

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA  
MARCH 26, 2010 (Fourth Friday of Each Month)  
\*SANTA CRUZ CITY COUNCIL CHAMBERS\*  
\*809 CENTER STREET\*  
SANTA CRUZ, CALIFORNIA  
9:00 a.m. – 12:00 noon

**THE BOARD AGENDA PACKET CAN BE FOUND ONLINE AT [WWW.SCMTD.COM](http://WWW.SCMTD.COM) OR  
AT METRO'S ADMINISTRATIVE OFFICES LOCATED AT 110 VERNON STREET,  
SANTA CRUZ, CA**

**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  
None
3. LABOR ORGANIZATION COMMUNICATIONS
4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

## **CONSENT AGENDA**

- 5-1. APPROVE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF JANUARY 2010
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR JANUARY 2010
- 5-3. CONSIDERATION OF TORT CLAIMS:  
DENY THE CLAIM OF ANNETTE STRONG, CLAIM #10-0003
- 5-4. ACCEPT AND FILE MAC MINUTES OF JANUARY 20, 2010 (NO AGENDA FOR MARCH 17, 2010 – MEETING WAS CANCELLED)
- 5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF DECEMBER 2009 & JANUARY 2010
- 5-6. ACCEPT AND FILE RIDERSHIP AND PERFORMANCE REPORT FOR JANUARY 2010
- 5-7. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR JANUARY 2010

- 5-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ MONTHLY SERVICE REPORT FOR JANUARY 2010
- 5-9. APPROVE REGULAR BOARD MEETING MINUTES OF FEBRUARY 12 & 26, 2010
- 5-10. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE JANUARY 2010 MEETING(S)
- 5-11. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXTEND THE CONTRACT WITH EVERGREEN OIL, INC. FOR INDUSTRIAL WASTE DISPOSAL AND INDUSTRIAL WASTE EMERGENCY RESPONSE SERVICES
- 5-12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXTEND THE CONTRACT WITH MISSION LINEN AND UNIFORM, INC. FOR UNIFORM, DRY CLEANING AND FLAT GOOD SERVICES
- 5-13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXTEND THE CONTRACTS WITH SANTA CRUZ TRANSPORTATION, LLC AND WATSONVILLE TRANSPORTATION, INC. FOR SUPPLEMENTAL PARATRANSIT SERVICES
- 5-14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXTEND THE CONTRACT WITH TELEPATH CORPORATION FOR RADIO MAINTENANCE AND REPAIR SERVICES FOR AN ADDITIONAL TWO MONTH PERIOD
- 5-15. CONSIDERATION OF CONTINUING SPONSORSHIP OF LEADERSHIP SANTA CRUZ COUNTY IN ORDER TO PROVIDE EDUCATION ON TRANSPORTATION ISSUES, SERVICES, AND FACILITIES AND TO PROVIDE THE OPPORTUNITY FOR METRO STAFF TO PARTICIPATE IN THE PROGRAM
- 5-16. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A WAIVER AND RELEASE WITH ORANGE COUNTY TRANSIT AUTHORITY FOR THE RIGHT TO ACQUIRE FOUR (4) 40-FOOT LOW FLOOR CNG BUSES

#### **REGULAR AGENDA**

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS: NONE
7. **PUBLIC HEARING** TO CONSIDER ADOPTION OF THE FARE ORDINANCE TO INCREASE HIGHWAY 17 EXPRESS FARES IN ORDER TO INCREASE REVENUES BY MAINTAINING AN OPTIMAL FAREBOX RECOVERY RATIO  
Presented by: Angela Aitken, Finance Manager & Acting Assistant General Manager

**PUBLIC HEARING WILL TAKE PLACE AT 9:00 A.M.**

8. CONSIDERATION OF ADOPTING A RESOLUTION DESIGNATING LESLIE R. WHITE, GENERAL MANAGER, AS THE AUTHORIZED AGENT TO EXECUTE ANY AND ALL ACTIONS NECESSARY TO RECEIVE FUNDS FROM THE CALIFORNIA PUBLIC TRANSPORTATION, MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
9. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING A CLAIM FOR FY11 TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
10. CONSIDERATION OF APPROVAL OF FY11 AND FY12 PRELIMINARY LINE ITEM OPERATING AND CAPITAL BUDGETS FOR REVIEW AND CLAIMS PURPOSES  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
11. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH CREATIVE BUS SALES, INC. FOR PURCHASE OF 22 RAISED-TOP PARATRANSIT VANS FOR AN AMOUNT NOT TO EXCEED \$1,150,000.00  
Presented By: Ciro Aguirre, Operations Manager
12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH TECHNICAL SERVICES ASSOCIATES, INC. FOR PURCHASE AND IMPLEMENTATION OF A PURCHASING SOFTWARE MANAGEMENT SYSTEM FOR AN AMOUNT NOT TO EXCEED \$84,000.00  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH SPECTRUM HUMAN RESOURCES SYSTEMS CORPORATION FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES SOFTWARE MANAGEMENT SYSTEM FOR AN AMOUNT NOT TO EXCEED \$250,000.00  
Presented By: Robyn Slater, Human Resources Manager
14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR AN AMOUNT NOT TO EXCEED \$113,250 OVER A THREE-YEAR CONTRACT PERIOD  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
15. ORAL ANNOUNCEMENT: THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE HELD FRIDAY, APRIL 9, 2010 AT 9:00 A.M. AT SANTA CRUZ METRO'S ADMINISTRATIVE OFFICE, 110 VERNON STREET, SANTA CRUZ  
Presented By: Chair Pirie

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

## **SECTION II: CLOSED SESSION**

1. CONFERENCE WITH LABOR NEGOTIATORS  
(Pursuant to Government Code Section 54957.6)
  - a. Agency Negotiators: Robyn Slater, Human Resources Manager,  
Chief Spokesperson  
Angela Aitken, Finance Manager & Acting Assistant  
General Manager
    1. Employee Organization: United Transportation Union (UTU), Local  
23, Fixed Route Division

## **SECTION III: RECONVENE TO OPEN SESSION**

18. REPORT OF CLOSED SESSION

### **ADJOURN**

### **NOTICE TO PUBLIC**

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

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

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

The Santa Cruz Metropolitan Transit District does not discriminate on the basis of disability. The City Council Chambers is located in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, please contact 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. A Spanish Language Interpreter will be available during "Oral Communications" and for any other agenda item for which these services are needed. This meeting will be broadcast live by Community Television of Santa Cruz on Channel 26.

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

DATE: 01/01/10 THRU 01/31/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
34691	01/07/10	-1,202.39	848	SANTA CRUZ ELECTRONICS, INC.		30857	BUILD IMP AND LAND	-174.35	**VOID
						30858	BUILD IMP AND LAND	-92.60	
						30859	BUILD IMP AND LAND	-12.97	
						30860	BUILD IMP AND LAND	-11.45	
						30861	BUILD IMP AND LAND	-61.04	
						30862	BUILD IMP AND LAND	-849.98	
34718	01/07/10	-40.00	001346	CITY OF SANTA CRUZ		31060	NOV LANDFILL	-40.00	**VOID
34764	01/06/10	587.46	020	ADT SECURITY SERVICES INC.		30894	JAN ALARMS	49.23	
						30895	JAN ALARMS	88.38	
						30896	JAN ALARMS	45.05	
						30897	JAN ALARMS	68.00	
						30898	JAN ALARMS	65.30	
						30899	JAN ALARMS	49.23	
						30900	JAN ALARMS	101.00	
						31109	1/1-12/31 REV ROOM	121.27	
34765	01/06/10	600.00	E437	AITKEN, ANGELA		31087	HOLIDAY PARTY 2009	600.00	
34766	01/06/10	414.00	001047	BOBBY'S PIT STOP		31114	OUT RPR REV VEH	51.75	
						31115	OUT RPR REV VEH 2405	51.75	
						31116	OUT RPR REV VEH 2402	51.75	
						31117	OUT RPR REV VEH 2401	51.75	
						31118	OUT RPR REV VEH #205	51.75	
						31119	OUT RPR REV VEH #207	51.75	
						31120	OUT RPR REV VEH #206	51.75	
						31121	OUT RPR REV VEH #208	51.75	
34767	01/06/10	379.18	002189	BUS & EQUIPMENT		31088	REV VEH PARTS	379.18	
34768	01/06/10	50.00	B018	BUSTICHI, DENE	7	31134	DEC BOARD MTG	50.00	
34769	01/06/10	22.00	014	CABRILLO COLLEGE		31123	NOV FINGERPRINTING	22.00	
34770	01/06/10	34.00	E090	CALLEJAS, LETICIA		31102	DMV FEES	34.00	
34771	01/06/10	5,000.00	002346	CHANEY, CAROLYN & ASSOC., INC.		31151	DEC LEGISLATIVE SVC	5,000.00	
34772	01/06/10	50.00	B014	CITY OF WATSONVILLE		31142	DEC BOARD MTG	50.00	
34773	01/06/10	9,115.98	001124	CLEAN ENERGY		31110	DEC LNG/FLT	9,115.98	
34774	01/06/10	845.89	002870	COLE SUPPLY COMPANY, INC.		31108	CLEANING SUPPLIES	845.89	
34775	01/06/10	297.64	001266	COMCAST		31148	12/08-01/07 MB	297.64	
34776	01/06/10	184.00	367	COMMUNITY TELEVISION OF		31150	TV COVERAGE 11/20	184.00	
34777	01/06/10	6.94	418	COUNTY OF SANTA CRUZ		31129	NOV CNG/FLT	6.94	
34778	01/06/10	40,540.42	800	DELTA DENTAL PLAN		31154	JAN DENTAL INS	40,540.42	
34779	01/06/10	16,415.12	001316	DEVCO OIL		31086	REV VEH FUEL/PT	16,415.12	
34780	01/06/10	1,910.78	480	DIESEL MARINE ELECTRIC, INC.		31113	REV VEH PARTS	1,910.78	
34781	01/06/10	1,453.00	085	DIXON & SON TIRE, INC.		31099	DEC TIRES/PT	280.55	
						31100	DEC TIRES/PT	330.80	
						31101	DEC TIRES/PT	841.65	
34782	01/06/10	178.00	002388	DOGHERRA'S	7	30804	OUT RPR REV VEH	88.00	
						31091	OUT RPR REV VEH	45.00	
						31092	OUT RPR REV VEH	45.00	
						31126	HAZ WASTE DISP	75.00	
34783	01/06/10	75.00	001492	EVERGREEN OIL INC.		31107	WATER HEATER/WTC	358.61	
34784	01/06/10	358.61	001172	FERGUSON ENTERPRISES INC.		31135	DEC BOARD MTG	50.00	
34785	01/06/10	50.00	B023	GRAVES, RON		31136	DEC BOARD MTG	50.00	
34786	01/06/10	50.00	B021	HAGEN, DONALD N.	7	31146	PROF SVCS THRU 11/30	17,278.30	
34787	01/06/10	87,474.59	001035	HARRIS & ASSOCIATES		31147	PROF SVCS THRU 11/30	70,196.29	

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34788	01/06/10	43.06	510A	HASLER, INC.		31090	1/1-1/31 RENTAL/PT	43.06	
34789	01/06/10	50.00	B006	HINKLE, MICHELLE	7	31137	DEC BOARD MTG	50.00	
34790	01/06/10	1,215.00	T200	KING, CHRISTINE		30910	EMPLOYEE MEDIATION	1,215.00	
34791	01/06/10	50.00	880	LEXISNEXIS		31105	NOV PROF/TECH	50.00	
34792	01/06/10	14,361.79	001235	LOCATELLI MOVING & STORAGE INC		31144	MOVING EXPENSE	14,361.79	
34793	01/06/10	1.42	013	MCI SERVICE PARTS, INC.		31112	REV VEH PARTS	1.42	
34794	01/06/10	594.01	041	MISSION UNIFORM		31062	UNIF/LAUNDRY/FLT	177.73	
						31063	UNIF/LAUNDRY/FAC	52.10	
						31064	UNIF/LAUNDRY/FLT	69.85	
						31065	UNIF/LAUNDRY/FLT	8.15	
						31066	UNIF/LAUNDRY/FLT	185.88	
						31067	UNIF/LAUNDRY/FLT	69.85	
						31078	UNIF/LAUNDRY/PT	30.45	
						31103	MEDICAL EXAM	25.00	
34795	01/06/10	25.00	E106	MUNGIOLI, LARRY		30868	OUT RPR EQUIP	135.74	
34796	01/06/10	135.74	001176	NORTHSTAR, INC.		31089	OFFICE SUPPLIES/PT	566.04	
34797	01/06/10	1,088.17	043	PALACE ART & OFFICE SUPPLY		31133	OFFICE SUPPLY/OPS	361.24	
						31143	ADDRESS STAMPS	160.89	
						31132	OFFICE SUPPLY/OPS	50.37	
34798	01/06/10	50.37	882	PRINT SHOP SANTA CRUZ	7	31124	NEW ROOF/WTC	45,200.00	
34799	01/06/10	45,200.00	001309	PRIORITY ROOFING SOLUTIONS INC		30880	REPAIRS/MAINTENANCE	28.62	
34800	01/06/10	430.11	107A	PROBUILD		30881	REPAIRS/MAINTENANCE	167.51	
						30882	REPAIRS/MAINTENANCE	40.73	
						31073	VERNON MOVE	48.27	
						31074	REPAIRS/MAINTENANCE	45.58	
						31075	REPAIRS/MAINTENANCE	5.36	
						31076	OTHER MOBILE SUPPLY	94.04	
						31145	SVCS THRU 10/31 MB	19,989.00	
34801	01/06/10	19,989.00	904	RNL DESIGN		31138	DEC BOARD MTG	50.00	
34802	01/06/10	50.00	B022	ROBINSON, LYNN MARIE	7	31139	DEC BOARD MTG	50.00	
34803	01/06/10	50.00	B015	ROTKIN, MIKE		31127	HAZ WASTE DISP	545.64	
34804	01/06/10	545.64	001379	SAFETY-KLEEN		30794	REV VEH PARTS	118.86	
34805	01/06/10	552.00	135	SANTA CRUZ AUTO PARTS, INC.		31068	SAFETY SUPPLIES/FLT	57.77	
						31069	REV VEH PARTS	32.50	
						31070	CLEANING SUPPLIES	24.47	
						31071	REV VEH PARTS	6.50	
						31072	REV VEH PARTS	21.95	
						31083	REV VEH PARTS	57.18	
						31084	REV VEH PARTS	62.20	
						31085	REV VEH PARTS	170.57	
						31153	WORKERS COMP	12,433.19	
34806	01/06/10	12,433.19	002104	SELF-INSURANCE PLANS		31104	DEC LEGISLATIVE SVCS	2,500.00	
34807	01/06/10	2,500.00	002267	SHAW / YODER / ANTIWIH, INC.		30790	OUT RPR REV VEH	716.03	
34808	01/06/10	2,984.14	001232	SPECIALIZED AUTO AND		30791	OUT RPR REV VEH	151.17	
						31093	OUT RPR REV VEH	244.40	
						31094	OUT RPR REV VEH	110.21	
						31095	OUT RPR REV VEH	95.16	
						31096	OUT RPR REV VEH	305.59	
						31097	OUT RPR REV VEH	370.45	
						31098	OUT RPR REV VEH	991.13	

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34809	01/06/10	50.00	B012	SPENCE, PAT	7	31140	DEC BOARD MTG	50.00	
34810	01/06/10	50.00	B017	STONE, MARK	7	31141	DEC BOARD MTG	50.00	
34811	01/06/10	91.55	001040	TERRYBERRY CO., LLC		31149	EMP INCENTIVE	91.55	
34812	01/06/10	259.32	001165	THANH N. VU MD	7	30799	MEDICAL EXAM	92.16	
						30800	MEDICAL EXAM	92.16	
						30801	MEDICAL EXAM	75.00	
34813	01/06/10	85.94	170	TOWNSEND'S AUTO PARTS		31128	REV VEH PARTS	85.94	
34814	01/06/10	67.73	007	UNITED PARCEL SERVICE		31111	FRT OUT/FLT	1.13	
						31122	FRT OUT/FLT	66.60	
34815	01/06/10	17.91	001251	VERIZON BUSINESS SERVICES, INC.		31130	NOV PHONES/GOLF	17.91	
34816	01/06/10	11,550.00	001043	VISION SERVICE PLAN		31155	JAN VISION INS	11,550.00	
34817	01/06/10	1,114.61	001223	WATSONVILLE CADILLAC, BUICK,		31079	REV VEH PARTS	184.51	
						31080	REV VEH PARTS	483.43	
						31081	REV VEH PARTS	185.06	
						31082	REV VEH PARTS	261.61	
34818	01/06/10	293.14	436	WEST PAYMENT CENTER		31106	11/1-11/30 DUES	293.14	
34819	01/06/10	106.01	E495	WHITE, LES		31152	12/2-12/5 EMP TRAVEL	106.01	
34820	01/06/10	43.75	147	ZEE MEDICAL SERVICE CO.		31131	SAFETY SUPPLIES	43.75	
34821	01/11/10	200.12	002861	AMERICAN MESSAGING SVCS, LLC		31178	JAN PAGERS	200.12	
34822	01/11/10	1,262.58	001312	ANTHEM BLUE CROSS		31187	PERS CHOICE FAMILY	1,262.58	
34823	01/11/10	1,426.01	845A	BLUE SHIELD OF CALIFORNIA		31188	95% BASIC HMO FAMILY	1,426.01	
34824	01/11/10	75.05	M077	BRADFORD, THOMAS	0	31156	MED PYMT SUPP	75.05	
34825	01/11/10	57.73	M078	BRIDINGER, DENISE	0	31157	MED PYMT SUPP	57.73	
34826	01/11/10	57.73	M079	BROGDON, ROY		31158	MED PYMT SUPP	57.73	
34827	01/11/10	28.87	M080	CARR, DALE	0	31159	MED PYMT SUPP	28.87	
34828	01/11/10	902.37	002627	CDW GOVERNMENT, INC.		31167	OFFICE SUPPLY/IT	902.37	
34829	01/11/10	1,273.88	001346	CITY OF SANTA CRUZ		31125	COOP RETAIL MGT	1,273.88	
34830	01/11/10	25.00	001911	CITY OF SANTA CRUZ		31184	ALARM REGISTRATION	25.00	
34831	01/11/10	300.00	002448	CLEAR VIEW, LLC	0	31242	WINDOWS/WTC	300.00	
34832	01/11/10	344.09	075	COAST PAPER & SUPPLY INC.		31194	CLEANING SUPPLIES	344.09	
34833	01/11/10	2,111.70	163	COMMUNITY PRINTERS, INC.		31195	PRINTING/MTC	1,382.99	
						31199	PRINTING/HR	728.71	
34834	01/11/10	41.07	002063	COSTCO		31196	LOCAL MTG EXP	23.83	
						31197	LOCAL MTG EXP	17.24	
34835	01/11/10	40.00	001025	COUNTY OF SANTA CRUZ		31235	NOV/LANDFILL	40.00	
34836	01/11/10	21,229.97	504	CUMMINS WEST, INC.		31209	REV VEH PARTS	521.52	
						31210	REV VEH PARTS	49.34	
						31211	REV VEH PARTS	470.84	
						31212	REV VEH PARTS	173.35	
						31213	REV VEH PARTS	1,356.72	
						31214	REV VEH PARTS	216.69	
						31215	REV VEH PARTS	45.96	
						31216	OUT RPR REV VEH	15,261.05	
						31217	REV VEH PARTS	231.57	
						31218	REV VEH PARTS	1,723.13	
						31219	REV VEH PARTS	1,179.80	
34837	01/11/10	220.53	085	DIXON & SON TIRE, INC.		31191	DEC TIRES/PT	220.53	
34838	01/11/10	337.00	001492	EVERGREEN OIL INC.		31174	HAZ WASTE DISP	337.00	
34839	01/11/10	13.00	372	FEDERAL EXPRESS		31234	SHIPPING	13.00	
34840	01/11/10	407.49	282	GRAINGER		31182	REPAIRS/MAINTENANCE	320.10	

