) Number of Gallons per day	(ii) Percent of Seller's Daily LNG Available for Sale
July	2,000	2%
August	2,000	2%
September	5,000	6%
October	6,500	12%
November	6,500	12%
December	6,500	12%
January	4,500	8%
February	4,500	8%
March	4,500	8%
April	5,000	6%
May	5,000	6%
June	5,000	6%

- 3 Buyer's failure to purchase and receive each day the Purchase Obligation shall not affect the Sales Obligation during any other day.
- 4 The Buyer may purchase from Seller each month quantities of LNG in excess of the Purchase Obligation on an interruptible basis. Whether quantities of LNG are available in excess of the Purchase Obligation shall be determined by Seller in its sole discretion, taking into account its other contractual obligations.
- 5 The price Buyer shall pay for all quantities of LNG purchased and sold hereunder shall be as described in Article C, below.
- 6 Buyer shall schedule delivery of LNG pursuant to Section 9 of the Agreement

C. PRICE: For each month Buyer accepts delivery of LNG hereunder, Buyer shall pay Seller a price for such month's deliveries equal to the sum of (i) [REDACTED] per gallon and (ii) the Index price of natural gas as the same is reported in the first issue of such month by Inside F. E. R. C.'s Gas Market Report, for Northwest Pipeline Corp., Rocky Mountains (such index price being reported on a per MMBtu dry basis, with conversion to gallons based upon 12 2291 gallons per MMBtu)

D. PAYMENTS: Buyer shall prepay for LNG as required by Seller.

E. PREPARATION AND DELIVERY: Buyer's tankers shall be in compliance with any applicable laws, rules and regulations and shall be in a condition normally acceptable in the industry for filling with LNG. Buyer must have proved the tankers, including all piping, valves and fittings (in accordance with 49 CFR 178.338-8) are free from leaks. This requirement is met when such piping, valves and fittings have been tested after initial installation as well as following any modification or repair work performed thereafter, with gas or air and proved leak tight at not less than the design pressure marked on the tanker. Buyer shall maintain documentation of such pressure test on file and furnish a copy to Seller upon request.

AGREED TO AND ACCEPTED:

BUYER

SELLER

PROMETHEUS ENERGY COMPANY

**EXXONMOBIL GAS & POWER MARKETING
COMPANY
(a division of EXXON MOBIL CORPORATION)**

DRAFT

DRAFT

By: _____

By: _____

Name: _____ Name: _____
Title: _____ Title: _____

Stewart W McMickle
Area Manager, U S Gas Sales - West

Date: _____

Date: _____

IFB Forms

PART I

BID FORM

The undersigned ("Bidder"), upon acceptance by the District, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids for supply and delivery of liquefied natural gas dated May 18, 2007 at the following prices.

Bidders may choose to bid Firm Fixed Price, Price Based off Index, or both. In order to ensure the uniform assessment of all bid submittals by District's Evaluation Committee, Bidders **MUST** include all relevant pricing for each and every year of the 5-year term of the contract. All costs necessary to complete the terms of this IFB must be included in the appropriate boxes.

1. LNG Fuel: per GALLON	FIRM FIXED PRICE: Unit Price per LNG GALLON				
	Year 1	Year 2	Year 3	Year 4	Year 5
2. LNG Fuel: per GALLON	PRICE FORMULA USING MONTHLY INDEX: Unit Price per LNG GALLON				
	Years 1 through 5 $((\text{Index} / 12.104) \cdot 1.2) + 0.73 = 1.0825$				

- 3. Index used and value as of May 31, 2007: Socal - \$6.98 / mmbtu
- 4. Tank trailer capacity: 10,000 gallons nominal capacity
- 5. Current Client References List Attached: Yes No
- 6. List of Subcontractors and DBEs attached: Yes No
- 7. Proof of Licenses attached: Yes No
- 8. Proof of Permits attached: Yes No
- 9. Information required per Part III, Article 6 is attached to this bid: Yes No

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. District reserves the right to award a contract to one or more bidders. District may accept or reject the bid items at its discretion. The Board of Directors also reserves the right to reject all bids for any reason.

Bidder has examined and is fully familiar with all terms and conditions of the Invitation for Bids and any addenda issued by the District thereto, and Bidder unconditionally submits this bid in strict accordance with said Invitation for Bids. Bidder has carefully checked all words and figures shown on this Bid Form and has carefully reviewed the accuracy of all documents, representations, manufacturer's literature, and statements submitted with this bid.

Bidder understands that this bid constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to the District executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of the District Notice of Award. Said Notice of Award shall be deemed duly given to Bidder upon delivery if delivered by hand, or three (3) calendar days after posting if sent by mail to Bidder's address.