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						31183	REPAIRS/MAINTENANCE	87.39	
34841	01/11/10	4,141.69	001745	HARTFORD LIFE AND ACCIDENT INS		31208	JAN LIFE/AD&D INS	4,141.69	
34842	01/11/10	75.05	M043	HOLODNICK, JAMES	0	31160	MED PYMT SUPP	75.05	
34843	01/11/10	4,825.00	001262	JABICO ENTERPRISES, LLC	7	31207	WEB DEVELOPEMENT	4,825.00	
34844	01/11/10	44.00	E109	MEYER, DIANE		31163	DMV FEE	44.00	
34845	01/11/10	651.74	001052	MID VALLEY SUPPLY		31193	CLEANING SUPPLIES	651.74	
34846	01/11/10	255.73	041	MISSION UNIFORM		31189	UNIF/LAUNDRY/FLT	69.85	
						31190	UNIF/LAUNDRY/FLT	185.88	
34847	01/11/10	10.00	E368	MORR, BONNIE		31164	DMV FEE	10.00	
34848	01/11/10	14,842.00	001176	NORTHSTAR, INC.		31192	DEC MAINTENANCE	14,842.00	
34849	01/11/10	13,188.51	009	PACIFIC GAS & ELECTRIC		31224	11/24-12/24 GOLF	3,688.45	
						31225	11/24-12/24 DUBOIS	1,143.37	
						31226	11/24-12/24 RIVER	180.30	
						31227	11/24-12/24 DUBOIS	104.07	
						31228	11/24-12/24 DUBOIS	8.96	
						31229	11/24-12/24 RIVER	1,501.18	
						31230	11/24-12/24 ENCINAL	1,569.11	
						31231	10/24-11/23 VERNON	513.96	
						31232	11/24-12/24 VERNON	4,464.40	
						31243	11/24-12/24 DUBOIS	14.71	
34850	01/11/10	155.13	043	PALACE ART & OFFICE SUPPLY		31166	OFFICE SUPPLY/IT	155.13	
34851	01/11/10	57.73	M051	PENDRAGON, LINDA	0	31161	MED PYMT SUPP	57.73	
34852	01/11/10	424.00	481	PIED PIPER EXTERMINATORS, INC.		31185	DEC PEST CONTROL	241.00	
						31186	DEC PEST CONTROL	183.00	
34853	01/11/10	29.82	107A	PROBUILD		31077	REPAIRS/MAINTENANCE	0.97	
						31221	REPAIRS/MAINTENANCE	9.76	
						31222	REPAIRS/MAINTENANCE	19.09	
34854	01/11/10	1,130.94	001379	SAFETY-KLEEN		31175	HAZ WASTE DISP	1,130.94	
34855	01/11/10	1,647.92	848	SANTA CRUZ ELECTRONICS, INC.		31168	OFFICE SUPPLY/IT	29.27	
						31169	OFFICE SUPPLY/IT	155.54	
						31170	OFFICE SUPPLY/IT	13.79	
						31171	OFFICE SUPPLY/IT	207.21	
						31172	OFFICE SUPPLY/IT	161.80	
						31236	BUILD IMP AND LAND	174.35	
						31237	BUILD IMP AND LAND	92.60	
						31238	BUILD IMP AND LAND	12.97	
						31239	BUILD IMP AND LAND	11.45	
						31240	BUILD IMP AND LAND	-61.04	
						31241	BUILD IMP AND LAND	849.98	
34856	01/11/10	146.31	079	SANTA CRUZ MUNICIPAL UTILITIES		31223	11/13-12/10 VERNON	146.31	
34857	01/11/10	854.18	002459	SCOTTS VALLEY WATER DISTRICT		31180	10/8-12/9 SVTC	854.18	
34858	01/11/10	2,070.00	001156	ST. BERNARD SOFTWARE, INC.		31165	OUT RPR EQUIP	2,070.00	
34859	01/11/10	12,189.30	002805	TELEPATH CORPORATION		31200	OUT RPR EQUIP	2,707.41	
						31201	OUT RPR EQUIP	2,707.41	
						31202	OUT RPR EQUIP	2,707.41	
						31203	OUT RPR EQUIP	0.45	
						31205	OUT RPR EQUIP	1,359.21	
						31206	OUT RPR EQUIP	2,707.41	
34860	01/11/10	54.64	434B	VERIZON CALIFORNIA		31233	MT BIEWLASKI	54.64	
34861	01/11/10	70.00	682	WEISS, AMY L.	7	31198	DEC INTERPRETER	70.00	

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34862	01/11/10	31.12	M115	WILLIAMS, CHRIS	0	31162	MED PYMT SUPP	31.12	
34863	01/11/10	181.01	147	ZEE MEDICAL SERVICE CO.		31176	SAFETY SUPPLIES	71.07	
						31177	SAFETY SUPPLIES	83.77	
						31181	SAFETY SUPPLIES	26.17	
34864	01/18/10	774.00	011	BEWLEYS CLEANING	7	31173	DEC CUSTODIAL/PT	774.00	
34865	01/18/10	5,000.00	001365	BORTNICK, ROBERT S. & ASSOC.	7	31281	ADA CALL STOP SURVEY	5,000.00	
34866	01/18/10	22.00	014	CABRILLO COLLEGE		31280	DEC FINGERPRINTS	22.00	
34867	01/18/10	183.28	001471	CALIFORNIA CHAMBER OF COMMERCE		31306	2010 CA EMP POSTERS	183.28	
34868	01/18/10	5,196.49	002627	CDW GOVERNMENT, INC.		31297	WINDOWS SERVER 2008	1,790.49	
						31342	OFFICE EQUIP/IT	3,406.00	
34869	01/18/10	107.26	002898	CEB		31291	CA TORT GUIDE 3RD ED	107.26	
34870	01/18/10	135.00	001070	CITY OF SANTA CRUZ		31303	FIRE SAFETY INSPECT.	135.00	
34871	01/18/10	752.95	001346	CITY OF SANTA CRUZ		31244	DEC LANDFILL	115.45	
						31266	PARK DEF FEES	637.50	
34872	01/18/10	1,988.99	667	CITY OF SCOTTS VALLEY		30101	BLUEBONNET/WASTEWATR	1,988.99	
34873	01/18/10	250.00	001113	CLARKE, SUSAN	7	31286	EXT BUS ANNOUN/AUDIT	125.00	
						31287	EXT BUS ANNOUN/AUDIT	125.00	
34874	01/18/10	264.37	504	CUMMINS WEST, INC.		31220	REV VEH PARTS	264.37	
34875	01/18/10	119.58	001000	DAIMLER BUSES N. AMERICA INC.		31311	REV VEH PARTS	5.02	
						31312	REV VEH PARTS	8.67	
						31313	REV VEH PARTS	105.89	
34876	01/18/10	32.00	002567	DEPARTMENT OF JUSTICE		31278	DEC FINGERPRINTS	32.00	
34877	01/18/10	10.00	E180	FELDER, GEORGE		31341	DMV FEE	10.00	
34878	01/18/10	1,078.80	001097	GREENWASTE RECOVERY, INC.		31246	JAN-MAR/ SOQUEL	53.34	
						31253	JAN GARB/ SVTC	182.28	
						31254	JAN GARB/ GREEN VLY	17.78	
						31255	JAN-MAR/ SOQUEL	53.34	
						31256	JAN-MAR/ FREEDOM	53.34	
						31257	JAN-MAR/ HWY 17	160.02	
						31258	JAN-MAR/ FREEDOM	53.34	
						31259	JAN GARB/ RESEARCH	213.75	
						31260	JAN-MAR/ BIG BASIN	53.34	
						31261	JAN-MAR/ BEN LOMOND	53.34	
						31262	JAN GARB/ KINGS VLG	78.25	
						31263	JAN-MAR/ AIRPORT/FRD	106.68	
34879	01/18/10	2,104.08	001203	GREYHOUND LINES, INC.		31292	JAN-MAR 10	2,104.08	
34880	01/18/10	1,140.00	878	KELLY SERVICES, INC.		31284	TEMP/OPS W/E 12/20	1,140.00	
34881	01/18/10	927.39	001233	KIMBALL MIDWEST		31307	REV VEH PARTS	2.43	
						31308	PARTS & SUPPLIES	21.68	
						31309	REV VEH PARTS	345.76	
						31310	PARTS & SUPPLIES	557.52	
34882	01/18/10	372.31	002240	KLEEN-RITE PRESSURE WASHERS	7	31301	REPAIRS/MAINTENANCE	372.31	
34883	01/18/10	269.50	001093	KROLL LABORATORY SPECIALISTS		31305	NOV/DEC DRUG TESTS	269.50	
34884	01/18/10	300.00	852	LAW OFFICES OF MARIE F. SANG	7	31304	WORKERS COMP CLAIM	300.00	
34885	01/18/10	100.00	880	LEXISNEXIS		31337	DEC ACCESS CHRGS	100.00	
34886	01/18/10	214.11	001296	MATTHEW BENDER & CO., INC.		31336	EMP LAW REL # 21	214.11	
34887	01/18/10	217.00	001305	MCMILLAN & SHUREEN LLP	7	31339	LEGAL SVCS/RISK	217.00	
34888	01/18/10	31.02	041	MISSION UNIFORM		31335	UNIF/LAUNDRY/PT	31.02	
34889	01/18/10	2,207.55	002721	NEXTEL COMMUNICATIONS		31288	PHONES/OPS	2,207.55	
34890	01/18/10	2,027.52	009	PACIFIC GAS & ELECTRIC		31302	12/1-12/29 PACIFIC	2,027.52	

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34891	01/18/10	887.00	950	PARADISE LANDSCAPE INC	0	31265	JAN MAINTENANCE	887.00	
34892	01/18/10	10,500.00	001318	PARC SERVICES INC.		31340	BUILD. IMP. & LAND	10,500.00	
34893	01/18/10	318.00	001149	PREFERRED PLUMBING, INC.		31264	OUT RPR / CAFE LENA	318.00	
34894	01/18/10	151.11	882	PRINT SHOP SANTA CRUZ	7	31285	PRINTING/OPS	151.11	
34895	01/18/10	39.31	001548	QUILL CORPORATION		31290	OFFICE SUPPLIES/FIN	39.31	
34896	01/18/10	2,632.00	001098	ROBERT HALF MANAGMENT RESOURCE		31289	TEMP/FIN W/E 11/20	2,632.00	
34897	01/18/10	13,315.09	977	SANTA CRUZ TRANSPORTATION, LLC	7	31299	DEC SVCS/PT	13,315.09	
34898	01/18/10	17,728.25	001277	SJB GLOBALNET, INC.		31293	OFFICE EQUIP/IT	1,600.00	
						31294	OFFICE EQUIP/IT	11,250.00	
						31295	EQUIPMENT/IT	3,528.25	
						31296	EQUIPMENT/IT	1,350.00	
34899	01/18/10	4,179.28	001232	SPECIALIZED AUTO AND		31314	OUT RPR REV VEH	2,336.23	
						31315	OUT RPR REV VEH	84.78	
						31316	OUT RPR REV VEH	153.13	
						31317	OUT RPR REV VEH	84.78	
						31318	OUT RPR REV VEH	155.40	
						31319	OUT RPR REV VEH	84.78	
						31320	OUT RPR REV VEH	84.78	
						31321	OUT RPR REV VEH	93.26	
						31322	OUT RPR REV VEH	84.78	
						31323	OUT RPR REV VEH	84.78	
						31324	OUT RPR REV VEH	84.78	
						31325	OUT RPR REV VEH	84.78	
						31326	OUT RPR REV VEH	84.78	
						31327	OUT RPR REV VEH	84.78	
						31328	OUT RPR REV VEH	84.78	
						31329	OUT RPR REV VEH	84.78	
						31330	OUT RPR REV VEH	84.78	
						31331	OUT RPR REV VEH	84.78	
						31332	OUT RPR REV VEH	84.78	
						31333	OUT RPR REV VEH	84.78	
						31334	OUT RPR REV VEH	84.78	
34900	01/18/10	3,487.13	002207	T.Y. CUSTOM DESIGN	0	31282	EMP INCENTIVE	3,405.95	
						31283	UNIF/LAUNDRY/OPS	81.18	
34901	01/18/10	1,121.58	002805	TELEPATH CORPORATION		31204	OUT RPR EQUIP	1,121.58	
34902	01/18/10	10,856.54	001083	WATSONVILLE TRANSPORTATION, INC		31300	DEC SVCS/PT	10,856.54	
34903	01/18/10	293.14	436	WEST PAYMENT CENTER		31338	DEC ACCESS CHRGS	293.14	
34904	01/18/10	499.00	002542	WILDPACKETS, INC.		31298	OUT RPR EQUIP	499.00	
34905	01/25/10	466.19	020	ADT SECURITY SERVICES INC.		31245	FEB ALARMS	68.00	
						31247	FEB ALARMS	65.30	
						31248	FEB ALARMS	45.05	
						31249	FEB ALARMS	49.23	
						31250	FEB ALARMS	88.38	
						31251	FEB ALARMS	49.23	
						31252	FEB ALARMS	101.00	
34906	01/25/10	6,553.20	002049	ADVANCED BLIND & SHADE SERVICE		31487	BLINDS/110 VERNON	6,553.20	
34907	01/25/10	17,481.92	941	ASSURANT EMPLOYEE BENEFITS		31279	JAN LTD INS	17,481.92	
34908	01/25/10	385.92	001	AT&T		31343	REPEATERS/RIVER	85.06	
						31344	REPEATERS/OPS	300.86	
34909	01/25/10	181.45	001F	AT&T ADVERTISING SOLUTIONS		31415	YELLOW PAGES	181.45	

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34910	01/25/10	249.78	224	C & H DISTRIBUTORS, INC.		31484	REPAIRS/MAINTENANCE	249.78	
34911	01/25/10	472,471.44	502	CA PUBLIC EMPLOYEES'		31461	FEB MED INS	472,471.44	
34912	01/25/10	15,965.00	694	CALIFORNIA TRANSIT ASSOC.		31500	2010 MEMBERSHIP DUES	15,965.00	
34913	01/25/10	5,000.00	002346	CHANEY, CAROLYN & ASSOC., INC.		31495	JAN LEGISLATIVE SVCS	5,000.00	
34914	01/25/10	573.60	001346	CITY OF SANTA CRUZ		31481	PARK DEF FEES	573.60	
34915	01/25/10	1,092.88	130	CITY OF WATSONVILLE UTILITIES		31405	11/29-1/5 WTC	32.44	
						31406	11/29-1/5 WTC	235.86	
						31407	12/1-1/1 WTC	42.92	
						31408	11/29-1/5 WTC	59.88	
						31409	CONTAINER/WTC	721.78	
						31426	OUT RPR REV VEH	937.92	
34916	01/25/10	937.92	909	CLASSIC GRAPHICS		31499	1/5-2/7 INTERNET/MB	167.93	
34917	01/25/10	167.93	001266	COMCAST		31494	LOCAL MTG EXP	13.68	
34918	01/25/10	13.68	002063	COSTCO		31393	OUT RPR REV VEH	1,080.45	
34919	01/25/10	1,080.45	001048	CRUZ CAR WASH		31427	REV VEH PARTS	404.36	
34920	01/25/10	6,165.99	001000	DAIMLER BUSES N. AMERICA INC.		31428	REV VEH PARTS	33.42	
						31429	REV VEH PARTS	595.90	
						31430	REV VEH PARTS	215.43	
						31431	REV VEH PARTS	23.87	
						31432	REV VEH PARTS	220.44	
						31433	REV VEH PARTS	34.69	
						31434	REV VEH PARTS	1,498.51	
						31435	REV VEH PARTS	1,498.51	
						31436	REV VEH PARTS	1,640.86	
34921	01/25/10	13,794.07	085	DIXON & SON TIRE, INC.		31437	JAN TIRES/FLT	18.00	
						31438	DEC TIRES/FLT	2,699.08	
						31439	DEC TIRES/FLT	424.55	
						31440	DEC TIRES/FLT	166.67	
						31441	DEC TIRES/FLT	1,799.39	
						31442	DEC TIRES/FLT	693.00	
						31443	DEC TIRES/FLT	428.99	
						31444	DEC TIRES/FLT	87.98	
						31445	DEC TIRES/FLT	166.67	
						31446	JAN TIRES/FLT	428.99	
						31447	JAN TIRES/FLT	957.97	
						31448	JAN TIRES/FLT	87.98	
						31449	DEC TIRES/FLT	700.88	
						31450	DEC TIRES/FLT	185.72	
						31451	DEC TIRES/FLT	15.00	
						31452	DEC TIRES/FLT	15.00	
						31453	DEC TIRES/FLT	87.98	
						31454	DEC TIRES/FLT	424.55	
						31455	DEC TIRES/FLT	693.00	
						31456	DEC TIRES/FLT	424.55	
						31457	DEC TIRES/FLT	636.81	
						31458	JAN TIRES/FLT	1,386.00	
						31459	JAN TIRES/FLT	699.51	
						31460	NOV TIRES/FLT	665.80	
34922	01/25/10	500.00	002862	ECOLOGICAL CONCERNS INC.		31490	WATER DRAINAGE/MB	500.00	
34923	01/25/10	135.00	002295	FIRST ALARM		31397	DEC DISPATCH/PT	135.00	

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34924	01/25/10	200.60	001302	GARDA CL WEST		31465	DEC EXCESS LIABILITY	0.60	
						31466	JAN ARMOROE CAR SVC	200.00	
34925	01/25/10	122.00	E530	GUIZAR, LISETH		31482	EMP LICENSE FEES	122.00	
34926	01/25/10	511.75	001198	HARLAND		31467	A/P ENVELOPES/FIN	247.15	
						31468	A/P CHECKS/FIN	264.60	
34927	01/25/10	115.33	510A	HASLER, INC.		31392	FEB EQUIP RENTAL/PT	43.06	
						31491	FEB POSTAGE/ADM	72.27	
34928	01/25/10	837.02	215	IKON OFFICE SOLUTIONS		31400	09/09-12/09 / PT	837.02	
34929	01/25/10	32.96	074	KENVILLE LOCKSMITHS	7	31179	REPAIRS/MAINTENANCE	32.96	
34930	01/25/10	39.00	E193	LIMAS, GILBERTO		31463	DMV FEES	39.00	
34931	01/25/10	2,125.00	001330	MAXIM HEALTH SYSTEMS, LLC		31498	FLU SHOTS	2,125.00	
34932	01/25/10	2,019.40	001052	MID VALLEY SUPPLY		31462	CLEANING SUPPLIES	2,019.40	
34933	01/25/10	100.88	041	MISSION UNIFORM		31277	UNIF/LAUNDRY/FAC	50.44	
						31402	UNIF/LAUNDRY/FAC	50.44	
34934	01/25/10	292.00	001454	MONTEREY BAY OFFICE PRODUCTS		31496	1/10-3/10 MAINT/ADM	150.00	
						31497	10/1-12/31 COPIES	142.00	
34936	01/25/10	14,255.70	001063	NEW FLYER INDUSTRIES LIMITED		31348	REV VEH PARTS	94.57	
						31349	REV VEH PARTS	15.60	
						31350	REV VEH PARTS	216.27	
						31351	REV VEH PARTS	43.19	
						31352	REV VEH PARTS	67.05	
						31353	REV VEH PARTS	92.60	
						31354	REV VEH PARTS	266.05	
						31355	REV VEH PARTS	145.94	
						31356	REV VEH PARTS	2,111.77	
						31357	REV VEH PARTS	329.14	
						31358	REV VEH PARTS	69.61	
						31359	REV VEH PARTS	292.37	
						31360	REV VEH PARTS	146.19	
						31361	REV VEH PARTS	55.32	
						31362	REV VEH PARTS	96.97	
						31363	REV VEH PARTS	32.39	
						31364	REV VEH PARTS	21.51	
						31365	REV VEH PARTS	32.33	
						31366	REV VEH PARTS	2,266.94	
						31367	REV VEH PARTS	104.66	
						31368	REV VEH PARTS	25.45	
						31369	REV VEH PARTS	16.89	
						31370	REV VEH PARTS	96.71	
						31371	REV VEH PARTS	179.80	
						31372	REV VEH PARTS	47.03	
						31373	REV VEH PARTS	179.12	
						31374	REV VEH PARTS	2,608.56	
						31375	REV VEH PARTS	11.06	
						31376	REV VEH PARTS	153.43	
						31377	REV VEH PARTS	185.49	
						31378	REV VEH PARTS	3,501.36	
						31379	REV VEH PARTS	66.82	
						31380	REV VEH PARTS	43.19	
						31381	REV VEH PARTS	280.53	