Bidder understands that no partial, conditional or qualified bids shall be accepted for any bid item. Bidder further understands the right of the District Board of Directors to accept or reject any or all bids received for any reason. The District reserves the right to waive minor irregularities.

Bidder has included manufacturers' brochures describing the equipment bid under this IFB. Any proposed deviation from any item in the IFB specifications has been delineated on said brochures or on a separate attachment included with the bid. Bidder represents that the equipment and other work bid meets the specifications in all respects unless clearly noted to the contrary in the bid submittal.

The contract, if awarded, will be to the lowest responsive, responsible bidder. Bidder understands that the "lowest responsible bidder" is the lowest bidder whose offer best responds in quality, fitness and capacity to the requirements of the Invitation for Bids. The District reserves the right to award to other than the lowest bidder if the District finds that the lowest bidder is not responsible. District reserves the right to award a contract to one or more bidders.

Bidder acknowledges receipt of the following addenda to the Invitation for Bids. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the bidder and included in the bid.

Addenda No. s _____

Bidder has submitted the following documents with the bid:

1. Exceptions, if any, taken to the specifications or other sections of the IFB. (Warning: Substantive exceptions will be cause for bid rejection.)
2. Copy of any standard warranties in accordance with the Specifications.
3. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
4. Fully executed copy of the "Lobbying Certification" listed as Page I-4 of the Bid, if applicable.
5. Fully executed copy of the "Buy America Provision Certification" listed as Page I-5 of the Bid, if applicable.

Bidder understands that bids shall be placed in a sealed envelope marked as indicated below and delivered to the Purchasing Office of the Santa Cruz Metropolitan Transit District, 110 Vernon Street, Suite B, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

IFB No. 06-23
Supply and Delivery of LNG
Bid Opening 2:00 p.m., June 12, 2007

Bidder has full power and authority to enter into and perform the work described in the Invitation for Bids on behalf of the company noted below.

Prometheus Energy Company
Company Name

Indicate:

Sole Proprietorship Partnership Corporation

Joint Venture with _____

500 108th Ave. NE, Suite 2340
Street Address

Bellevue, WA 98004
City, State, Zip Code

Signature of authorized company official

Typewritten name of above and title

Dan Anderson, Fleet Fuel Sales, dananderson@prometheus-energy.com
Name, title, and email address of person to whom correspondence should be directed

(425) 289-3777
Telephone Number

(425) 289-1858
FAX Number

6.11.07
Date

91-0627077
Federal Tax ID No.

The Santa Cruz Metropolitan Transit District is a special purpose District and is a subdivision of the State of California.

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

IXL Transportation (503) 829-5065 Trailer Transportation

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

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

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

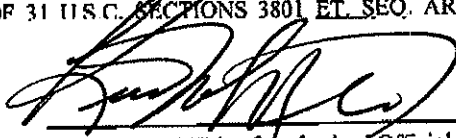
Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public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

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

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

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

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



Signature and Title of Authorized Official
Kirt W. Montague, CEO

AFFIDAVIT OF NON-COLLUSION

I hereby swear (or affirm) under penalty of perjury that:

1. I am the bidder (if the bidder is an individual), a partner in the bid (if the bidder is a partnership), or an officer or employee of the bidding corporation and have authority to sign on its behalf (if the bidder is a corporation);
2. The bidder has independently produced the attached bid(s) without collusion, agreement, understanding or planned common course of action, with any other source, that would limit independent bidding competition;
3. The contents of the bid(s) have not been communicated by the bidder and or its employees and or agents to any person not an employee and or agent of the bidder and or its surety, on any bond furnished with the bid, and will not be communicated to any such person prior to the official opening of the bid, and
4. I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Bidder's Company Name *Prometheus Energy Company*

Legal Structure (corp./partner/proprietor) *Corp.*

Principle Office Address *500 108th Ave NE Suite # 2340*

City, ST, Zip *Belleve, WA 98004*

Phone Number *206 267 0800*

Fax Number *425 289 1858*

E-Mail *danderson@prometheus-energy.com*

Federal Employer Identification Number *81-0627077*

Title of Person Authorized to Sign *CEO*

Print Name of Person Authorized to Sign *Kirt W. Montague*

Date Signed and Authorized Signature *[Signature]* *6/11/07*

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

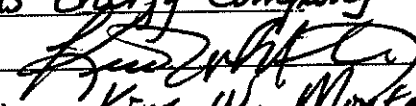
Lobbying Certification for Contracts Grants, Loans and Cooperative Agreements (Pursuant to 49 CFR Part 20, Appendix A)

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

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

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

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

Firm Name Prometheus Energy Company
Signature of Authorized Official  CEO
Name and Title of Authorized Official Kirt W. Montague CEO
Date 6/11/07

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

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

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

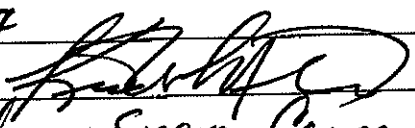
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

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

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

BUY AMERICA CERTIFICATE

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

Date: 6/11/07
Signature:  CEO
Company Name: Prometheus Energy Company
Title: CEO

OR

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

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

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 13, 2007
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: RENEWAL OF LIABILITY AND PHYSICAL DAMAGE INSURANCE
COVERAGE WITH CALTIP FOR FY08**

ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors authorize payment to the California Transit Insurance Pool (CalTIP) in the amount of \$412,340 for participation in the FY08 liability and physical damage insurance coverage program.

II. SUMMARY OF ISSUES

- The District carries general liability and vehicle insurance through CalTIP, a pool of California public transit properties established in 1987.
- The renewal for FY08 is in the amount of \$349,980 for liability insurance, including an additional \$10 million in excess coverage; and \$62,360 for vehicle physical damage insurance.

III. DISCUSSION

The District has been a member of CalTIP since its inception in 1987. Each member agency has a representative on CalTIP's Board of Directors. Assistant General Manager Mark Dorfman is the District's representative. Coverage limits are \$20 million general and vehicular liability with a \$250,000 deductible per occurrence. The FY08 premium for liability coverage is \$349,980, a decrease of \$84,843 or 19.5% from FY07.

Vehicle physical damage coverage is for actual cash value of the vehicle with a \$25,000 deductible on buses and a \$500 deductible on non-revenue vehicles. The premium for physical damage coverage is \$62,360, a decrease of \$8,112 or 11.5% from FY07.

Pool loss experience has been very good and the net cost of this coverage has been very favorable to the District. The liability coverage includes errors and omissions coverage.

IV. FINANCIAL CONSIDERATIONS

The insurance cost is included in the FY08 final budget.

V. ATTACHMENTS

Attachment A: Invoice for liability coverage - \$349,980

Attachment B: Invoice for physical damage - \$62,360



1415 L Street, Suite 200
 Sacramento, CA 95814
 (916) 446-4656
 (916) 446-4318 fax
 WWW.CalTIP.org

INVOICE

CalTIP California Transit Insurance Pool, A Joint Powers Insurance Authority

Bill To
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT Attn: MARK DORFMAN 1200 RIVER STREET SANTA CRUZ, CA 95060

Customer # SA115	Invoice # CAL 2006-0068
Invoice Date 6/28/07	Due Date 7/28/07
Policy Period 5/1/2007 to 5/1/2008	
Total Due:	\$ 349,980.00

2007-08 Liability Program

Description	Amount
CalTIP Administrative Deposit	37,137.00
CalTIP Loss Fund Deposit	117,409.00
Retrospective Credit / Debit (1998-99 Adjustment)	10,248.00
Retrospective Credit / Debit (1999-00 Adjustment)	(433.00)
Retrospective Credit / Debit (2000-01 Adjustment)	(12,254.00)
Retrospective Credit / Debit (2001-02 Adjustment)	(5,352.00)
Retrospective Credit / Debit (2002-03 Adjustment)	(3,528.00)
Excess Premium: \$1,000,000 to \$5,000,000	95,263.00
Excess Premium: \$5,000,000 to \$10,000,000	52,725.00
Excess Premium: \$10,000,000 to \$20,000,000	58,765.00
TOTAL AMOUNT DUE	\$349,980.00

Past due charges for contributions not paid within 30 days will be assessed prime interest rate plus two points on the contribution owed. The prime rate will be the rate from the Authorities commercial bank in effect 30 days after the invoice date.

Please remit payment to: CalTIP c/o Bickmore Risk Services 1831 K Street Sacramento, CA 95811	For questions regarding your invoice please contact: Vicky Quintrall Phone: (916) 244-1104 Fax: (916) 244-1199 email: vquintrall@brsrisk.com
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1415 L Street, Suite 200
 Sacramento, CA 95814
 (916) 446-4656
 (916) 446-4318 fax
 WWW.CalTIP.org

INVOICE

CalTIP

California Transit Insurance Pool, A Joint Powers Insurance Authority

Bill To
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT Attn: MARK DORFMAN 1200 RIVER STREET SANTA CRUZ, CA 95060

Customer # SA115	Invoice # CAL 2006-0034
Invoice Date 6/28/07	Due Date 7/28/07
Policy Period 5/1/2007 to 5/1/2008	
Total Due:	\$ 62,360.00

2007-08 Physical Damage Program

Description	Amount
Loss Fund Deposit	46,667.00
Excess Insurance Premium	15,693.00
TOTAL AMOUNT DUE	\$62,360.00

Past due charges for contributions not paid within 30 days will be assessed prime interest rate plus two points on the contribution owed. The prime rate will be the rate from the Authorities commercial bank in effect 30 days after the invoice date.