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						31382	REV VEH PARTS	137.31	
						31383	REV VEH PARTS	29.51	
						31384	REV VEH PARTS	176.08	
						31385	REV VEH PARTS	16.89	
34937	01/25/10	1,488.86	002721	NEXTEL COMMUNICATIONS		31401	12/4-1/3 PHONES/PT	1,488.86	
34938	01/25/10	4,550.00	001306	NILSON, VALERIE S.		31388	CONSULTING SVCS	4,550.00	
34939	01/25/10	3,602.28	009	PACIFIC GAS & ELECTRIC		31404	12/10-1/8 RESEARCH	1,125.93	
						31479	12/5-1/5 SVTC	14.77	
						31480	11/21-1/5 SVCT	2,153.83	
						31501	11/24-12/24 RIVER	307.75	
34940	01/25/10	74.10	043	PALACE ART & OFFICE SUPPLY		31399	OFFICE SUPPLY/MTC	74.10	
34941	01/25/10	220.00	481	PIED PIPER EXTERMINATORS, INC.		31474	DEC PEST CONTROL	48.50	
						31475	DEC PEST CONTROL	53.00	
						31476	DEC PEST CONTROL	48.50	
						31477	DEC PEST CONTROL	70.00	
34942	01/25/10	401.00	001149	PREFERRED PLUMBING, INC.		31478	OUT RPR EQUIP	401.00	
34943	01/25/10	8,310.00	001309	PRIORITY ROOFING SOLUTIONS INC		31403	ROOF RPR/WTC	8,310.00	
34944	01/25/10	149.96	107A	PROBUILD		31267	CREDIT NOTE	-8.86	
						31268	REPAIRS/MAINTENANCE	8.86	
						31269	REPAIRS/MAINTENANCE	44.26	
						31270	SM TOOL/REPAIRS/FAC	58.37	
						31271	REPAIRS/MAINTENANCE	7.87	
						31273	REPAIRS/MAINTENANCE	13.73	
						31274	CREDIT MEMO	-3.71	
						31275	REPAIRS/MAINTENANCE	18.67	
						31276	REPAIRS/MAINTENANCE	10.77	
34945	01/25/10	234.35	087	RECOGNITION SERVICES		31485	EMP INCENTIVE	234.35	
34946	01/25/10	39.00	E081	REGAN, MICHAEL		31386	DMV FEE	39.00	
34947	01/25/10	93.00	T201	REIMANN, CHRIS		31483	31 PREPAID COUPONS	93.00	
34948	01/25/10	254.00	001153	REPUBLIC ELEVATOR COMPANY		31410	ELEVATOR MAINT/MTC	127.00	
						31411	ELEVATOR MAINT/MTC	127.00	
34949	01/25/10	4,563.48	904	RNL DESIGN		31488	SVCS THRU 11/30 MB	1,567.23	
						31489	SVCS THRU 11/30 MB	2,996.25	
34950	01/25/10	3,545.60	001098	ROBERT HALF MANAGMENT RESOURCE		31389	TEMP/ADM W/E 12/11	720.00	
						31390	TEMP/ADM W/E 01/08	720.00	
						31464	TEMP/FIN W/E 11/27	2,105.60	
34951	01/25/10	10.00	E602	RUIZ, ESTABAN		31398	DMV FEE	10.00	
34952	01/25/10	583.34	135	SANTA CRUZ AUTO PARTS, INC.		31391	REV VEH PARTS	101.32	
						31416	REV VEH PARTS	203.11	
						31417	REV VEH PARTS	5.26	
						31418	REV VEH PARTS	50.00	
						31419	REV VEH PARTS	6.84	
						31420	REV VEH PARTS	16.53	
						31421	REV VEH PARTS	41.79	
						31422	REV VEH PARTS	73.26	
						31423	PARTS & SUPPLY	30.05	
						31424	PARTS & SUPPLY	17.99	
						31425	PARTS & SUPPLY	37.19	
34953	01/25/10	115.90	079	SANTA CRUZ MUNICIPAL UTILITIES		31502	11/13-12/10 RIVER	115.90	
34954	01/25/10	1,479.61	149	SANTA CRUZ SENTINEL	0	31469	CLASSIFIED ADS/FIN	190.72	

5-1.9


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

DATE: 01/01/10 THRU 01/31/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
					31470	CLASSIFIED ADS/FIN	190.72	
					31471	CLASSIFIED ADS/FIN	193.70	
					31472	CLASSIFIED ADS/FIN	199.70	
					31473	CLASSIFIED ADS/FIN	169.86	
					31492	PUBLIC NOTICE/ADM	154.96	
					31493	PUBLIC NOTICE/ADM	379.95	
34955	01/25/10	228.90	001121 SILENT PARTNER SECURITY SYS.		31345	1/1-3/31 VERNON	228.90	
34956	01/25/10	26,075.00	001277 SJB GLOBALNET, INC.		31486	PHONE LINES/VERNON	22,625.00	
					31503	PHONES/VERNON	200.00	
					31504	PHONES/VERNON	3,250.00	
34957	01/25/10	902.17	001232 SPECIALIZED AUTO AND		31394	OUT RPR REV VEH	618.59	
					31395	OUT RPR REV VEH	239.13	
					31396	OUT RPR REV VEH	44.45	
34958	01/25/10	219.98	864 TAMC		31414	VIDEOCONFERENCING	219.98	
34959	01/25/10	295.00	915 WORKIN.COM, INC.		31387	JOB PLACEMENT AD	295.00	
34960	01/25/10	45.93	147 ZEE MEDICAL SERVICE CO.		31412	SAFETY SUPPLIES	26.17	
					31413	SAFETY SUPPLIES	19.76	
35062	01/29/10	151.00	080 STATE BOARD OF EQUALIZATION		31731	OCT-DEC 09 USE TAX	151.00	
35063	01/29/10	584.26	080A STATE BOARD OF EQUALIZATION		31730	OCT-DEC 09 FUEL TAX	584.26	
TOTAL		1,082,276.24	ACCOUNTS PAYABLE			TOTAL CHECKS	200	1,082,276.24

5-1.10

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager   
**SUBJECT:** MONTHLY BUDGET STATUS REPORTS FOR JANUARY 2010.

## I. RECOMMENDED ACTION

**Staff recommends that the Board of Directors accept and file the monthly budget status reports for January 2010.**

## II. SUMMARY OF ISSUES

- **Operating Revenues** for the month of January 2010 were \$444K or 20 % under the amount of revenue expected for January 2010.
- **Consolidated Operating Expenses** for the month of January 2010 were \$320K or 10 % under budget for the month of January 2010.
- **Capital Budget** spending year to date through January 2010 was \$4,204K or 21 % of the Capital budget.

## III. DISCUSSION

An analysis of Santa Cruz METRO's budget status is prepared monthly in order to apprise the Board of Directors of Santa Cruz METRO's actual revenues, expenses and capital in relation to the adopted operating and capital budgets for the fiscal year. The attached monthly revenue, expense and capital reports represent the status of Santa Cruz METRO's FY10 operating and capital budgets versus actual expenditures for the month.

The fiscal year has elapsed 58%.

5-2.1

**A. Operating Revenue**

For the month of January 2010 Operating Revenues were \$444K or 20 % under the amount of revenue expected for January 2010. Sales Tax Revenues continue to lag behind budget projections due to the current economic recession. Revenue variances are explained in the notes at the end of the revenue report.

**B. Operating Expense by Department**

Total Operating Expenses by Department for the month of January 2010 were \$320K or 10 % under budget; 0.4 % under where we were in FY09. The majority of the variance is due to lower than anticipated Personnel and Fuel & Lube Rev Vehicles expenses.

**C. Consolidated Operating Expenses**

Consolidated Operating Expenses for the month of January 2010 were \$320K or 10 % under budget. Personnel Expenses, Prof & Tech Fees, Repair – Rev Vehicle, Fuels & Lube Rev Veh, and Rev Vehicle Parts all contributed to the variance. Further explanation of these accounts is contained in the notes following the report.

**D. Capital Budget**

Capital Budget spending year to date through January 2010 was \$4,204K or 21 % of the Capital budget. Of this, \$1,902K or 45 % has been spent on the MetroBase Maintenance Facility project and \$2,000K or 83 % has been spent on the Purchase & Renovation of Vernon Bldg.

**IV. FINANCIAL CONSIDERATIONS**

Due to the severe economic downturn and the resulting significant decline in revenue, staff is implementing cost - cutting strategies and diligently looking at different scenarios and options in order to close the projected budget gap.

**Attachment A:** FY10 Operating Revenue for the month ending – 01/31/10  
FY10 Operating Expenses by Department for the month ending – 01/31/10  
FY10 Consolidated Operating Expenses for the month ending – 01/31/10  
FY10 Capital Budget Reports for the month ending – 01/31/10

Prepared by: Kristina Mihaylova, Financial Analyst  
Date Prepared: March 16, 2010

5-2.2





**FY10**  
**Operating Revenue**  
**For the month ending - January 31, 2010**

Percent of Year Elapsed - 58%

Revenue Source	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	Actual FY10	FY09	\$ Var	% Var
Passenger Fares	\$ 240,687	\$ 248,382	\$ (7,695)	-3%		\$ 1,841,619	\$ 2,010,697	\$ (169,078)	-8%	\$ 1,841,619	\$ 1,992,643	\$ (151,024)	-8%
Paratransit Fares	\$ 17,059	\$ 17,335	\$ (276)	-2%		\$ 137,369	\$ 218,184	\$ (80,815)	-37%	\$ 137,369	\$ 214,764	\$ (77,395)	-36%
Special Transit Fares	\$ 369,964	\$ 426,240	\$ (56,276)	-13%		\$ 1,779,320	\$ 1,920,376	\$ (141,056)	-7%	\$ 1,779,320	\$ 1,872,415	\$ (93,095)	-5%
Highway 17 Fares	\$ 84,712	\$ 84,126	\$ 586	1%		\$ 612,894	\$ 630,671	\$ (17,777)	-3%	\$ 612,894	\$ 609,545	\$ 3,349	1%
Highway 17 Payments	\$ 36,015	\$ 38,507	\$ (2,492)	-6%		\$ 255,108	\$ 249,419	\$ 5,689	2%	\$ 255,108	\$ 252,515	\$ 2,593	1%
<b>Subtotal Passenger Revenue</b>	<b>\$ 748,437</b>	<b>\$ 814,590</b>	<b>\$ (66,153)</b>	<b>-8%</b>	<b>1</b>	<b>\$ 4,626,311</b>	<b>\$ 5,029,347</b>	<b>\$ (403,036)</b>	<b>-8%</b>	<b>\$ 4,626,311</b>	<b>\$ 4,941,882</b>	<b>\$ (315,571)</b>	<b>-6%</b>
Commissions	\$ -	\$ 458	\$ (458)	-100%		\$ 2,755	\$ 3,206	\$ (451)	-14%	\$ 2,755	\$ 3,213	\$ (458)	-14%
Advertising Income	\$ 6,701	\$ 6,062	\$ 639	44%	2	\$ 160,576	\$ 127,414	\$ 33,162	26%	\$ 160,576	\$ 87,071	\$ 73,505	84%
Rent Income - SC Pacific Station	\$ 7,697	\$ 7,627	\$ 70	1%		\$ 53,740	\$ 53,202	\$ 538	1%	\$ 53,740	\$ 52,398	\$ 1,342	3%
Rent Income - Watsonville TC	\$ 2,907	\$ 2,672	\$ 235	9%		\$ 20,185	\$ 21,025	\$ (840)	-4%	\$ 20,185	\$ 22,441	\$ (2,256)	-10%
Rent Income - General	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 12,659	\$ (12,659)	-100%
Interest Income	\$ 13,864	\$ 4,050	\$ 9,814	242%	3	\$ 120,121	\$ 31,007	\$ 89,114	287%	\$ 120,121	\$ 273,513	\$ (153,392)	-56%
Other Non-Transp Revenue	\$ 2,533	\$ 485	\$ 2,048	422%		\$ 6,777	\$ 3,395	\$ 3,382	100%	\$ 6,777	\$ 4,593	\$ 2,184	48%
Sales Tax Revenue	\$ 1,016,700	\$ 1,237,630	\$ (220,930)	-18%	4	\$ 8,299,883	\$ 10,263,182	\$ (1,963,299)	-19%	\$ 8,299,883	\$ 9,856,596	\$ (1,556,713)	-16%
Transp Dev Act (TDA) - Op Asst	\$ -	\$ -	\$ -	0%		\$ 2,611,683	\$ 2,775,610	\$ (163,927)	-6%	\$ 2,611,683	\$ 2,989,232	\$ (377,549)	-13%
<b>Subtotal Other Revenue</b>	<b>\$ 1,052,401</b>	<b>\$ 1,258,984</b>	<b>\$ (206,583)</b>	<b>-16%</b>		<b>\$ 11,275,721</b>	<b>\$ 13,278,041</b>	<b>\$ (2,002,320)</b>	<b>-15%</b>	<b>\$ 11,275,721</b>	<b>\$ 13,301,716</b>	<b>\$ (2,025,995)</b>	<b>-15%</b>
FTA Sec 5307 - Op Asst	\$ -	\$ -	\$ -	0%		\$ 3,645,442	\$ 3,645,442	\$ -	0%	\$ 3,645,442	\$ 3,426,293	\$ 219,149	6%
Repay FTA Advance	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
FTA Sec 5311 - Rural Op Asst	\$ -	\$ 170,894	\$ (170,894)	-100%		\$ -	\$ 170,894	\$ (170,894)	-100%	\$ -	\$ 161,615	\$ (161,615)	-100%
Sec 5303 - AMBAG Funding	\$ -	\$ -	\$ -	0%		\$ 1,868	\$ -	\$ 1,868	100%	\$ 1,868	\$ -	\$ 1,868	100%
FTA Sec 5317 - Op Assistance	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
<b>Subtotal Grant Revenue</b>	<b>\$ -</b>	<b>\$ 170,894</b>	<b>\$ (170,894)</b>	<b>-100%</b>		<b>\$ 3,647,310</b>	<b>\$ 3,816,336</b>	<b>\$ (169,026)</b>	<b>-4%</b>	<b>\$ 3,647,310</b>	<b>\$ 3,587,908</b>	<b>\$ 59,402</b>	<b>2%</b>
<b>Subtotal Operating Revenue</b>	<b>\$ 1,800,839</b>	<b>\$ 2,244,468</b>	<b>\$ (443,629)</b>	<b>-20%</b>		<b>\$ 19,549,342</b>	<b>\$ 22,123,724</b>	<b>\$ (2,574,382)</b>	<b>-12%</b>	<b>\$ 19,549,342</b>	<b>\$ 21,831,506</b>	<b>\$ (2,282,164)</b>	<b>-10%</b>
<b>Total Operating Expenses</b>	<b>\$ 3,040,319</b>					<b>\$ 20,359,649</b>				<b>\$ 20,359,649</b>	<b>\$ 20,437,336</b>		
<b>Variance</b>	<b>\$ (1,239,480)</b>					<b>\$ (810,307)</b>				<b>\$ (810,307)</b>	<b>\$ 1,394,171</b>		
<b>One-Time Revenue</b>													
Transfer (to)/from Capital Reserves	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from Cash Flow Res	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from W/C Reserve	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from Liab'ns Res	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Carryover from Previous Year	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
<b>Subtotal One-Time Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>
<b>Total Revenue</b>	<b>\$ 1,800,839</b>	<b>\$ 2,244,468</b>	<b>\$ (443,629)</b>	<b>-20%</b>		<b>\$ 19,549,342</b>	<b>\$ 22,123,724</b>	<b>\$ (2,574,382)</b>	<b>-12%</b>	<b>\$ 19,549,342</b>	<b>\$ 21,831,506</b>	<b>\$ (2,282,164)</b>	<b>-10%</b>
<b>Total Operating Expenses</b>	<b>\$ 3,040,319</b>					<b>\$ 20,359,649</b>				<b>\$ 20,359,649</b>	<b>\$ 20,437,336</b>		
<b>Variance</b>	<b>\$ (1,239,480)</b>					<b>\$ (810,307)</b>				<b>\$ (810,307)</b>	<b>\$ 1,394,171</b>		

5-2.01

Attachment A



**FY10**  
**Operating Revenue**  
*For the month ending - January 31, 2010*

Percent of Year Elapsed - 58%

<u>Revenue Source</u>	<u>Actual</u>	<u>Current Period</u>				<u>Year to Date</u>				<u>YTD Year Over Year Comparison</u>			
		<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>FY09</u>	<u>\$ Var</u>	<u>% Var</u>

Current Period Notes:

- 1) **Passenger Revenue** is under budget due to decreased ridership.
- 2) **Advertising Income** is over budget due to more advertising than expected.
- 3) **Interest Income** is over budget due to revenue budgeted using County Treasury estimates, while a higher interest rate was actually paid.
- 4) **Sales Tax Revenue** is under budget due to less consumer discretionary spending and current economic conditions.