Please remit payment to: CalTIP c/o Bickmore Risk Services 1831 K Street Sacramento, CA 95811	For questions regarding your invoice please contact: Vicky Quintrall Phone: (916) 244-1104 Fax: (916) 244-1199 email: vquintrall@brsrisk.com
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11.61

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: July 13, 2008

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF THE REQUEST OF THE METRO ADVISORY COMMITTEE TO EXTEND THE TERM OF PAUL MARCELIN-SAMPSON FOR THREE (3) MONTHS.

ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING

I. RECOMMENDED ACTION

That the Board of Directors review the request from the METRO Advisory Committee that the term of Paul Marcelin-Sampson be continued for three (3) months while Section 3.1 of the Bylaws is being reviewed.

II. SUMMARY OF ISSUES

- On December 19, 2003 the Board of Directors approved the creation and structure of the Metro Advisory Committee (MAC).
- Each member of the Board nominated the name of an individual that they wanted to appoint for membership on the MAC.
- The MAC has been meeting regularly since its inception.
- Article 3.1 of the MAC Bylaws originally prohibited membership on the MAC for individuals who are employees of METRO or “any agency that provides funding to, or contracts with” METRO.
- On June 23, 2006 the Board of Directors recognized that the restriction regarding employment created a conflict for a MAC Member who was an employee of UCSC, but who did not work in the Transportation and Parking System (TAPS) where the funding and service decisions are made.
- On June 23, 2006 the Board of Directors approved a MAC Bylaws Amendment that exempted individuals who work for UCSC, but are not employed by TAPS, from the Article 3.1 employment restriction.
- On June 20, 2007 the Membership of MAC was formally informed that Paul Marcelin-Sampson had taken a position with the Santa Clara Valley Transportation Authority (VTA).
- The VTA is a funding agency that provides funds and direction for the operation of the Highway 17/AMTRAK Thruway service operated by METRO.

- The provisions of Article 3.1 prevent Paul Marcelin-Sampson from continuing to serve as a Member of the MAC.
- On June 20, 2007 the Members of the MAC approved a motion requesting that the METRO Board of Directors suspend the application of Article 3.1 of the Bylaws for a period of three (3) months in order to allow Paul Marcelin-Sampson to continue to serve as a member of the MAC.
- Staff recommends that the Board of Directors consider the request of the MAC and direct staff accordingly.

III. DISCUSSION

On December 19, 2003 the Board of Directors approved the creation, structure, and bylaws of the Metro Advisory Committee (MAC). As the Board of Directors approved the MAC Bylaws (Attachment A). The Board of Directors must also approve any amendments to the Bylaws.

Article 3.1 of the MAC Bylaws originally prohibited membership on the MAC for individuals who are employees of METRO or “any agency that provides funding to, or contracts with” METRO. On June 23, 2006 the Board of Directors recognized that the restriction regarding employment created a conflict for a MAC Member who was an employee of UCSC, but who did not work in the Transportation and Parking System (TAPS) where the funding and service decisions are made. On June 23, 2006 the Board of Directors approved a MAC Bylaws Amendment that exempted individuals who work for UCSC, but are not employed by TAPS, from the Article 3.1 employment restriction.

On June 20, 2007 the Membership of MAC was formally informed that Paul Marcelin-Sampson had taken a position with the Santa Clara Valley Transportation Authority (VTA). The VTA is a funding agency that provides funds and direction for the operation of the Highway 17/AMTRAK Thruway service operated by METRO. The provisions of Article 3.1 prevent Paul Marcelin-Sampson from continuing to serve as a Member of the MAC.

On June 20, 2007 the Members of the MAC approved a motion requesting that the METRO Board of Directors suspend the application of Article 3.1 of the Bylaws for a period of three (3) months in order to allow Paul Marcelin-Sampson to continue to serve as a member of the MAC.

Staff recommends that the Board of Directors consider the request of the MAC and direct staff accordingly.

IV. FINANCIAL CONSIDERATIONS

The approval of the request from the Members of the MAC for the suspension of Article 3.1 of the Bylaws will not impact the FY 2008 METRO Operating budget.

V. ATTACHMENTS

Attachment A: MAC Bylaws

Drafted for 9/26/03
Revised for 10/24/03
Revised for 12/19/03
Amended/Adopted 12/19/03
Amended/ Adopted 7/23/04
Amended/Adopted 6/23/06
Amended/Adopted 4/27/07
Amended/Adopted 5/25/07

BYLAWS FOR THE METRO ADVISORY COMMITTEE

Article I
GENERAL PROVISIONS

§1.1 Purpose

These Bylaws govern the proceedings of the METRO Advisory Committee (MAC), an advisory committee established by the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO).

§1.2 Construction of Bylaws

As used in these Bylaws, “Committee” means the METRO Advisory Committee. These Bylaws shall govern the Committee’s proceedings to the extent they are not inconsistent with METRO Regulations or California or United States Statutes. These Bylaws become effective upon approval by the METRO Board of Directors

§1.3 Definitions

- a. As used in these Bylaws, “chair” means the Chair of the Committee.
- b. As used in these Bylaws, “vice chair” means the Vice Chair of the Committee.
- c. As used in these Bylaws “staff” means staff members that are assigned to support the Committee by the METRO Secretary/General Manager.

Article II
DUTIES AND AUTHORITY

§2.1 Duties

It shall be the duty of the Committee to provide advice to the Board of Directors on matters of METRO policy and operations referred to the Committee by the Board or Secretary/General Manager and to perform such additional duties as assigned by the Board. The Committee may also address issues which members or the public raise with respect to the quantity and quality of services provided by METRO.

§2.2 Limitations on Authority

The sole jurisdiction and authority of the Committee is to serve in an advisory capacity to the Board of Directors. It shall not have any authority to take actions that bind METRO or the Board of Directors with the exception that the Committee may design informational signs to be placed on the inside of buses and that the Committee may design and distribute an informational brochure to increase the public's knowledge of the operation and existence of the Committee. Communications by the Committee shall be to and through the Board of Directors. No individual member of the Committee shall be entitled to compensation from METRO, with the exception that Members of the Committee shall receive three (3) system-wide day passes for each monthly meeting that they attend, and any reimbursement for travel or other expenses shall receive specific prior authorization by the Board of Directors.

Article III
MEMBERSHIP

§3.1 Membership

The Committee shall be composed of 11 members appointed by the Board of Directors as follows:

Each member of the METRO Board of Directors shall nominate 1 individual to serve as members of the METRO Advisory Committee. Appointments to the METRO Advisory Committee shall be made by the METRO Board of Directors.

All members shall be residents of the County of Santa Cruz. When making its appointments, the Board shall strive to balance the membership to reflect the ethnic, gender, and geographic diversity of the County. At least 4 of the individuals appointed to the Committee shall be persons with disabilities as evidenced by possession of a METRO Discount Photo Identification Card. No member of the Board of Directors or other elected public official shall be appointed to the Committee. No employee of METRO or any

agency that provides funding to, or contracts with, METRO shall be appointed to the Committee. However, individuals that have been selected to participate on the ADA Appeals Panel, to participate in the Bus Operator Sensitivity Training, or who are employed by the University of California, Santa Cruz in departments other than the Transportation and Parking Services (TAPS), or in the offices that directly supervise TAPS, shall be exempt from the financial/contracting prohibition for Committee members outlined in this section.

§3.2 Members' Terms

The term of membership of each Committee member shall be two years, commencing with the date of appointment by the METRO Board. Members may be re-appointed for additional terms as approved by the METRO Board of Directors.

§3.3 Absences

If a member accumulates total absences from Committee Meetings of four, without excuse, and two, with excuse, in any twelve-month period, the position shall automatically be declared vacant. In the event of a known absence to an upcoming MAC Meeting it is expected of the MAC Member(s) that they will contact the Santa Cruz Metropolitan Transit District Front Office Administration Staff by telephone as soon as the occurring absence is known and no later than 12:00PM (noon) on the day of the meeting and that failure to make said contact will constitute an unexcused absence unless circumstances restrict such contact. The member of the Board of Directors that nominated such Committee member shall be notified of the vacancy so that they can nominate a successor to be appointed to fill the remainder of that Committee member's term.

§3.4 Vacancies

The member of the Board of Directors who nominated the original member shall nominate a replacement candidate to fill a position on the Committee that is declared vacant. The appointment of the replacement member shall be made by the Board of Directors.

Article IV OFFICERS

§4.1 Chair and Vice Chair

The Committee shall elect from its membership a Chair and a Vice Chair at its first meeting of the calendar year, to serve for a one-year term. The chair shall preside at all meetings of the Committee and represent the Committee before the Board of Directors. The Vice Chair shall perform the duties of the Chair when the Chair is absent.