5-2.02



**FY10**  
**Operating Expenses by Department**  
**For the month ending - January 31, 2010**

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var		Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b>Departmental Personnel Expenses</b>													
700 - SCCIC	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
1100 - Administration	\$ 58,979	\$ 53,243	\$ 5,736	-11%		\$ 449,575	\$ 463,871	\$ (14,296)	-3%	\$ 449,575	\$ 541,000	\$ (91,425)	-17%
1200 - Finance	\$ 89,747	\$ 97,142	\$ (7,395)	-8%		\$ 602,496	\$ 679,994	\$ (77,498)	-11%	\$ 602,496	\$ 447,060	\$ 155,436	35%
1300 - Customer Service	\$ 28,787	\$ 39,070	\$ (10,273)	-26%		\$ 227,158	\$ 273,490	\$ (46,332)	-17%	\$ 227,158	\$ 254,060	\$ (26,902)	-11%
1400 - Human Resources	\$ 44,283	\$ 50,598	\$ (6,315)	-12%		\$ 302,530	\$ 354,181	\$ (51,652)	-15%	\$ 302,530	\$ 319,374	\$ (16,844)	-5%
1500 - Information Technology	\$ 43,620	\$ 44,061	\$ (440)	-1%		\$ 303,077	\$ 306,427	\$ (3,349)	-2%	\$ 303,077	\$ 289,231	\$ 13,846	5%
1700 - District Counsel	\$ 36,724	\$ 50,205	\$ (13,480)	-27%		\$ 288,181	\$ 285,434	\$ 2,747	1%	\$ 288,181	\$ 246,541	\$ 41,640	17%
1800 - Risk Management	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
2200 - Facilities Maintenance	\$ 77,539	\$ 87,177	\$ (9,638)	-11%		\$ 554,167	\$ 610,238	\$ (56,071)	-9%	\$ 554,167	\$ 557,833	\$ (3,666)	-1%
3100 - Paratransit Program	\$ 255,557	\$ 307,169	\$ (51,611)	-17%		\$ 1,822,548	\$ 2,150,176	\$ (327,630)	-15%	\$ 1,822,548	\$ 1,758,304	\$ 64,244	4%
3200 - Operations	\$ 164,010	\$ 172,016	\$ (8,005)	-5%		\$ 1,205,792	\$ 1,226,590	\$ (20,798)	-2%	\$ 1,205,792	\$ 1,137,932	\$ 67,860	6%
3300 - Bus Operators	\$ 1,178,470	\$ 1,195,056	\$ (16,585)	-1%		\$ 7,755,930	\$ 8,349,887	\$ (593,957)	-7%	\$ 7,755,930	\$ 7,708,319	\$ 47,611	1%
4100 - Fleet Maintenance	\$ 292,478	\$ 324,746	\$ (32,269)	-10%		\$ 2,087,474	\$ 2,273,220	\$ (185,746)	-8%	\$ 2,087,474	\$ 2,185,249	\$ (97,775)	-4%
9001 - Cobra Benefits	\$ 2,487	\$ -	\$ 2,487	100%		\$ 4,874	\$ -	\$ 4,874	100%	\$ 4,874	\$ 2,408	\$ 2,466	103%
9005 - Retired Employee Benefits	\$ 152,234	\$ 180,037	\$ (27,803)	-15%		\$ 885,275	\$ 1,260,260	\$ (374,984)	-30%	\$ 885,275	\$ 908,843	\$ (23,568)	-3%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
<b>Subtotal Personnel Expenses</b>	<b>\$ 2,424,907</b>	<b>\$ 2,600,518</b>	<b>\$ (175,612)</b>	<b>-7%</b>		<b>\$ 16,489,077</b>	<b>\$ 18,235,770</b>	<b>\$ (1,746,693)</b>	<b>-10%</b>	<b>\$ 16,489,077</b>	<b>\$ 16,356,152</b>	<b>\$ 132,925</b>	<b>1%</b>
<b>Departmental Non-Personnel Expenses</b>													
700 - SCCIC	\$ -	\$ 4	\$ (4)	-100%		\$ 250	\$ 274	\$ (24)	-9%	\$ 250	\$ 270	\$ (20)	-7%
1100 - Administration	\$ 19,068	\$ 32,148	\$ (13,078)	-41%		\$ 144,443	\$ 226,026	\$ (81,583)	-36%	\$ 144,443	\$ 139,855	\$ 4,588	3%
1200 - Finance	\$ 62,194	\$ 46,800	\$ 15,394	33%		\$ 526,724	\$ 535,959	\$ (9,235)	-2%	\$ 526,724	\$ 467,408	\$ 59,316	13%
1300 - Customer Service	\$ 3,257	\$ 4,930	\$ (1,673)	-34%		\$ 39,819	\$ 57,410	\$ (17,591)	-31%	\$ 39,819	\$ 53,567	\$ (13,748)	-26%
1400 - Human Resources	\$ 8,054	\$ 16,081	\$ (8,027)	-50%		\$ 47,808	\$ 112,568	\$ (64,760)	-58%	\$ 47,808	\$ 20,071	\$ 27,737	138%
1500 - Information Technology	\$ 22,780	\$ 15,118	\$ 7,663	51%		\$ 112,835	\$ 112,020	\$ 815	1%	\$ 112,835	\$ 64,880	\$ 47,955	74%
1700 - District Counsel	\$ 2,341	\$ 1,692	\$ 649	38%		\$ 8,201	\$ 11,838	\$ (3,638)	-31%	\$ 8,201	\$ 8,554	\$ (353)	-4%
1800 - Risk Management	\$ 1,082	\$ 20,833	\$ (19,751)	-95%		\$ 37,671	\$ 145,832	\$ (108,160)	-74%	\$ 37,671	\$ 31,179	\$ 6,492	21%
2200 - Facilities Maintenance	\$ 111,140	\$ 115,671	\$ (4,531)	-4%		\$ 979,273	\$ 977,856	\$ 1,618	0%	\$ 979,273	\$ 991,605	\$ (12,332)	-1%
3100 - Paratransit Program	\$ 64,704	\$ 74,438	\$ (9,734)	-13%		\$ 406,147	\$ 521,064	\$ (114,917)	-22%	\$ 406,147	\$ 386,396	\$ 19,751	5%
3200 - Operations	\$ 41,841	\$ 42,438	\$ (597)	-1%		\$ 283,610	\$ 310,155	\$ (26,545)	-9%	\$ 283,610	\$ 345,785	\$ (62,175)	-18%
3300 - Bus Operators	\$ -	\$ 638	\$ (638)	-100%		\$ 4,574	\$ 4,464	\$ 110	2%	\$ 4,574	\$ 4,164	\$ 410	10%
4100 - Fleet Maintenance	\$ 283,886	\$ 389,366	\$ (105,480)	-27%		\$ 1,284,150	\$ 2,724,251	\$ (1,440,101)	-53%	\$ 1,284,150	\$ 1,555,608	\$ (271,458)	-17%
9001 - Cobra Benefits	\$ (4,934)	\$ -	\$ (4,934)	100%		\$ (4,935)	\$ -	\$ (4,935)	100%	\$ (4,935)	\$ -	\$ (4,935)	100%
9005 - Retired Employee Benefits	\$ -	\$ -	\$ -	0%		\$ -	\$ 3	\$ (3)	-100%	\$ -	\$ -	\$ -	0%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 11,848	\$ (11,848)	-100%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 0	\$ (0)	-100%
<b>Subtotal Non-Personnel Expenses</b>	<b>\$ 615,412</b>	<b>\$ 760,155</b>	<b>\$ (144,743)</b>	<b>-19%</b>		<b>\$ 3,870,569</b>	<b>\$ 5,739,519</b>	<b>\$ (1,868,950)</b>	<b>-33%</b>	<b>\$ 3,870,569</b>	<b>\$ 4,081,190</b>	<b>\$ (210,621)</b>	<b>-5%</b>

5-2.03



**FY10**  
**Operating Expenses by Department**  
**For the month ending - January 31, 2010**

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var		Actual	Budget	\$ Var	% Var	Actual FY10	FY09	\$ Var	% Var
<b>Total Departmental Expenses</b>													
700 - SCCIC	\$ -	\$ 4	\$ (4)	-100%		\$ 250	\$ 274	\$ (24)	-9%	\$ 250	\$ 270	\$ (20)	-7%
1100 - Administration	\$ 78,047	\$ 85,389	\$ (7,342)	-9%		\$ 594,018	\$ 689,897	\$ (95,879)	-14%	\$ 594,018	\$ 680,855	\$ (86,837)	-13%
1200 - Finance	\$ 151,941	\$ 143,942	\$ 7,999	6%		\$ 1,129,220	\$ 1,215,953	\$ (86,733)	-7%	\$ 1,129,220	\$ 914,468	\$ 214,752	23%
1300 - Customer Service	\$ 32,054	\$ 44,000	\$ (11,946)	-27%	1	\$ 266,977	\$ 330,900	\$ (63,923)	-19%	\$ 266,977	\$ 307,627	\$ (40,650)	-13%
1400 - Human Resources	\$ 52,337	\$ 66,679	\$ (14,342)	-22%	2	\$ 350,337	\$ 466,749	\$ (116,412)	-25%	\$ 350,337	\$ 339,445	\$ 10,892	3%
1500 - Information Technology	\$ 66,401	\$ 59,178	\$ 7,222	12%	3	\$ 415,912	\$ 420,447	\$ (4,534)	-1%	\$ 415,912	\$ 354,111	\$ 61,801	17%
1700 - District Counsel	\$ 39,065	\$ 51,896	\$ (12,831)	-25%	4	\$ 296,382	\$ 297,273	\$ (891)	0%	\$ 296,382	\$ 255,095	\$ 41,287	16%
1800 - Risk Management	\$ 1,082	\$ 20,833	\$ (19,751)	-95%	5	\$ 37,671	\$ 145,832	\$ (108,160)	-74%	\$ 37,671	\$ 31,179	\$ 6,492	21%
2200 - Facilities Maintenance	\$ 188,679	\$ 202,847	\$ (14,169)	-7%	6	\$ 1,533,440	\$ 1,587,894	\$ (54,453)	-3%	\$ 1,533,440	\$ 1,549,438	\$ (15,998)	-1%
3100 - Paratransit Program	\$ 320,261	\$ 381,606	\$ (61,345)	-16%	7	\$ 2,228,695	\$ 2,671,242	\$ (442,547)	-17%	\$ 2,228,695	\$ 2,144,700	\$ 83,995	4%
3200 - Operations	\$ 205,852	\$ 214,454	\$ (8,603)	-4%		\$ 1,489,401	\$ 1,536,744	\$ (47,343)	-3%	\$ 1,489,401	\$ 1,483,717	\$ 5,684	0%
3300 - Bus Operators	\$ 1,178,470	\$ 1,195,693	\$ (17,223)	-1%	8	\$ 7,760,504	\$ 8,354,351	\$ (593,847)	-7%	\$ 7,760,504	\$ 7,712,483	\$ 48,021	1%
4100 - Fleet Maintenance	\$ 576,363	\$ 714,113	\$ (137,749)	-19%	9	\$ 3,371,624	\$ 4,997,471	\$ (1,625,847)	-33%	\$ 3,371,624	\$ 3,740,857	\$ (369,233)	-10%
9001 - Cobra Benefits	\$ (2,467)	\$ -	\$ (2,467)	100%		\$ (61)	\$ -	\$ (61)	100%	\$ (61)	\$ 2,406	\$ (2,467)	-103%
9005 - Retired Employee Benefits	\$ 152,234	\$ 180,037	\$ (27,803)	-15%	10	\$ 885,275	\$ 1,260,263	\$ (374,987)	-30%	\$ 885,275	\$ 908,843	\$ (23,568)	-3%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 11,848	\$ (11,848)	-100%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 0	\$ (0)	-100%
<b>Total Operating Expenses</b>	<b>\$ 3,040,319</b>	<b>\$ 3,360,673</b>	<b>\$ (320,354)</b>	<b>-10%</b>		<b>\$ 20,359,647</b>	<b>\$ 23,975,289</b>	<b>\$ (3,615,643)</b>	<b>-15%</b>	<b>\$ 20,359,647</b>	<b>\$ 20,437,342</b>	<b>\$ (77,695)</b>	<b>0%</b>

\*\* does not include depreciation

**Current Period Notes:**

- 1) Customer Service is under budget due to a vacant funded position.
- 2) Human Resources is under budget due to a vacant funded position and Prof & Tech Fees straight-lined.
- 3) IT is over budget due to Microsoft Office 2007 training for Santa Cruz METRO employees. They are under budget YTD.
- 4) District Counsel is under budget due to budget transfer in January 2010 for payouts of accumulated accruals in December 2009, which made them over budget in December 2009.
- 5) Risk Management is under budget due to below budgeted settlement costs paid in January 2010.
- 6) Facilities Maintenance is under budget due to a vacant funded position.
- 7) Paratransit Program is under budget due to vacant funded positions and extended leaves.
- 8) Bus Operators is under budget due to vacant funded positions and extended leaves.
- 9) Fleet is under budget due to vacant funded positions, lower than anticipated prices of fuel and cost cutting measures in place.
- 10) Retired Employee Benefits is under budget due to lower than anticipated Medical Ins costs.

5-2.04



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - January 31, 2010**

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var		Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b>LABOR</b>													
501011 Bus Operator Pay	\$ 570,607	\$ 678,293	\$ (107,685)	-16%		\$ 4,333,380	\$ 4,748,047	\$ (414,667)	-9%	\$ 4,333,380	\$ 4,513,578	\$ (180,198)	-4%
501013 Bus Operator Overtime	\$ 177,322	\$ 111,733	\$ 65,590	59%		\$ 939,402	\$ 782,130	\$ 157,272	20%	\$ 939,402	\$ 757,344	\$ 182,058	24%
501021 Other Salaries	\$ 511,733	\$ 551,870	\$ (40,137)	-7%		\$ 3,715,226	\$ 3,908,377	\$ (193,151)	-5%	\$ 3,715,226	\$ 3,567,350	\$ 147,876	4%
501023 Other Overtime	\$ 24,714	\$ 25,297	\$ (583)	-2%		\$ 200,381	\$ 184,060	\$ 16,321	9%	\$ 200,381	\$ 149,631	\$ 50,750	34%
<b>Total Labor -</b>	<b>\$ 1,284,377</b>	<b>\$ 1,367,192</b>	<b>\$ (82,816)</b>	<b>-6%</b>		<b>\$ 9,188,389</b>	<b>\$ 9,622,614</b>	<b>\$ (434,226)</b>	<b>-5%</b>	<b>\$ 9,188,389</b>	<b>\$ 8,987,903</b>	<b>\$ 200,486</b>	<b>2%</b>
<b>FRINGE BENEFITS</b>													
502011 Medicare/Soc. Sec.	\$ 19,080	\$ 21,393	\$ (2,313)	-11%		\$ 135,001	\$ 150,855	\$ (15,853)	-11%	\$ 135,001	\$ 127,476	\$ 7,525	6%
502021 Retirement	\$ 173,164	\$ 198,178	\$ (25,014)	-13%		\$ 1,280,311	\$ 1,397,590	\$ (117,279)	-8%	\$ 1,280,311	\$ 1,312,796	\$ (32,486)	-2%
502031 Medical Insurance	\$ 463,757	\$ 527,294	\$ (63,536)	-12%		\$ 2,911,041	\$ 3,698,126	\$ (787,085)	-21%	\$ 2,911,041	\$ 2,935,836	\$ (24,796)	-1%
502041 Dental Insurance	\$ 40,117	\$ 46,350	\$ (6,233)	-13%		\$ 279,468	\$ 325,002	\$ (45,533)	-14%	\$ 279,468	\$ 278,679	\$ 790	0%
502045 Vision Insurance	\$ 11,291	\$ 12,029	\$ (739)	-6%		\$ 79,269	\$ 84,372	\$ (5,103)	-6%	\$ 79,269	\$ 77,853	\$ 1,416	2%
502051 Life Insurance	\$ -	\$ 4,313	\$ (4,313)	-100%		\$ 25,518	\$ 30,272	\$ (4,754)	-16%	\$ 25,518	\$ 25,412	\$ 106	0%
502060 State Disability	\$ 16,948	\$ 26,404	\$ (9,456)	-36%		\$ 113,131	\$ 185,776	\$ (72,645)	-39%	\$ 113,131	\$ 89,438	\$ 23,693	26%
502061 Disability Insurance	\$ 17,482	\$ 22,449	\$ (4,968)	-22%		\$ 122,523	\$ 158,944	\$ (36,421)	-23%	\$ 122,523	\$ 124,006	\$ (1,482)	-1%
502071 State Unemp. Ins	\$ 38,607	\$ 4,434	\$ 34,172	771%		\$ 51,810	\$ 31,039	\$ 20,771	67%	\$ 51,810	\$ 47,570	\$ 4,240	9%
502081 Worker's Comp Ins	\$ 66,168	\$ 85,756	\$ (19,588)	-23%		\$ 366,802	\$ 600,292	\$ (233,490)	-39%	\$ 366,802	\$ 533,752	\$ (166,950)	-31%
502083 Worker's Comp IBNR	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
502101 Holiday Pay	\$ 72,401	\$ 45,258	\$ 27,144	60%		\$ 255,112	\$ 271,508	\$ (16,395)	-6%	\$ 255,112	\$ 270,175	\$ (15,063)	-6%
502103 Floating Holiday	\$ 3,635	\$ 6,042	\$ (2,407)	-40%		\$ 21,524	\$ 42,292	\$ (20,768)	-49%	\$ 21,524	\$ 16,877	\$ 4,647	28%
502109 Sick Leave	\$ 52,582	\$ 80,876	\$ (28,294)	-35%		\$ 451,097	\$ 548,503	\$ (97,407)	-18%	\$ 451,097	\$ 351,963	\$ 99,134	28%
502111 Annual Leave	\$ 138,408	\$ 127,977	\$ 10,431	8%		\$ 1,067,309	\$ 916,570	\$ 150,739	16%	\$ 1,067,309	\$ 1,052,939	\$ 14,370	1%
502121 Other Paid Absence	\$ 12,392	\$ 10,657	\$ 1,735	16%		\$ 86,383	\$ 74,598	\$ 11,785	16%	\$ 86,383	\$ 76,435	\$ 9,948	13%
502251 Physical Exams	\$ 760	\$ 1,108	\$ (348)	-31%		\$ 4,987	\$ 7,757	\$ (2,769)	-36%	\$ 4,987	\$ 3,855	\$ 1,132	29%
502253 Driver Lic Renewal	\$ 329	\$ 367	\$ (38)	-10%		\$ 1,598	\$ 2,568	\$ (970)	-38%	\$ 1,598	\$ 780	\$ 818	105%
502999 Other Fringe Benefits	\$ 8,474	\$ 12,443	\$ (3,968)	-32%		\$ 42,869	\$ 87,098	\$ (44,229)	-51%	\$ 42,869	\$ 42,404	\$ 465	1%
<b>Total Fringe Benefits -</b>	<b>\$ 1,135,596</b>	<b>\$ 1,233,326</b>	<b>\$ (97,730)</b>	<b>-8%</b>		<b>\$ 7,295,754</b>	<b>\$ 8,613,159</b>	<b>\$ (1,317,406)</b>	<b>-15%</b>	<b>\$ 7,295,754</b>	<b>\$ 7,368,248</b>	<b>\$ (72,494)</b>	<b>-1%</b>
<b>Total Personnel Expenses -</b>	<b>\$ 2,419,972</b>	<b>\$ 2,600,518</b>	<b>\$ (180,546)</b>	<b>-7%</b>	<b>1</b>	<b>\$ 16,484,143</b>	<b>\$ 18,235,774</b>	<b>\$ (1,751,631)</b>	<b>-10%</b>	<b>\$ 16,484,143</b>	<b>\$ 16,356,150</b>	<b>\$ 127,992</b>	<b>1%</b>