In the event of a vacancy in the chair's position, the vice chair shall succeed as chair for the balance of the Chair's term and the Committee shall elect a successor to fill the vacancy in the Vice Chair's position as provided below. In the event of a vacancy in the Vice Chair's position, the Committee shall elect a successor from its membership to fill the Vice Chair's position for the remainder of the vice chair's term.

§4.2 Staff Support

The Secretary/General Manager of METRO shall make arrangements to furnish clerical services to prepare and distribute the Committee's agendas, notices, minutes, correspondence and other materials. The METRO staff assigned to support the committee shall maintain a record of all proceedings of the Committee as required by law and shall perform other support duties to the committee as assigned by the Secretary/General Manager. The minutes of each meeting, when approved by the Committee, shall be transmitted to the METRO Board of Directors.

Article V MEETINGS

§5.1 Regular Meetings

Regular meetings of the Committee shall be held on the third Wednesday of each month. Whenever a regular meeting falls on a holiday observed by METRO, the meeting shall be held on another day or canceled at the direction of the Committee. A rescheduled regular meeting shall be designated a regular meeting.

§5.2 Special Meetings

The Chair may call a special meeting. The meeting shall be called and noticed as provided in Section 5.3 below.

§5.3 Calling and Noticing of Meetings

All meetings shall be called, noticed and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code). The Secretary/General Manager and METRO Counsel shall be given notice of all meetings.

§5.4 Quorum; Vote

The presence of 6 members shall constitute a quorum for the transaction of business. However, when there are vacancies on the Committee the quorum shall be reduced to a majority of the number of Members appointed to the Committee, with the provision that a quorum shall never be less than four (4) Members. All official acts of the Committee shall require the affirmative vote of the majority of members present, providing that a quorum is maintained at all times.

§5.5 Thirty Minute Rule

If a quorum has not been established within thirty minutes of the noticed starting time for the meeting the meeting shall be cancelled.

§5.6 Matters Not Listed On the Agenda Requiring Committee Action

Except as provided below, a matter requiring Committee action shall be listed on the posted agenda before the Committee may act upon it. The Committee may take action on items not appearing on the posted agenda under any of the following conditions:

- a. Upon a determination by an affirmative vote of the Committee that an emergency exists, as defined in Section 54956.5 of the Government Code.
- b. Upon a determination by a two-thirds vote of the Committee, or if less than two-thirds of the members are present, a unanimous vote of those members present, there is a need to take immediate action and the need to take action came to the attention of the Committee subsequent to the agenda being posted.

§5.7 Time Limits for Speakers

Each member of the public appearing at a Committee meeting shall be limited to three minutes in his or her presentation, unless the Chair, at his or her discretion, permits further remarks to be made. Any person addressing the Committee may submit written statements, petitions or other documents to complement his or her presentation. Public

presentations that have been scheduled prior to the meeting with the Committee Chair shall not be subject to the time limits contained in this section.

§5.8 Impertinence; Disturbance of Meeting

Any person making personal, impertinent or indecorous remarks while addressing the Committee may be barred by the chairperson from further appearance before the Committee at that meeting, unless permission to continue is granted by an affirmative vote of the Committee. The Chair may order any person removed from the Committee meeting who causes a disturbance or interferes with the conduct of the meeting, and the Chair may direct the meeting room cleared when deemed necessary to maintain order.

§5.9 Access to Public Records Distributed at Meeting

Writings which are public records and which are distributed during a Committee meeting shall be made available for public inspection at the meeting if prepared by the METRO staff or a member of the Committee, or after the meeting if prepared by some other person.

Article VI AGENDAS AND MEETING NOTICES

§6.1 Agenda Format

The agenda shall specify the starting time and location of the meeting and shall contain a brief general description of each item of business to be transacted or discussed at the meeting. The description shall be reasonably calculated to adequately inform the public of the subject matter of each agenda item. The agenda may include recommendations for Committee action as appropriate.

§6.2 Public Communications

Each agenda for a regular meeting shall provide an opportunity for members of the public to address the Committee on matters of interest to the public either before or during the Committee's consideration of the item, if it is listed on the agenda, or, if it is not listed on the agenda but is within the jurisdiction of the Committee, under the agenda item heading "Oral/Written Communications". The Committee shall not act upon an item that is not listed on the agenda except as provided under Section 5.8. Each notice for a special meeting shall provide an opportunity for members of the public to directly address the Committee concerning any item that has been described in the notice for the meeting before or during consideration of that item.

§6.3 Agenda Preparation

The METRO Staff assigned to the Committee shall prepare the agenda for each meeting in consultation with the Chair. Material intended for placement on the agenda shall be delivered to the secretary on or before 12:00 Noon on the date established as the agenda deadline for the forthcoming meeting. The METRO Staff, in consultation with the chair, may withhold placement on the agenda of any matter that is not timely received, lacks sufficient information or is in need of staff review and report prior to Committee consideration.

§6.4 Agenda Posting and Delivery

The written agenda for each regular meeting and each meeting continued for more than five calendar days shall be posted by the METRO Staff at least 72 hours before the meeting is scheduled to begin. The written agenda for every special meeting shall be posted by the METRO Staff at least 24 hours before the special meeting is scheduled to begin. The agenda shall be posted in a location that is freely accessible to members of the public. The agenda together with supporting documents shall be transmitted to each Committee member, the Secretary/General Manager and the METRO Counsel at least five days before each regular meeting and at least 24 hours before each special meeting.

§6.5 Meeting Notices

The METRO Staff shall transmit notices of every regular meeting at least one week prior to the date set for the meeting to each person who has filed a written request with METRO for such notice as provided in Section 54954.1 of the Government Code. The notice shall be mailed at least one week prior to the date set for the meeting. Notice of special meetings called less than seven days prior to the date set for the meeting shall be given as soon as is practical.

Article VII MISCELLANEOUS

§7.1 Adoption and Amendment of Bylaws

These Bylaws shall be effective upon approval by the METRO Board of Directors.

§7.2 Committee Process

The intent of the Committee shall be to provide consensus based advice and recommendations to the METRO Board of Directors.

Approved by Board of Directors: December 19, 2003.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT



DATE: July 13, 2007

TO: Board of Directors

FROM: Mark Dorfman, Assistant General Manager

SUBJECT: **CONSIDERATION OF SERVICE CHANGES FOR FALL 2007-REVISED**
ACTION REQUESTED AT THE JULY 13, 2007 BOARD MEETING

I. RECOMMENDED ACTION

Staff recommends Board consideration for approval of proposed service adjustments for September 2007.

II. SUMMARY OF ISSUES

- Staff is proposing modest operational changes to METRO's local fixed-route service to improve the efficiency and connections of local service.
- Changes to Highway 17/AMTRAK service are proposed to maximize connections to other regional transit services in San Jose. These changes would have to be approved by the Highway 17 JPA.
- No service additions are being proposed at this time.

III. DISCUSSION

The service changes proposed for Fall 2007 are primarily small adjustments to improve the efficiency of METRO routes and connections.

1. Route 4 Emeline/Harvey West

The Fall service changes for Route 4 are timepoint adjustments for the time being. These adjustments will alleviate the problem of buses holding over at the Emeline Complex and on Encinal Street at River. However, in October staff will be proposing to eliminate service to Paradise Park in the Winter Bid due to low ridership. There are no costs associated with this proposal.



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2. University School-Term Service: Route 21

In Fall of 2004 the UC Express (Route 22) was eliminated as part of the service reductions for that year. UCSC TAPS is interested in bringing Express service back to the University, paid for by the "Route Guarantee" provision in the contract. Under this section of the contract UCSC will underwrite the cost of the service. This route is still under development at this time but will begin with the start of UC school term service in September.

3. Routes 68/68N Broadway/Portola/Beach Night

These two routes will revert back to their non-summer routing. There is no cost associated with these modifications.

4. Route 71 Watsonville

The 11:35 PM summer loop to the Boardwalk will be discontinued until next year.

5. Route 74 Ohlone Parkway-REVISED

Due to heavy congestion around Pajaro Valley High School, staff proposes to add ten minutes running time to the 6:50 AM, the 1:50 PM and the 2:50 PM trips. Other options for serving PVHS are under review and will be presented to the Board when a suitable solution is found. The cost for this increase in running time is not expected to exceed \$9,144 annually.

Subsequent evaluation of this proposal has determined that the implementation costs are significantly higher than anticipated and that other routes and schedules would be impacted. To provide for further analysis and the development of additional options, staff recommends deferring changes on this route to the Winter Bid.

6. Route 79 East Lake-REVISED

Route 79 has had difficulty with its on-time performance. Staff recommends adding five minutes to every trip to help alleviate these issues. The cost for this increase in running time is not expected to exceed \$16,642 annually.

Subsequent evaluation of this proposal has determined that the implementation costs are significantly higher than anticipated and that other routes and schedules would be impacted. To provide for further



13.2



analysis and the development of additional options, staff recommends deferring changes on this route to the Winter Bid.

7. Route 88 Armory Shuttle

This service will resume on November 15 if funding is made available.

8. Highway 17

In a continuing effort to keep Highway 17 schedules current with other regional services in San Jose, staff proposes a number of incremental modifications to facilitate that goal. These modifications are expected to save \$7,498 annually.