5-2.05



**FY10**  
**Consolidated Operating Expenses**  
*For the month ending - January 31, 2010*

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b>SERVICES</b>													
503011 Acctg & Audit Fees	\$ 497	\$ 858	\$ (361)	-42%		\$ 38,447	\$ 47,460	\$ (9,013)	-19%	\$ 38,447	\$ 40,697	\$ (2,250)	-6%
503012 Admin & Bank Fees	\$ 1,380	\$ 1,413	\$ (33)	-2%		\$ 100,505	\$ 109,730	\$ (9,225)	-8%	\$ 100,505	\$ 98,370	\$ 2,135	2%
503031 Prof & Tech Fees	\$ 16,214	\$ 28,748	\$ (12,534)	-44%	2	\$ 87,119	\$ 200,133	\$ (113,013)	-56%	\$ 87,119	\$ 61,578	\$ 25,541	41%
503032 Legislative Services	\$ 5,000	\$ 8,617	\$ (3,617)	-42%		\$ 50,000	\$ 60,318	\$ (10,318)	-17%	\$ 50,000	\$ 52,500	\$ (2,500)	-5%
503033 Legal Services	\$ -	\$ 4,583	\$ (4,583)	-100%		\$ 11,243	\$ 32,082	\$ (20,839)	-65%	\$ 11,243	\$ -	\$ 11,243	100%
503034 Pre-Employ. Exams	\$ 388	\$ 1,037	\$ (651)	-63%		\$ 7,656	\$ 7,258	\$ 397	5%	\$ 7,656	\$ 6,791	\$ 865	13%
503041 Temp Help	\$ 23,333	\$ -	\$ 23,333	100%	3	\$ 147,537	\$ -	\$ 147,537	100%	\$ 147,537	\$ 80,754	\$ 66,783	83%
503161 Custodial Services	\$ 5,201	\$ 5,508	\$ (307)	-6%		\$ 36,619	\$ 38,557	\$ (1,938)	-5%	\$ 36,619	\$ 40,620	\$ (4,001)	-10%
503162 Uniform & Laundry	\$ 1,651	\$ 3,668	\$ (2,017)	-55%		\$ 12,004	\$ 25,676	\$ (13,672)	-53%	\$ 12,004	\$ 21,469	\$ (9,465)	-44%
503171 Security Services	\$ 29,577	\$ 33,984	\$ (4,407)	-13%		\$ 199,446	\$ 237,169	\$ (37,723)	-16%	\$ 199,446	\$ 211,642	\$ (12,196)	-6%
503221 Classified/Legal Ads	\$ 263	\$ 2,200	\$ (1,937)	-88%		\$ 5,993	\$ 15,400	\$ (9,407)	-61%	\$ 5,993	\$ 9,498	\$ (3,506)	-37%
503222 Legal Advertising	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
503225 Graphic Services	\$ -	\$ 333	\$ (333)	-100%		\$ -	\$ 2,332	\$ (2,332)	-100%	\$ -	\$ -	\$ -	0%
503351 Repair - Bldg & Impr	\$ 1,430	\$ 6,375	\$ (4,946)	-78%		\$ 20,918	\$ 44,625	\$ (23,707)	-53%	\$ 20,918	\$ 55,608	\$ (34,690)	-62%
503352 Repair - Equipment	\$ 28,857	\$ 35,970	\$ (7,112)	-20%		\$ 281,569	\$ 269,027	\$ 12,542	5%	\$ 281,569	\$ 211,419	\$ 70,150	33%
503353 Repair - Rev Vehicle	\$ 21,474	\$ 36,442	\$ (14,968)	-41%	4	\$ 191,339	\$ 255,093	\$ (63,754)	-25%	\$ 191,339	\$ 294,669	\$ (103,230)	-35%
503354 Repair - Non Rev Vehicle	\$ 2,213	\$ 2,625	\$ (412)	-16%		\$ 9,880	\$ 18,375	\$ (8,495)	-46%	\$ 9,880	\$ 13,733	\$ (3,854)	-28%
503363 Haz Mat Disposal	\$ 3,253	\$ 2,083	\$ 1,169	56%		\$ 19,165	\$ 14,582	\$ 4,584	31%	\$ 19,165	\$ 31,864	\$ (12,699)	-40%
<b>Total Services -</b>	<b>\$ 140,728</b>	<b>\$ 174,444</b>	<b>\$ (33,716)</b>	<b>-19%</b>		<b>\$ 1,219,440</b>	<b>\$ 1,377,816</b>	<b>\$ (158,376)</b>	<b>-11%</b>	<b>\$ 1,219,440</b>	<b>\$ 1,231,113</b>	<b>\$ (11,673)</b>	<b>-1%</b>
<b>MOBILE MATERIALS AND SUPPLIES</b>													
504011 Fuels & Lube Non Rev Veh	\$ 19,917	\$ 17,283	\$ 2,633	15%		\$ 90,575	\$ 120,982	\$ (30,407)	-25%	\$ 90,575	\$ 87,319	\$ 3,255	4%
504012 Fuels & Lube Rev Veh	\$ 185,619	\$ 270,417	\$ (84,798)	-31%	5	\$ 781,709	\$ 1,892,918	\$ (1,131,209)	-60%	\$ 781,709	\$ 954,347	\$ (192,638)	-20%
504021 Tires & Tubes	\$ 15,932	\$ 17,750	\$ (1,818)	-10%		\$ 98,435	\$ 124,250	\$ (25,815)	-21%	\$ 98,435	\$ 121,084	\$ (22,649)	-19%
504161 Other Mobile Supplies	\$ 36	\$ 858	\$ (822)	-96%		\$ 287	\$ 6,007	\$ (5,720)	-95%	\$ 287	\$ 6,484	\$ (6,197)	-96%
504191 Rev Vehicle Parts	\$ 37,526	\$ 68,083	\$ (30,558)	-45%	6	\$ 259,385	\$ 476,582	\$ (217,197)	-46%	\$ 259,385	\$ 194,858	\$ 64,527	33%
<b>Total Mobile Materials &amp; Supplies -</b>	<b>\$ 259,030</b>	<b>\$ 374,392</b>	<b>\$ (115,362)</b>	<b>-31%</b>		<b>\$ 1,210,391</b>	<b>\$ 2,620,738</b>	<b>\$ (1,410,348)</b>	<b>-54%</b>	<b>\$ 1,210,391</b>	<b>\$ 1,364,093</b>	<b>\$ (153,702)</b>	<b>-11%</b>

5-2.06



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - January 31, 2010**

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b><u>OTHER MATERIALS &amp; SUPPLIES</u></b>													
504205 Freight Out	\$ 184	\$ 300	\$ (116)	-39%		\$ 833	\$ 2,100	\$ (1,267)	-60%	\$ 833	\$ 1,497	\$ (665)	-44%
504211 Postage & Mailing	\$ 309	\$ 1,939	\$ (1,630)	-84%		\$ 8,002	\$ 15,073	\$ (7,071)	-47%	\$ 8,002	\$ 6,770	\$ 1,231	18%
504214 Promotional Items			\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
504215 Printing	\$ 2,641	\$ 5,328	\$ (2,687)	-50%		\$ 38,921	\$ 55,898	\$ (16,977)	-30%	\$ 38,921	\$ 51,984	\$ (13,063)	-25%
504217 Photo Supply/Processing	\$ -	\$ 825	\$ (825)	-100%		\$ 450	\$ 5,775	\$ (5,325)	-92%	\$ 450	\$ 4,340	\$ (3,890)	-90%
504311 Office Supplies	\$ 5,361	\$ 7,353	\$ (1,992)	-27%		\$ 37,521	\$ 51,472	\$ (13,950)	-27%	\$ 37,521	\$ 44,702	\$ (7,180)	-16%
504315 Safety Supplies	\$ 1,142	\$ 2,792	\$ (1,650)	-59%		\$ 7,370	\$ 19,543	\$ (12,174)	-62%	\$ 7,370	\$ 10,239	\$ (2,869)	-28%
504317 Cleaning Supplies	\$ 4,754	\$ 4,933	\$ (180)	-4%		\$ 21,182	\$ 34,533	\$ (13,351)	-39%	\$ 21,182	\$ 18,958	\$ 2,224	12%
504409 Repair/Maint Supplies	\$ 1,592	\$ 4,775	\$ (3,183)	-67%		\$ 21,029	\$ 33,425	\$ (12,396)	-37%	\$ 21,029	\$ 36,091	\$ (15,062)	-42%
504421 Non-Inventory Parts	\$ 94	\$ 4,463	\$ (4,368)	-98%		\$ 6,356	\$ 31,239	\$ (24,883)	-80%	\$ 6,356	\$ 44,890	\$ (38,534)	-86%
504511 Small Tools	\$ 22	\$ 875	\$ (853)	-98%		\$ 1,503	\$ 6,125	\$ (4,622)	-75%	\$ 1,503	\$ 3,182	\$ (1,679)	-53%
504515 Employee Tool Rplcmt	\$ -	\$ 225	\$ (225)	-100%		\$ 772	\$ 1,575	\$ (803)	-51%	\$ 772	\$ 1,135	\$ (363)	-32%
<b>Total Other Materials &amp; Supplies -</b>	<b>\$ 16,099</b>	<b>\$ 33,808</b>	<b>\$ (17,709)</b>	<b>-52%</b>	<b>7</b>	<b>\$ 143,938</b>	<b>\$ 256,757</b>	<b>\$ (112,819)</b>	<b>-44%</b>	<b>\$ 143,938</b>	<b>\$ 223,788</b>	<b>\$ (79,851)</b>	<b>-36%</b>
<b><u>UTILITIES</u></b>													
505011 Gas & Electric	\$ 13,365	\$ 19,101	\$ (5,736)	-30%		\$ 101,873	\$ 133,707	\$ (31,834)	-24%	\$ 101,873	\$ 114,962	\$ (13,089)	-11%
505021 Water & Garbage	\$ 11,380	\$ 10,681	\$ 699	7%		\$ 78,722	\$ 74,768	\$ 3,955	5%	\$ 78,722	\$ 78,766	\$ (44)	0%
505031 Telecommunications	\$ 41,810	\$ 12,298	\$ 29,511	240%	<b>8</b>	\$ 96,615	\$ 86,086	\$ 10,528	12%	\$ 96,615	\$ 63,250	\$ 33,364	53%
<b>Total Utilities -</b>	<b>\$ 66,555</b>	<b>\$ 42,080</b>	<b>\$ 24,475</b>	<b>58%</b>		<b>\$ 277,210</b>	<b>\$ 294,561</b>	<b>\$ (17,352)</b>	<b>-6%</b>	<b>\$ 277,210</b>	<b>\$ 256,978</b>	<b>\$ 20,231</b>	<b>8%</b>
<b><u>CASUALTY &amp; LIABILITY</u></b>													
506011 Insurance - Property	\$ 6,498	\$ 10,158	\$ (3,661)	-36%		\$ 45,115	\$ 71,106	\$ (25,991)	-37%	\$ 45,115	\$ 37,845	\$ 7,270	19%
506015 Insurance - PL & PD	\$ 38,101	\$ 32,775	\$ 5,326	16%		\$ 266,706	\$ 295,425	\$ (28,719)	-10%	\$ 266,706	\$ 283,682	\$ (16,976)	-6%
506021 Insurance - Other			\$ -	0%		\$ 711	\$ 800	\$ (89)	-11%	\$ 711	\$ 711	\$ -	0%
506123 Settlement Costs	\$ -	\$ 12,500	\$ (12,500)	-100%	<b>9</b>	\$ 20,044	\$ 87,500	\$ (67,456)	-77%	\$ 20,044	\$ 28,845	\$ (8,801)	-31%
506127 Repairs - Dist Prop			\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ (16,351)	\$ 16,351	-100%
<b>Total Casualty &amp; Liability -</b>	<b>\$ 44,598</b>	<b>\$ 55,433</b>	<b>\$ (10,835)</b>	<b>-20%</b>		<b>\$ 332,576</b>	<b>\$ 454,831</b>	<b>\$ (122,255)</b>	<b>-27%</b>	<b>\$ 332,576</b>	<b>\$ 334,732</b>	<b>\$ (2,156)</b>	<b>-1%</b>
<b><u>TAXES</u></b>													
507051 Fuel Tax	\$ 958	\$ 1,209	\$ (253)	-21%		\$ 7,277	\$ 8,463	\$ (1,186)	-14%	\$ 7,277	\$ 5,276	\$ 2,001	38%
507201 Licenses & permits	\$ 2,362	\$ 1,158	\$ 1,204	104%		\$ 11,768	\$ 9,057	\$ 2,711	30%	\$ 11,768	\$ 7,420	\$ 4,348	59%
507999 Other Taxes	\$ 2,485	\$ 1,465	\$ 1,020	70%		\$ 12,908	\$ 26,140	\$ (13,232)	-51%	\$ 12,908	\$ 21,708	\$ (8,800)	-41%
<b>Total Utilities -</b>	<b>\$ 5,803</b>	<b>\$ 3,833</b>	<b>\$ 1,970</b>	<b>51%</b>		<b>\$ 31,953</b>	<b>\$ 43,660</b>	<b>\$ (11,707)</b>	<b>-27%</b>	<b>\$ 31,953</b>	<b>\$ 34,404</b>	<b>\$ (2,450)</b>	<b>-7%</b>

5-2.07



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - January 31, 2010**

	Current Period					Year to Date					YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10	FY09	\$ Var	% Var	
<b><u>PURCHASED TRANSPORTATION</u></b>														
503406 Contr/Paratrans	\$ 37,197	\$ 20,833	\$ 16,364	79%	10	\$ 178,303	\$ 145,832	\$ 32,471	22%	\$ 178,303	\$ 113,912	\$ 64,391	57%	
Total Purchased Transportation -	\$ 37,197	\$ 20,833	\$ 16,364	79%		\$ 178,303	\$ 145,832	\$ 32,471	22%	\$ 178,303	\$ 113,912	\$ 64,391	57%	
<b><u>MISC</u></b>														
509011 Dues & Subscriptions	\$ 6,079	\$ 5,485	\$ 594	11%		\$ 36,553	\$ 39,395	\$ (2,842)	-7%	\$ 36,553	\$ 36,250	\$ 303	1%	
509085 Advertising.- Rev Product			\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
509101 Emp Incentive Prog	\$ 779	\$ 2,883	\$ (2,104)	-73%		\$ 6,953	\$ 20,182	\$ (13,229)	-66%	\$ 6,953	\$ 11,635	\$ (4,682)	-40%	
509121 Employee Training	\$ 8,574	\$ 4,739	\$ 3,835	81%		\$ 10,793	\$ 39,373	\$ (28,580)	-73%	\$ 10,793	\$ 16,857	\$ (6,064)	-36%	
509123 Travel	\$ 2,616	\$ 7,232	\$ (4,616)	-64%		\$ 23,043	\$ 50,622	\$ (27,579)	-54%	\$ 23,043	\$ 20,294	\$ 2,750	14%	
509125 Local Meeting Exp	\$ 341	\$ 413	\$ (71)	-17%		\$ 1,456	\$ 2,888	\$ (1,432)	-50%	\$ 1,456	\$ 2,867	\$ (1,411)	-49%	
509127 Board Director Fees	\$ 900	\$ 1,100	\$ (200)	-18%		\$ 4,200	\$ 7,700	\$ (3,500)	-45%	\$ 4,200	\$ 6,500	\$ (2,300)	-35%	
509150 Contributions	\$ -	\$ 54	\$ (54)	-100%		\$ -	\$ 378	\$ (378)	-100%	\$ -	\$ -	\$ -	0%	
509197 Sales Tax Expense	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ (22)	\$ 22	-100%	
509198 Cash Over/Short	\$ (36)	\$ 42	\$ (77)	-185%		\$ 202	\$ 292	\$ (91)	-31%	\$ 202	\$ (254)	\$ 456	-179%	
Total Misc -	\$ 19,253	\$ 21,947	\$ (2,694)	-12%		\$ 83,200	\$ 160,830	\$ (77,630)	-48%	\$ 83,200	\$ 94,127	\$ (10,927)	-12%	
<b><u>LEASES &amp; RENTALS</u></b>														
512011 Facility Rentals	\$ 30,631	\$ 31,030	\$ (399)	-1%		\$ 392,008	\$ 367,210	\$ 24,798	7%	\$ 392,008	\$ 416,778	\$ (24,770)	-6%	
512061 Equipment Rentals	\$ 453	\$ 2,355	\$ (1,902)	-81%		\$ 6,487	\$ 17,285	\$ (10,798)	-62%	\$ 6,487	\$ 11,260	\$ (4,773)	-42%	
Total Leases & Rentals -	\$ 31,083	\$ 33,385	\$ (2,302)	-7%		\$ 398,495	\$ 384,495	\$ 14,000	4%	\$ 398,495	\$ 428,038	\$ (29,543)	-7%	
<b>Total Non-Personnel Expenses -</b>	<b>\$ 620,346</b>	<b>\$ 760,155</b>	<b>\$ (139,808)</b>	<b>-18%</b>		<b>\$ 3,875,505</b>	<b>\$ 5,739,520</b>	<b>\$ (1,864,015)</b>	<b>-32%</b>	<b>\$ 3,875,505</b>	<b>\$ 4,081,185</b>	<b>\$ (205,680)</b>	<b>-5%</b>	
<b>TOTAL OPERATING EXPENSE -</b>	<b>\$ 3,040,319</b>	<b>\$ 3,360,673</b>	<b>\$ (320,354)</b>	<b>-10%</b>		<b>\$ 20,359,648</b>	<b>\$ 23,975,294</b>	<b>\$ (3,615,646)</b>	<b>-15%</b>	<b>\$ 20,359,648</b>	<b>\$ 20,437,336</b>	<b>\$ (77,688)</b>	<b>0%</b>	

\*\* does not include depreciation

**Current Period Notes:**

- 1) **Total Personnel Expenses** are below budget due to vacant funded positions and extended leaves, as well as lower than anticipated medical and worker's comp insurance costs.
- 2) **Prof & Tech Fees** are under budget due to cost cutting measures and straight lining of the budget.
- 3) **Temp Help** is over budget due to vacant funded positions and extended leaves. (Expense is offset by savings in personnel expense.)

5-2.08





**FY10**  
**Consolidated Operating Expenses**  
*For the month ending - January 31, 2010*

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison			
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>		<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY10</u>	<u>FY09</u>	<u>\$ Var</u>	<u>% Var</u>
4) <b>Repair - Rev Vehicle</b> is under budget due to inability to anticipate when repair costs will be incurred.													
5) <b>Fuels &amp; Lube Rev Veh</b> is under budget due to lower than anticipated prices of fuel.													
6) <b>Rev Veh Parts</b> is under budget due to cost cutting measures in place.													
7) <b>Other Materials &amp; Supplies</b> are under budget due to cost cutting measures in all departments.													
8) <b>Telecommunications</b> is over budget due to annual Highway 17airtime charges paid and one -time AT&T charges related to the VOIP phone system upgrade. They are under budget YTD.													
9) <b>Settlement costs</b> are under budget due to less than anticipated settlement costs for the month.													
10) <b>Contr/Paratrans</b> is over budget due to "catch-up" amounts paid to Watsonville Transportation for past-due contractual CPI increases.													

5-2.a9



**FY2010**  
**CAPITAL BUDGET**  
*For the month ending - January 31, 2010*

	<u>YTD Actual</u>	<u>FY10 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<b><u>Grant-Funded Projects</u></b>				
MetroBase Maintenance Facility	\$ 1,902,272	\$ 4,200,000	\$ 2,297,728	45%
MetroBase Operations Facility	\$ -	\$ -	\$ -	0%
Purchase Smartcard Farebox System (ARRA)	\$ -	\$ 2,267,000	\$ 2,267,000	0%
Purchase & Renovation of Vernon Bldg	\$ 2,000,505	\$ 2,400,000	\$ 399,495	83%
Pacific Station Project (TCRP)	\$ 5,207	\$ 2,100,000	\$ 2,094,793	0%
Purchase 27 ParaCruz Vehicles (ARRA)	\$ -	\$ 1,750,000	\$ 1,750,000	0%
Transit Mgmt. Info. Technology (ARRA)	\$ 51,765	\$ 1,264,873	\$ 1,213,108	4%
2nd LNG Storage Tank & Process Equipment	\$ -	\$ 1,000,000	\$ 1,000,000	0%
Facilities Video Surveillance (OHS-1B)	\$ -	\$ 220,000	\$ 220,000	0%
Fleet Radios/Surveillance (OHS-1B)	\$ -	\$ 202,457	\$ 202,457	0%
Comprehensive Security & Surveillance Sys (OHS-1B)	\$ -	\$ 440,505	\$ 440,505	0%
Trapeze Pass Interactive Voice Response System	\$ 45,217	\$ 91,141	\$ 45,924	50%
<b>Subtotal Grant Funded Projects</b>	<b>\$ 4,004,966</b>	<b>\$ 15,935,976</b>	<b>\$ 11,931,010</b>	<b>25%</b>
<b><u>IT Projects</u></b>				
Replace Fleet & Facilities Maintenance Software	\$ 22,650	\$ 470,000	\$ 447,350	5%
HR Software Upgrade	\$ -	\$ 250,000	\$ 250,000	0%
Upgrade District Phone System	\$ 37,186	\$ 77,825	\$ 40,639	48%
Microsoft Office 2007 Pro Upgrade	\$ 54,518	\$ 55,000	\$ 482	99%
Trapeze Pass Customer Certification Software	\$ 9,738	\$ 46,000	\$ 36,262	21%
Automated Purchasing System Software	\$ -	\$ 40,000	\$ 40,000	0%
Digital ID Card Processing Equipment	\$ 8,081	\$ 17,000	\$ 8,919	48%
Upgrade GFI software to System 7 Version 2	\$ 735	\$ 12,584	\$ 11,849	6%
3 Laptop PC's for ParaCruz	\$ 5,468	\$ 6,000	\$ 532	91%
2 Laptop/Docking Stations for HR	\$ 3,645	\$ 4,500	\$ 855	81%
<b>Subtotal IT Projects</b>	<b>\$ 142,021</b>	<b>\$ 978,909</b>	<b>\$ 836,888</b>	<b>15%</b>
<b><u>Facilities Repair &amp; Improvements</u></b>				
MTC Lane Four Shelter Replacement	\$ -	\$ 55,000	\$ 55,000	0%
Replace Roof - Watsonville Transit Center Main Building	\$ 53,533	\$ 55,000	\$ 1,467	97%
Repair, Reseal, and Restripe - Greyhound Lot	\$ -	\$ 24,000	\$ 24,000	0%
Repair, Reseal, Restripe (Sinkholes) - Operations	\$ 3,991	\$ 20,000	\$ 16,009	20%
<b>Subtotal Facilities Repairs &amp; Improvements Projects</b>	<b>\$ 57,524</b>	<b>\$ 154,000</b>	<b>\$ 96,476</b>	<b>37%</b>

5-2.2.10



**FY2010**  
**CAPITAL BUDGET**  
*For the month ending - January 31, 2010*

	<u>YTD Actual</u>		<u>FY10 Budget</u>		<u>Remaining Budget</u>	<u>% Spent YTD</u>	
<b><u>Revenue Vehicle Replacement</u></b>							
Highway 17 Buses (5) - VTA - (Measure A)	\$	-	\$ 2,500,000	\$	2,500,000	0%	
<b>Subtotal Revenue Vehicle Replacements</b>	<b>\$</b>	<b>-</b>	<b>\$ 2,500,000</b>	<b>\$</b>	<b>2,500,000</b>	<b>0%</b>	
<b><u>Non-Revenue Vehicle Replacement</u></b>							
NONE	\$	-	\$ -	\$	-	0%	
<b>Subtotal Non-Revenue Vehicle Replacements</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$</b>	<b>-</b>	<b>0%</b>	
<b><u>Maint Equipment</u></b>							
Cumming Engine Tool (Liner Indicator)	\$	-	\$ 1,200	\$	1,200	0%	
Cumming Engine Tool (Part # 3376915)	\$	-	\$ 1,200	\$	1,200	0%	
<b>Subtotal Non-Revenue Vehicle Replacements</b>	<b>\$</b>	<b>-</b>	<b>\$ 2,400</b>	<b>\$</b>	<b>2,400</b>	<b>0%</b>	
<b><u>Office Equipment</u></b>							
NONE	\$	-	\$ -	\$	-	0%	
<b>Subtotal Office Equipment</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$</b>	<b>-</b>	<b>0%</b>	
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$</b>	<b>4,204,511</b>	<b>\$</b>	<b>19,571,285</b>	<b>\$</b>	<b>15,366,774</b>	<b>21%</b>

5-2.011



**FY2010**  
**CAPITAL BUDGET**  
*For the month ending - January 31, 2010*

	<u>YTD Actual</u>	<u>FY10 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<b><u>CAPITAL FUNDING</u></b>				
Federal Capital Grants	\$ 96,982	\$ 8,605,764	\$ 8,508,781	1%
State / PTMISEA 1B	\$ 3,902,777	\$ 4,446,429	\$ 543,652	88%
State/Other Capital Grants (Measure A - VTA)	\$ -	\$ 2,500,000	\$ 2,500,000	0%
State/Other Capital Grants (TCRP)	\$ 5,207	\$ 682,017	\$ 676,810	1%
State Security Bond Funds (1B)	\$ -	\$ 862,962	\$ 862,962	0%
STA Funding (Prior Year)	\$ 199,545	\$ 1,163,858	\$ 964,313	17%
STA Funding (Current Year)	\$ -	\$ -	\$ -	0%
District Reserves (Lawsuit & Sakata Proceeds)	\$ -	\$ 1,310,255	\$ 1,310,256	0%
Capital Cash Reserves	\$ -	\$ -	\$ -	100%
<b>TOTAL CAPITAL FUNDING</b>	<b>\$ 4,204,511</b>	<b>\$ 19,571,285</b>	<b>\$ 15,366,774</b>	<b>21%</b>

5-2.2.12

**GOVERNMENT TORT CLAIM**

**RECOMMENDED ACTION**

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Strong, Annette  
Date of Incident: 02/09/2010

Received: 03/12/10 Claim #: 10-0003  
Occurrence Report No.: SC 02-10-04

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

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

By Margaret Gallagher  
Margaret Gallagher  
DISTRICT COUNSEL

Date: 3-15-10

I, Cindi Thomas, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of March 26, 2010.

By \_\_\_\_\_  
Cindi Thomas  
RECORDING SECRETARY

Date: \_\_\_\_\_

MG/lg  
Attachment(s)

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

Claim # 10-0003

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

ATTN: Secretary to the Board of Directors  
110 Vernon Street  
Santa Cruz, CA 95060

1. Claimant's Name: Annette Marie Strong

Claimant's Address/Post Office Box: [REDACTED]

Claimant's Phone Number: [REDACTED]

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

3. Occurrence: English Denbus cause driver did not wait for me to sit down

Date: February 8, 2010 Time: 8:00 AM Place: on bus

Circumstances of occurrence or transaction giving rise to claim: clerk on bus driver pushed back started going blind seat down then slammed on brakes causing me to slip from handle of seat in front of me, my skin on face slammed in front of my seat & causing me to be slammed back

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: my right hand hurt because of the way the driver pushed me back & the way the driver slammed on the brakes & the way the driver slammed on the brakes & the way the driver slammed on the brakes

5. Name or names of public employees or employees causing injury, damage, or loss, if known: reported it to mtis immediately but they have been doing this for a long time

6. Amount claimed now: \$ 500.00  
Estimated amount of future loss, if known: \$ 00.00  
TOTAL: \$ 500.00

7. Basis of above computations: Physical & Emotional Distress from the incident & the lady who took my report & made the 10/15/10 call & the doctor's report

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

DATE: March 10th 2010

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

*you could have ment seat causing my back to get hurt*



**METRO ADVISORY COMMITTEE**

**THE MEETING OF  
MARCH 17, 2010  
HAS BEEN CANCELLED.**

*NEXT MEETING: WEDNESDAY, APRIL 21, 2010, AT 6:00 PM  
PACIFIC STATION CONFERENCE ROOM*

5-4.1

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**Minutes - METRO Advisory Committee (MAC)**

**January 20, 2010**

The METRO Advisory Committee (MAC) met on Wednesday, January 20, 2010 in the Pacific Station Conference Room located at 920 Pacific Avenue in Santa Cruz, California.

Chair Naomi Gunther called the meeting to order at 6:05 p.m.

**1. ROLL CALL:**

**MEMBERS PRESENT**

Craig Agler  
Naomi Gunther, Chair  
Mara Murphy – arrived 6:10  
Dennis “Pop” Papadopulo  
Charlotte Walker  
Dave Williams

**STAFF PRESENT**

Ciro Aguirre, Operations Manager  
April Warnock, Paratransit Superintendent

**MEMBERS ABSENT**

None

**VISITORS PRESENT**

Bonnie Morr, UTU  
Stuart Rosenstein  
Jason Andrews, UTU

**2. AGENDA ADDITIONS/DELETIONS**

**Website Update**

Harlan Glatt requested that this item be added to the agenda.

**3. ORAL/WRITTEN COMMUNICATION**

Written:

None.

Oral:

None.

**4. CONSIDERATION OF APPROVAL OF MINUTES OF DECEMBER 16, 2009**

**ACTION: MOTION: DAVE WILLIAMS SECOND: CRAIG AGLER**

**ACCEPT AND FILE MINUTES OF THE DECEMBER 16, 2009 MEETING AS PRESENTED**

**Motion passed unanimously, with Members Agler, Gunther, Walker and Williams voting for, and Dennis Papadopulo abstaining.**

5-4.2



**5. ACCEPT AND FILE RIDERSHIP REPORT FOR OCTOBER 2009**

Charlotte Walker noted a decrease in ridership, and pointed out that the report does not reflect riders who were passed-by. Naomi Gunther said that it is not uncommon for riders to be passed-by on University routes. Ciro Aguirre explained that during peak periods, another bus would be dispatched to catch overflow when a bus reports it is over 30 minutes late, and that ParaCruz responds in cases involving wheelchair-bound riders who are unable to board due to full wheelchair securement areas. Mr. Aguirre said that any riders with bikes inside the coach would be asked to alight the bus so that a wheelchair could be secured. Charlotte Walker asked if the displaced are given a pass to get on the next bus. Ciro Aguirre said that they are.

**6. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER 2009**

Dave Williams noted the lack of attachments.

**7. ELECTION OF OFFICERS**

Chair Gunther opened up the meeting to nominations of officers. Dave Williams nominated Naomi Gunther for committee Chair.

**ACTION: MOTION: DAVE WILLIAMS SECOND: CRAIG AGLER**

**ELECT NAOMI GUNTHER AS CHAIR OF MAC**

Naomi Gunther nominated Dave Williams for committee Vice Chair.

**ACTION: MOTION: NAOMI GUNTHER SECOND: MARA MURPHY**

**ELECT DAVE WILLIAMS AS VICE CHAIR OF MAC**

**8. REPORT BY MAC REPRESENTATIVE OF OTHER TRANSIT RELATED MEETINGS**

Dennis Papadopolu and Dave Williams expressed interest in being the MAC Representative to Other Transit-related meetings.

**9. CONSIDERATION OF 2010 MAC SCHEDULE OF EVENTS**

There was a discussion about the tour of METRO facilities. The committee agreed to request an evening tour of the METRO facilities on August 18, 2010.

**10. DISCUSSION OF THE 9800 SERIES BUSES**

Dennis Papadopulo stated that there is a problem with the securement straps on the 9800 series buses. There was a discussion about the securement straps and possible remedies. Mr. Papadopulo stated he would work with Ciro Aguirre on this problem.

**11. CONSIDERATION OF GOALS FOR VIEWING COMPLAINT PROCEDURES**

Mara Murphy said that she wanted to find out what all the complaints were. Ciro Aguirre said that it would be a labor-intensive process to provide MAC with that information. Mr. Aguirre reiterated that permission to review complaints must come from the General Manager. Ciro Aguirre said that complaints range from the volume of the talking buses, the unruliness of students, system scheduling, lateness, or the conduct of a bus operator-in which case confidentiality issues are involved. Mara Murphy said that she was not concerned about disciplinary issues, but that it would be nice to know the nature of most complaints. Naomi Gunther noted that it is not MAC's intention to create more work for METRO staff, but that it would be beneficial to continue to bring outstanding issues before the committee.

**12. DISTRIBUTION OF MAC VOUCHERS**

Ciro Aguirre distributed METRO MAC vouchers to the MAC members at this time.

**13. COMMUNICATIONS TO METRO GENERAL MANAGER**

MAC requests that METRO Staff arrange an evening bus tour of METRO facilities for MAC Members on August 18, 2010.

**14. COMMUNICATIONS TO METRO BOARD OF DIRECTORS**

None.

**15. ITEMS FOR NEXT MEETING AGENDA**

- Review of Schedule of Other Transit-Related Meetings
- Discussion of Frequency of Janitorial Services
- Status of Paratransit signage for the loading zone at Watsonville Transit Center

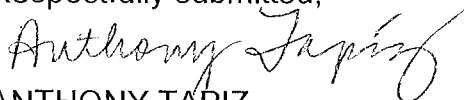
**16. WEBSITE UPDATE**

Harlan Glatt made a presentation to MAC regarding the redesigned website.

**ADJOURN**

There being no further business, Chair Naomi Gunther thanked everyone for participating and adjourned the meeting at 7:45 p.m.

Respectfully submitted,



ANTHONY TAPIZ  
Administrative Assistant

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26<sup>th</sup>, 2010  
**TO:** Board of Directors  
**FROM:** April Warnock, Paratransit Superintendent  
**SUBJECT: METRO PARACRUZ OPERATIONS STATUS REPORT**

## I. RECOMMENDED ACTION

**This report is for information only - no action requested**

## II. SUMMARY OF ISSUES

- METRO ParaCruz is the federally mandated ADA complementary paratransit program of the Transit District, providing shared ride, door-to-door demand-response transportation to customers certified as having disabilities that prevent them from independently using the fixed route bus.
- METRO assumed direct operation of paratransit services November 1, 2004. This service had been delivered under contract since 1992.
- Discussion of ParaCruz Operations Status Report.
- Attachment A: On-time Performance Chart displays the percentage of pick-ups within the “ready window” and a breakdown in 5-minute increments for pick-ups beyond the “ready window”. The monthly Customer Service Reports summary is included.
- Attachment B: Report of ParaCruz’ operating statistics. Performance Averages and Performance Goals are reflected in the Comparative Operating Statistics Table in order to establish and compare actual performance measures, as performance is a critical indicator as to ParaCruz’ efficiency.
- Attachments C, D, E, F, G: ParaCruz Performance Charts display trends in rider-ship and mileage spanning a period of three years. Graph G is a graphical display reporting use of sub-contracted taxi companies for each month.
- Attachment H: Current calendar year’s statistical information on the number of ParaCruz in-person eligibility assessments, including a comparison to past years, since implementation in August of 2002.

5-5.1

### **III. DISCUSSION**

In the months of December 2009 and January 2010, ParaCruz rides continued to decrease from number of rides in November 2009. Trends show that ParaCruz ridership typically peaks in the month of October, drops through December, levels out through February, before rising again in March. This trend is driven primarily by attendance at the Cabrillo College Stroke and Acquired Disability Center.

The VOIP telephone system installation is completed for ParaCruz, and the reports are now available. However, fiscal 'year to date' statistics are not available for the remainder of this fiscal year, as the system was not in place at the beginning of this fiscal year.

The Subcontractor's cost per ride has increased dramatically in January 2010, due to payment out of two (2) yearly five percent (5%) increases that had not been previously invoiced to METRO. The increases were paid out in addition to their regular billing cycle.

### **IV. FINANCIAL CONSIDERATIONS**

NONE

### **V. ATTACHMENTS**

- Attachment A:** ParaCruz On-time Performance Charts
- Attachment B:** Comparative Operating Statistics Tables
- Attachment C:** Number of Rides Comparison Chart
- Attachment D:** Shared vs. Total Rides Chart
- Attachment E:** Mileage Comparison Chart
- Attachment F:** Year To Date Mileage Chart
- Attachment G:** Daily Drivers vs. Subcontractor Rides Charts
- Attachment H:** Eligibility Chart

5-5.2

<b>ParaCruz On-time Performance Report</b>		
	<b>December 2008</b>	<b>December 2009</b>
Total pick ups	7282	7209
<b>Percent in "ready window"</b>	<b>94.01%</b>	<b>95.98%</b>
1 to 5 minutes late	2.65%	1.69%
6 to 10 minutes late	1.41%	1.21%
11 to 15 minutes late	.95%	.51%
16 to 20 minutes late	.54%	.29%
21 to 25 minutes late	.25%	.17%
26 to 30 minutes late	.08%	.14%
31 to 35 minutes late	.04%	.00%
36 to 40 minutes late	.04%	.01%
41 or more minutes late (excessively late/missed trips)	.03%	.00%
<b>Total beyond "ready window"</b>	<b>5.99%</b>	<b>4.02%</b>

During the month of December 2009, ParaCruz received five (5) Customer Service Reports. Two of the four reported complaints were not valid. One (1) report was a compliment.

5-5.a1

<b>ParaCruz On-time Performance Report</b>		
	<b>January 2009</b>	<b>January 2010</b>
Total pick ups	7172	6985
<b>Percent in "ready window"</b>	<b>95.04%</b>	<b>95.99%</b>
1 to 5 minutes late	2.27%	1.68%
6 to 10 minutes late	1.37%	1.16%
11 to 15 minutes late	.70%	.52%
16 to 20 minutes late	.35%	.36%
21 to 25 minutes late	.14%	.23%
26 to 30 minutes late	.07%	.06%
31 to 35 minutes late	.01%	.00%
36 to 40 minutes late	.01%	.01%
41 or more minutes late (excessively late/missed trips)	.04%	.00%
<b>Total beyond "ready window"</b>	<b>4.96p%</b>	<b>4.01%</b>

During the month of January 2010, ParaCruz received twelve (12) Customer Service Reports. Six of the complaints reported were valid. Four (4) of the reported complaints were not valid. Two (2) compliments were reported.