These changes would have to approved by the Highway 17 JPA.

IV. FINANCIAL CONSIDERATIONS

The costs for these proposals are expected to be cost-neutral pending completion of Fall bid modeling in Hastus.

V. ATTACHMENTS

Attachment A: Route 74 Timetable-DELETED

Attachment B: Route 79 Timetable-DELETED

Attachment C: Highway 17 Northbound Weekday Timetable

Attachment D: Highway 17 Southbound Weekday Timetable



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Highway 17 Weekday Service

Northbound

sqpkrd	scmc	pstmpo	svtc	caltrn	snfrn5	CALTRAIN	San Joaquin	AMTRAK	Dura	
435a	445a	448a	500a	537a	545a	545a	700a	640a	1h10	
515a	525a	528a	540a	617a	625a				1h10	
540a	.....	543a	555a	632a	640a	645a			1h00	5 min earlier
600a	.....	603a	615a	652a	700a	703a			1h05	10 min earlier
.....	620a	623a	.....	710a	718a				0h58	
.....	645a	648a	.....	735a	743a	745a			0h58	
635a	.....	638a	650a	737a	747a	750a			1h12	
650a	.....	653a	705a	752a	802a	803a			1h12	
710a	.....	713a	725a	812a	822a	822a			1h12	10 min earlier
.....	730a	733a	745a	832a	842a	840a			1h12	10 min earlier
.....	755a	758a	810a	857a	907a	910a	920a	905a	1h05	10 min earlier
.....	905a	908a	920a	1000a	1010a	1010a			1h05	
.....	1030a	1033a	1045a	1125a	1135a	1140a			1h05	
.....	1205p	1208p	1220p	100p	110p	110p			1h05	5 min earlier
.....	105p	108p	120p	200p	210p	210p			1h05	15 min earlier
.....	200p	203p	.....	250p	300p	305p			1h05	20 min earlier/No CTC
.....	300p	303p	315p	400p	410p	405p			1h10	
.....	335p	338p	350p	435p	445p	445p			1h10	5 min later/low ridership
.....	410p	413p	.....	500p	510p	525p			1h00	modified departure
.....	430p	433p	445p	530p	540p	531p/539p			0h55	modified departure
.....	450p	453p	.....	540p	550p	605p	630p	550p	1h00	modified departure
.....	515p	518p	530p	615p	625p	625p			0h55	modified departure
.....	600p	603p	615p	700p	710p	650p			1h10	
.....	700p	703p	715p	800p	808p	810p			1h08	
.....	930p	933p	1015p	1023p	1030p			0h53	

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Attachment C

Highway 17 Weekday Service

Southbound

CALTRAIN	San Joaquin	Cap Corr	sf7th	caltrn	svtc	pstmpo	scmc	sqpkrd	Dura	
			555a	602a	640a	643a	655a	.....	1h00	
656a			655a	702a	742a	745a	802a	.....	1h07	
743a		735a	740a	747a	827a	830a	847a	.....	1h07	
813a			810a	820a	900a	903a	920a	.....	1h10	
843a/905a		835a	855a	905a	945a	948a	1005a	.....	1h10	
958a/1005a		1010a	1010a	1020a	1100a	1103a	1120a	.....	1h10	
1138a			1140a	1150a	1230p	1233p	1250p	.....	1h10	
1200p			1200p	1210p	1250p	1253p	110p	.....	1h10	
100p	115p	115p	115p	125p	205p	208p	225p	.....	1h10	
138p			140p	150p	230p	233p	250p	.....	1h10	
238p/300p			300p	310p	350p	353p	410p	.....	1h10	
300p		315p	315p	325p	405p	408p	.....	435p	1h20	
338p			335p	345p	430p	433p	455p	.....	1h20	
400p			400p	410p	455p	458p	520p	.....	1h20	
			415p	425p	510p	513p	.....	540p	1h25	
439p	425p		440p	450p	535p	538p	605p	.....	1h25	
500p/506p			455p	505p	550p	553p	.....	615p	1h20	5 min later
527p			515p	525p	610p	613p	630p	645p	1h30	5 min later
532p			535p	545p	630p	633p	650p	.....	1h15	
611p			610p	620p	705p	708p	725p	740p	1h30	
628p/632p			630p	640p	720p	723p	740p	.....	1h10	
711p		645p	655p	705p	743p	746p	803p	.....	1h08	
732p	725p		735p	745p	823p	826p	838p	.....	1h03	
812p			810p	820p	858p	901p	913p	.....	1h03	
851p		855p	905p	915p	953p	956p	1008p	1h03	
1003p	945p		1030p	1037p	1115p	1118p	1130p	1h00	

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Attachment D