5-5.a2

**Comparative Operating Statistics This Fiscal Year, Last Fiscal Year through December 2009.**

	Dec 08	Dec 09	Fiscal 08-09	Fiscal 09-10	Performance Averages	Performance Goals
Requested	8315	8375	49,988	50,888	8454	
Performed	7282	7209	46,247	46,803	7820	
Cancel	22.18%	22.38%	18.19%	20.29%	18.11%	
No Shows	2.97%	3.95%	2.97%	1.66%	2.82%	Less than 3%
Total miles	48,812	48,433	310,340	302,947	52,633	
Av trip miles	5.06	5.14	5.08	5.07	5.20	
Within ready window	94.01%	95.62%	93.74%	95.62%	94.71%	92.00% or better
Excessively late/missed trips	2	0	22	7	2.33	Zero (0)
Call center volume	6077	5723	33,037	Avail July 2010	N/A	
Call average seconds to answer	32	25	35	Avail July 2010	N/A	Less than 2 minutes
Hold times less than 2 minutes	95%	95.8%	96%	Avail July 2010	N/A	Greater than 90%
Distinct riders	784	811	1,420	1,406	805	
Most frequent rider	47 rides	44 rides	229 rides	209 rides	53 rides	
Shared rides	62.2%	60.2%	65.4%	62.2%	62.78%	Greater than 60%
Passengers per rev hour	2.17	2.22	2.13	2.18	2.11	Greater than 1.6 passengers/hour
Rides by supplemental providers	7.8%	16.23%	9.79%	11.73%	10.0%	No more than 25%
Vendor cost per ride	\$25.48	\$22.15	\$23.36	\$21.79	\$20.78	
ParaCruz driver cost per ride (estimated)	\$25.73	\$26.48	\$24.68	\$25.63	\$24.21	
Rides < 10 miles	72.40%	71.49%	70.80%	69.64%	69.88%	
Rides > 10 miles	27.60%	28.51%	29.20%	30.36%	30.12%	

5-5.61

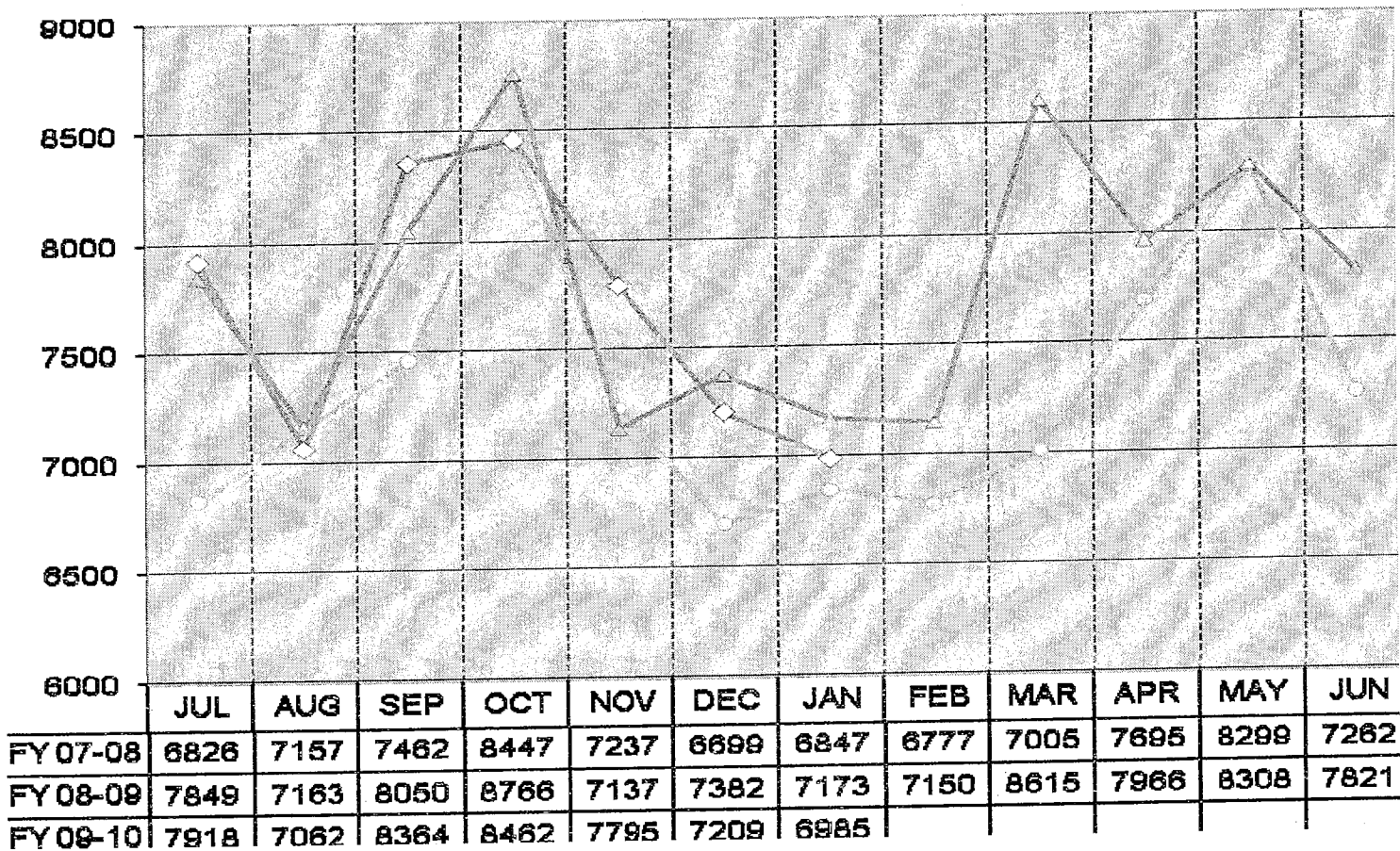


**Comparative Operating Statistics This Fiscal Year, Last Fiscal Year through January 2010.**

	Jan 09	Jan 10	Fiscal 08-09	Fiscal 09-10	Performance Averages	Performance Goals
Requested	7708	7802	57696	58690	8462	
Performed	7172	6985	46,247	53788	7805	
Cancels	18.19%	20.33%	18.19%	20.41%	18.29%	
No Shows	2.45%	3.97%	2.90%	1.86%	2.95%	Less than 3%
Total miles	50001	46676	360287	349,460	52,356	
Av trip miles	5.14	5.08	5.09	5.07	5.2	
Within ready window	95.04%	95.99%	95.87%	95.65%	94.71%	92.00% or better
Excessively late/missed trips	3	0	25	7	2.08	Zero (0)
Call center volume	N/A	5644	N/A	Avail July 2010	N/A	
Call average seconds to answer	N/A	25	N/A	Avail July 2010	N/A	Less than 2 minutes
Hold times less than 2 minutes	N/A	96%	N/A	Avail July 2010	N/A	Greater than 90%
Distinct riders	796	786	1480	1487	804	
Most frequent rider	85 rides	40 rides	250 rides	218 rides	49 rides	
Shared rides	60.3%	64.0%	65.5%	62.1%	63.08%	Greater than 60%
Passengers per rev hour	2.08	2.09	2.10	2.17	2.11	Greater than 1.6 passengers/hour
Rides by supplemental providers	4.96%	12.53%	9.13%	13.28%	10.63%	No more than 25%
Vendor cost per ride	\$22.14	\$46.24	\$23.20	\$24.85	\$22.79	
ParaCruz driver cost per ride (estimated)	\$25.91	\$24.42	\$24.85	\$26.12	\$24.08	
Rides < 10 miles	70.59%	69.88%	70.77%	69.67%	69.82%	
Rides > 10	29.41%	30.12%	29.23%	30.33%	30.18%	

5-5.62

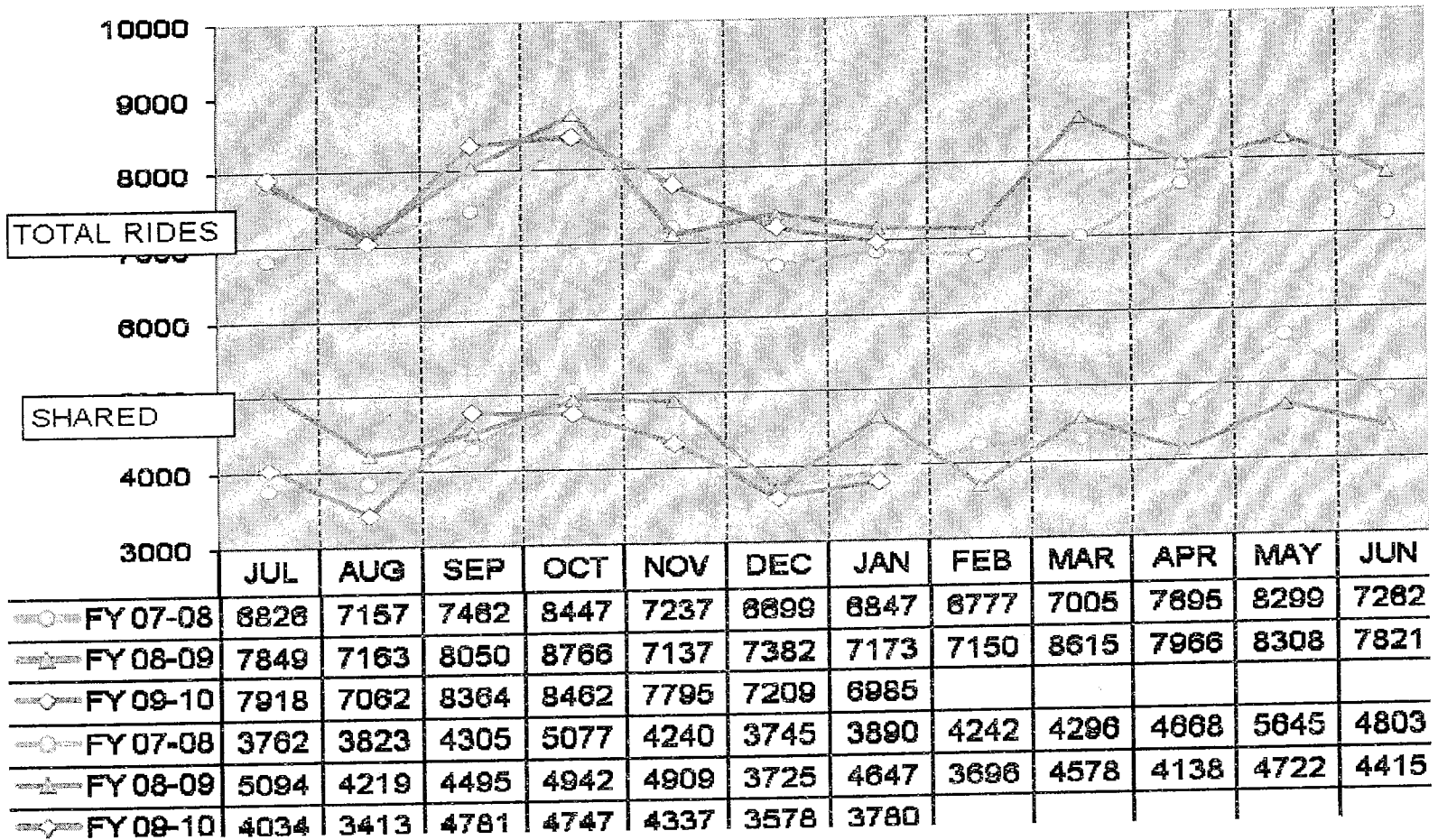
NUMBER OF RIDES COMPARISON CHART



5-5.21

Attachment C

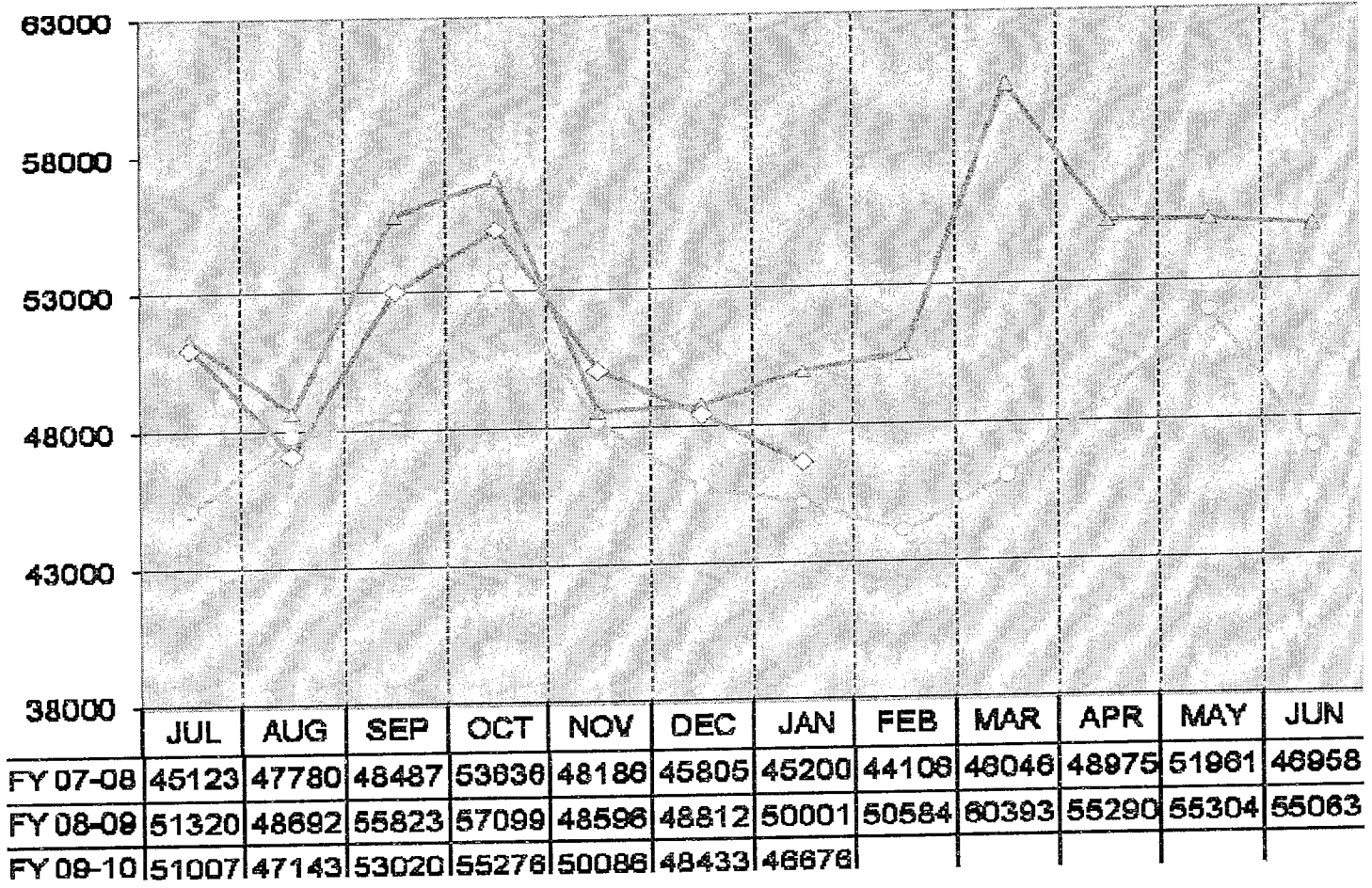
TOTAL RIDES vs. SHARED RIDES



5-5.d1

Attachment D

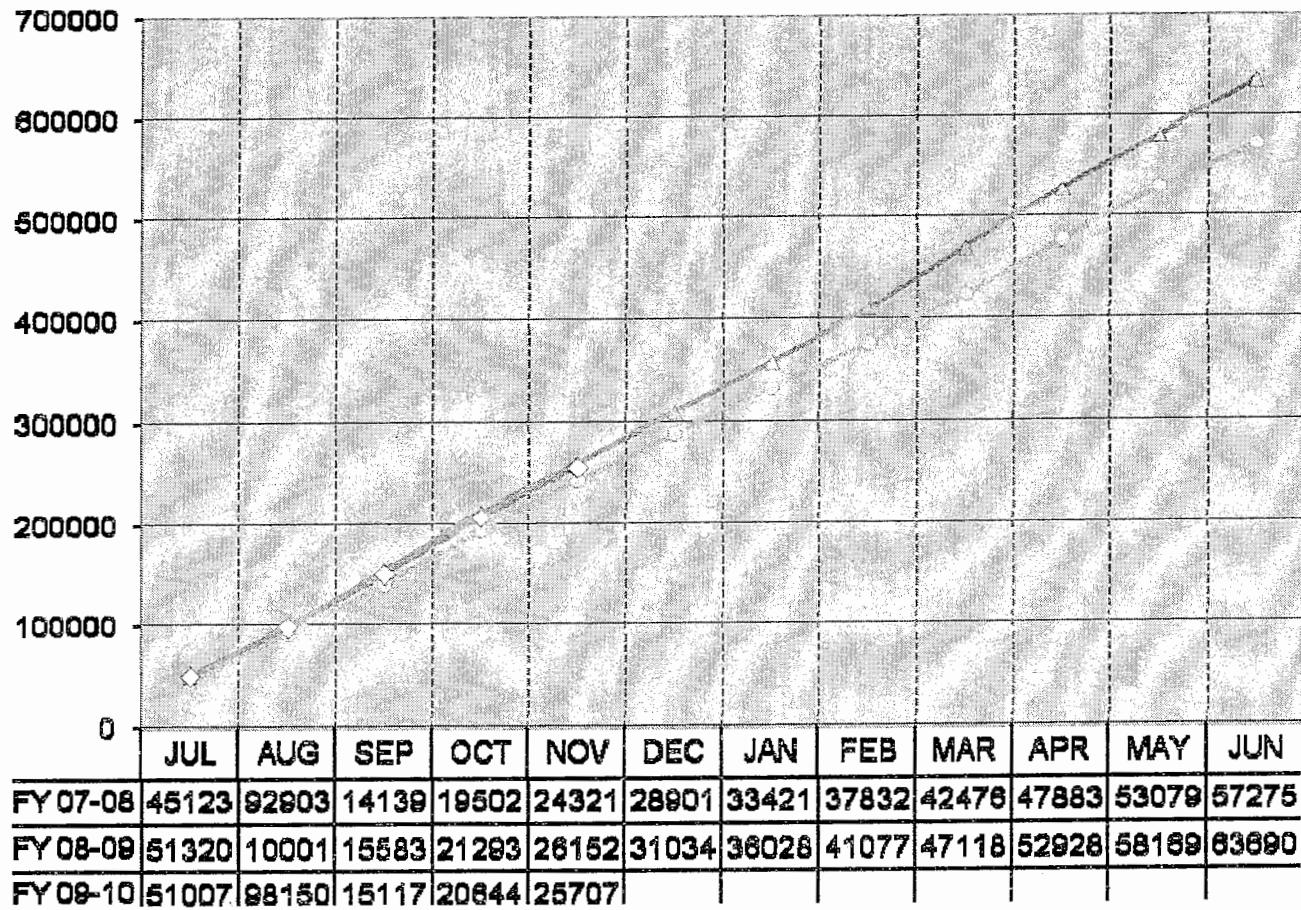
MILEAGE COMPARISON



5-5.e1

Attachment E

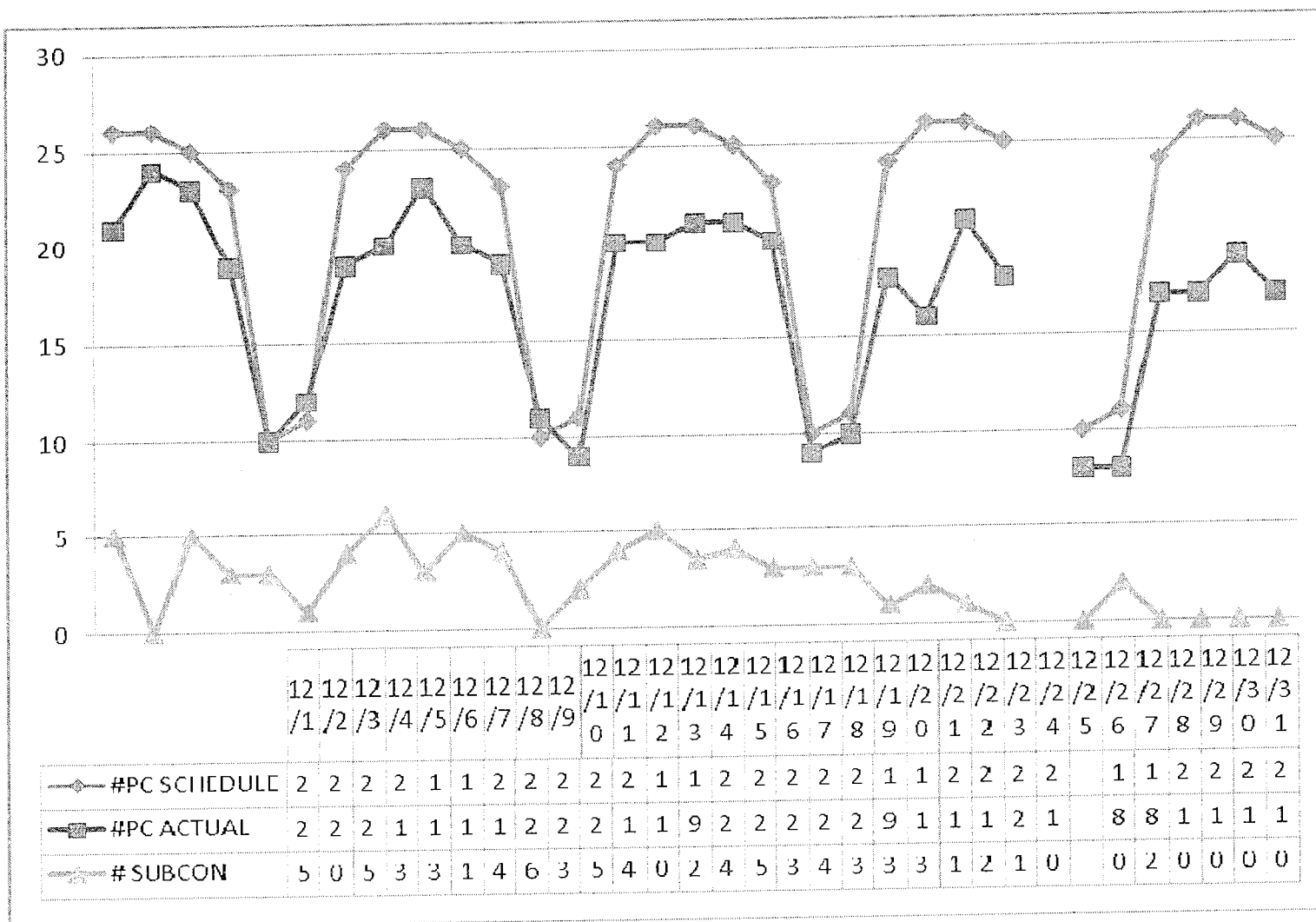
### YEAR-TO-DATE MILEAGE COMPARISON



5-5.f1

Attachment E

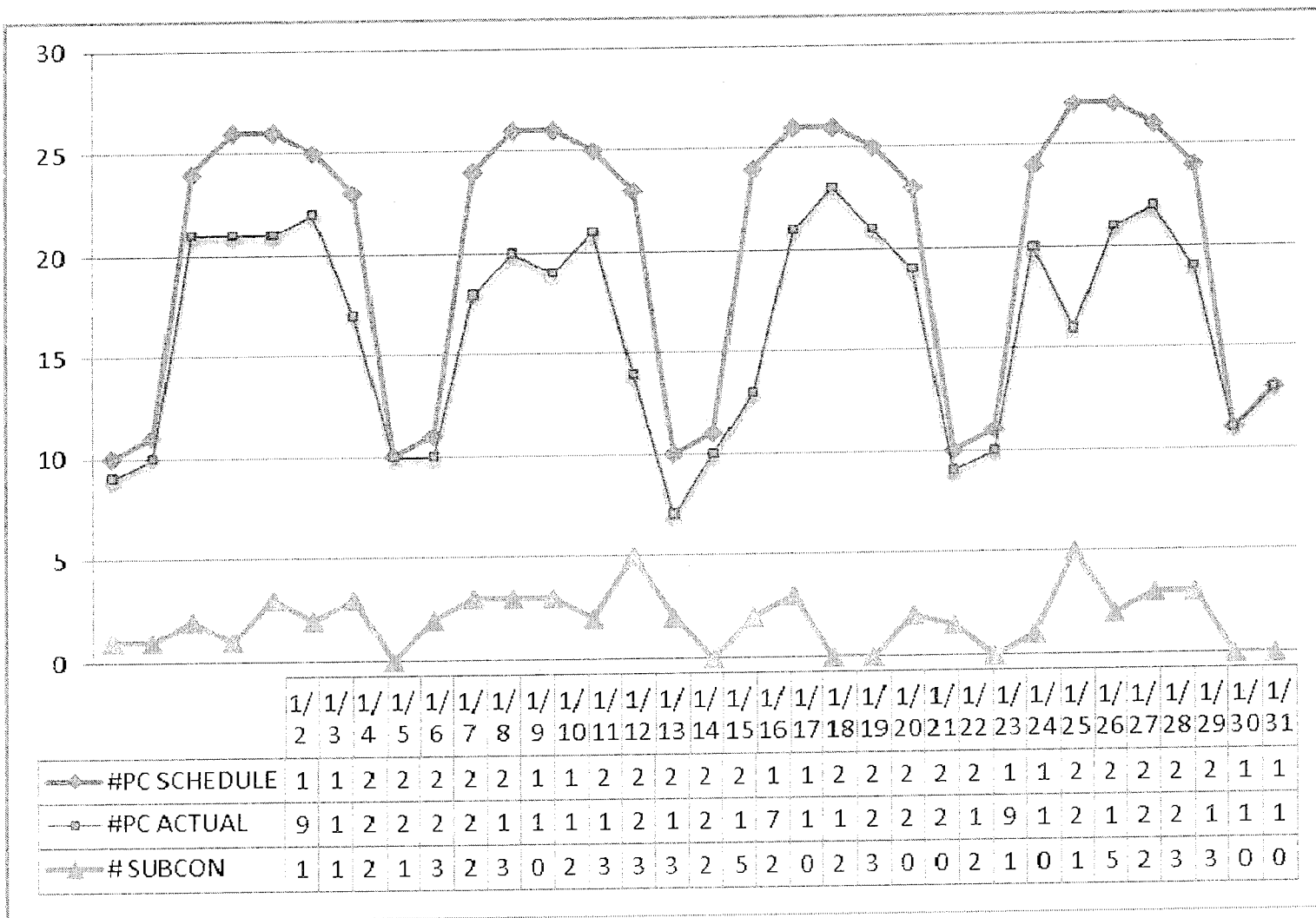
# DRIVERS vs. SUBCONTRACTOR RIDES – DEC 2009



5-5.91

Attachment 5

# DAILY DRIVER vs. SUBCONTRACTOR RIDES - JAN 2010



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OUT OF DATABASE	UNRESTRICTED	RESTRICTED CONDITIONAL	RESTRICTED TRIP BY TRIP	TEMPORARY	VISITOR	DCSD	TOTAL
1/1/2005 to 12/31/2005	189	30	12	33	6	283	553
1/1/2006 to 12/31/2006	466	39	24	47	17	384	977
1/1/2007 to 12/31/2007	264	26	19	53	22	173	557
1/1/2008 to 12/31/2008	308	17	19	57	18	58	477


INTO DATABASE	UNRESTRICTED	RESTRICTED CONDITIONAL	RESTRICTED TRIP BY TRIP	TEMPORARY	VISITOR	TOTAL	DENIED
1/1/2005 to 12/31/2005	428	16	34	48	6	532	28
1/1/2006 to 12/31/2006	356	13	47	49	17	482	4
1/1/2007 to 12/31/2007	442	29	93	46	22	632	6
1/1/2008 to 12/31/2008	400	59	57	23	18	557	12

MONTHLY ASSESSMENTS - 2009						
	UNRESTRICTED	RESTRICTED CONDITIONAL	RESTRICTED TRIP BY TRIP	TEMPORARY	DENIED	TOTAL
JANUARY	30	5	0	9	2	46
FEBRUARY	28	2	0	5	1	36
MARCH	40	3	3	4	0	50
APRIL	21	2	2	2	0	27
MAY	45	4	1	0	0	50
JUNE	44	9	1	0	2	56
JULY	36	5	5	1	0	47
AUGUST	28	4	5	3	1	41
SEPTEMBER	33	2	4	4	0	43
OCTOBER	28	8	8	5	0	49
NOVEMBER	32	6	1	4	0	43
DECEMBER	30	3	2	2	0	37
JANUARY	35	1	6	4	0	46

NUMBER OF ELIGIBLE RIDERS	
YEAR	ACTIVE
2005	5336
2006	5315
2007	4820
2008	4895
2009	5291



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager   
**SUBJECT: SANTA CRUZ METRO SYSTEM RIDERSHIP AND PERFORMANCE REPORT FOR JANUARY 2010**

## I. RECOMMENDED ACTION

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

## II. SUMMARY OF ISSUES

- Total ridership for the month of January 2010 was 518,086. Which is a decrease of 34,222 riders or -6.1% versus January 2009.
- FY10 YTD ridership is down 205,510 riders or -6.0% compared to FY09 YTD.
- The top three routes in terms of percent increase (with at least 800 riders) are: Route 20D-Supplemental, Route 27X-University Express, and University Night Owl Service.
- The top three routes in terms of percent decrease (with at least 800 riders) are: Route 74-Ohlone Parkway/Rolling Hills, Route 76-Corralitos/Buena Vista, and Route 70-Santa Cruz/Cabrillo.
- There were 11.10 hours of dropped service amounting to 196.58 miles of dropped service in January 2010.
- The Bus Operator Lift Test for January resulted in 100% of all lifts working properly on all pull-out buses. Eighteen (18) buses reported issues with lifts while in service.

## III. DISCUSSION

In the nineteen (19) weekdays, ten (10) weekend days, and two (2) holidays of January 2010, Santa Cruz METRO's total ridership was 518,086 riders. This was a loss from the previous year, decreasing by 34,222 riders or -6.1%. Gasoline prices in January 2009 were \$3.85 and beyond per gallon, while January 2010 gasoline averaged close to \$2.97 per gallon. This variance in price, along with unemployment in Santa Cruz County at nearly 15% in January 2010, has decrease the demand for public transportation which most likely explains the drop in overall ridership. In total, FY10 YTD ridership is 3,151,955 which is down 205,510 riders from the FY09 YTD ridership of 3,353,465 or simply -6.0%.

Routes 20D, 27X, and University Nigh Owl service all saw a strong increase from the previous January, gaining at least 9.3% ridership increase from January 2009. Increases on board all these

5-6.1

routes are most likely due to an increase of UCSC students using transit service during stormy weather and to acclimate to new class schedules.

Routes 74, 76, and 70 have seen significant recessions and have contributed to poor ridership with a combining loss of 1,562 riders or -17.7% to these routes. Each of these under performing routes has their unique issues. Route 74, which drives along Ohlone Parkway in Watsonville, has dropped ridership due to a lack high school students who were out of school for winter break. Route 76, a weekend only route in Watsonville, has lost popularity and lacks proper frequency to be properly utilized. Finally, Route 70-Santa Cruz/Cabrillo, has seen a drop in ridership that is most likely due to less school term days at Cabrillo College in January 2010 than in January 2009.

There were 11.10 dropped service hours amounting to 196.58 miles of dropped service mostly due to construction and weather detours.

In January 2010, the Bus Operator Lift Tests resulted in 100% of all pull out buses having properly functioning passenger lifts. During service, eighteen (18) buses reported issues with the passenger lifts.

#### **IV. FINANCIAL CONSIDERATIONS.**

Revenue derived from passenger fares and passes are reflected in the FY10 Revenue.

#### **V. ATTACHMENTS**

- Attachment A: January 2010 Ridership Report**
- Attachment B: January 2009 Ridership Report**
- Attachment C: FYTD % Change in Ridership**
- Attachment D: Route by Route Ridership**
- Attachment E: Dropped Service for FY10**
- Attachment F: Bus Operator Lift Test \*Pull-Out\***
- Attachment G: In Service Passenger Lift Problems**

Prepared by: Erich Friedrich, Provisional Transit Planner.  
Date Prepared: March 16, 2010

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Santa Cruz METRO  
January 2010 Ridership Report

ROUTE	Miles	Hours	UC Student	UC Staff	Cabrillo	Full Fare	Tickets	S/D Fare	Day Pass	S/D Day Pass	Passes/Free Fare	Pacific Shores	Total Ridership	Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike
10	5,072.54	424.66	29,934	1,464	50	1,066	44	64	21	17	918	3	33,581	6.62	79.08	43	775
13	2,088.48	178.60	13,523	556	8	270	9	17	3	0	309	1	14,696	7.04	82.28	1	319
15	7,183.58	603.30	45,589	1,567	30	1,111	41	65	9	6	920	8	49,346	6.87	81.79	10	1078
16	14,776.69	1,197.99	98,008	2,917	72	3,449	104	181	27	14	2,493	7	107,272	7.26	89.54	37	2450
19	5,470.06	412.96	28,263	881	37	1,016	44	86	6	9	945	6	31,293	5.72	75.78	7	706
3	2,158.78	156.43	380	93	37	673	56	109	15	14	1,299	81	2,757	1.28	17.62	17	63
4	1,489.32	154.85	267	68	32	398	196	201	13	24	2,769	5	3,973	2.67	25.66	79	71
7	989.90	88.67	66	16	19	169	31	63	3	21	520	2	910	0.92	10.26	11	14
9	411.96	21.85	9	22	0	87	6	3	0	1	269	0	397	0.96	18.17	1	0
12A	250.12	18.05	999	117	0	21	0	2	2	1	20	0	1,162	4.65	64.38	0	33
20	6,079.87	405.01	22,553	874	52	1,304	96	164	20	10	1,495	145	26,713	4.39	65.96	22	571
27x	1,546.16	132.00	5,732	182	19	83	0	5	0	0	136	0	6,157	3.98	46.64	0	183
31	2,055.17	108.30	103	37	13	438	23	24	13	2	757	2	1,412	0.69	13.04	23	71
32	679.10	40.22	14	7	0	216	6	6	0	0	281	0	530	0.78	13.18	1	18
33	423.81	19.55	2	0	0	89	4	1	1	3	140	0	240	0.57	12.28	0	1
34	237.32	15.01	0	0	0	78	4	0	0	0	117	0	199	0.84	13.26	0	0
35	37,728.46	1,892.49	1,407	375	117	10,852	691	1,048	265	120	19,406	13	34,294	0.91	18.12	71	1274
40	2,414.06	98.29	45	7	3	640	12	37	12	6	440	0	1,202	0.50	12.23	1	25
41	2,872.40	119.16	311	66	16	512	14	31	8	0	548	0	1,506	0.52	12.64	0	108
42	3,388.24	125.92	223	14	11	463	11	44	1	0	284	9	1,060	0.31	8.42	2	118
53	1,057.92	74.73	11	6	5	165	8	59	2	13	375	1	645	0.61	8.63	26	12
54	2,076.45	117.37	14	7	4	231	20	76	2	6	424	0	784	0.38	6.68	4	28
55	2,562.34	174.17	42	12	90	527	41	123	17	24	1,254	1	2,131	0.83	12.24	51	20
56	2,000.51	88.35	7	6	84	245	15	67	6	4	434	0	868	0.43	9.82	9	19
66	6,516.40	559.52	1,749	288	47	4,478	360	652	85	61	6,916	3	14,639	2.25	26.16	194	505
68	4,973.24	405.76	1,724	224	38	2,673	174	328	56	21	4,420	3	9,661	1.94	23.81	92	213
68N	1,846.50	132.99	550	35	7	808	17	50	0	0	751	1	2,219	1.20	16.69	12	136
69	3,199.15	288.54	1,183	257	91	2,107	169	303	52	38	3,393	14	7,607	2.38	26.36	62	276
69A	14,492.39	776.63	1,539	400	139	8,305	721	1,107	106	95	9,052	4	21,468	1.48	27.64	187	804
69N	1,576.91	126.65	465	51	8	504	19	34	0	0	688	1	1,770	1.12	13.98	8	82
69W	14,023.58	778.84	1,930	456	477	7,928	551	919	106	90	9,383	12	21,852	1.56	28.06	178	871
70	2,734.20	224.83	247	64	237	975	91	128	11	8	1,861	9	3,631	1.33	16.15	16	91
71	48,124.37	2,749.44	3,076	959	1,024	22,813	1,972	2,805	259	253	24,534	33	57,728	1.20	21.00	233	2328
72	4,997.08	241.62	10	17	16	1,216	79	239	20	19	1,054	0	2,670	0.53	11.05	20	92
74	3,056.13	178.92	2	13	6	885	63	189	12	17	678	0	1,865	0.61	10.42	4	14
75	6,598.80	397.50	41	45	26	2,899	172	497	50	54	2,500	0	6,284	0.95	15.81	79	178
76	2,312.73	121.91	13	14	0	376	20	86	8	9	434	0	960	0.42	7.87	0	2
79	1,490.60	87.08	16	7	44	435	60	133	20	32	574	0	1,321	0.89	15.17	80	
88																	
91x	5,349.56	230.01	219	108	212	989	214	71	40	10	1,218	29	3,110	0.58	13.52	11	175
UC Supp.	1,801.13	111.19	8,391	356	1	72	3	0	0	0	25	2	8,850	4.91	79.59	2	117
Night Owl	1,476.17	89.87	5,182	33	9	332	9	8	0	0	55	0	5,628	3.81	62.62	1	138
TOTAL	229,582.13	14,169.23	273,839	12,621	3,081	81,898	6,170	10,025	1,271	1,002	104,089	395	494,391	2.15	34.89	1,595	14,009
ROUTE	VTA/SC	ECO	Full	S/D	17	Passes/Free	RIDERSHIP		Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike					
ROUTE	Day Pass	CaTrain	Pass	Fare	Tickets	Riders	Day Pass	Free Rides	Per Mile	Per Hour	Wheelchair	Bike					
17	47,823.82	1,519.48	86	79	200	11,175	1,115	1,484	111	9,445	23,695	0.50	15.59	58	126		

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January Ridership 518,086

Santa Cruz METRO  
January 2009 Ridership Report

ROUTE	Miles	Hours	UC Student	UC Staff Faculty	Cabrillo	Full Fare	Cash/S/D Tickets	S/D Day Pass	Passes/Free Rides	Pacific Shores	Total Ridership	Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike			
10	5,165.26	434.33	34,423	1,542	68	1,133	61	61	9	1	1,014	12	39,524	7.39	88.24	25	958	
13	1,978.56	169.20	15,491	600	20	349	8	11	4	3	344	0	16,830	8.51	99.47	2	408	
15	6,872.16	577.40	47,575	1,619	164	1,235	57	49	10	4	1,111	0	51,824	7.54	89.75	18	1,295	
16	14,577.15	1,197.97	97,403	3,272	185	3,932	112	144	25	8	2,853	9	107,943	7.40	90.10	48	2,632	
19	5,427.57	409.26	28,056	1,068	59	1,140	43	81	7	20	1,015	3	31,492	5.80	76.95	13	822	
3	2,272.40	164.66	532	87	107	555	82	107	21	40	1,509	61	3,101	1.36	18.83	5	80	
4	1,415.10	146.66	279	56	37	481	310	243	6	20	3,645	5	5,082	3.59	34.65	35	131	
7	1,042.00	93.34	290	31	9	91	25	47	3	9	635	1	1,141	1.10	12.22	11	10	
9	433.64	23.00	31	11	3	94	10	5	0	2	175	0	331	0.76	14.39	0	9	
12A	236.95	17.10	1,213	37	2	26	2	2	0	1	7	0	1,290	5.44	75.44	0	36	
20	5,823.17	388.07	23,420	794	114	1,211	76	107	10	0	1,575	114	27,421	4.71	70.68	21	585	
27x	1,265.04	108.00	4,989	207	5	87	2	2	1	0	116	0	5,409	4.28	50.08	1	271	
31	2,131.64	110.66	84	53	47	584	48	24	5	1	873	2	1,701	0.80	15.37	7	137	
32	714.84	42.34	6	4	5	203	13	7	1	0	293	1	533	0.75	12.59	1	12	
33	423.81	19.55	1	12	0	124	34	0	0	0	205	0	378	0.89	19.23	0	3	
34	237.32	15.01	8	7	1	94	4	1	0	0	163	0	278	1.17	18.52	1	10	
35	37,977.79	1,905.25	1,375	394	432	13,309	653	1,251	328	137	21,507	1	39,387	1.04	20.67	50	1,867	
40	2,434.00	98.99	28	18	8	606	24	32	13	11	675	1	1,416	0.56	14.30	0	43	
41	2,971.35	123.33	295	107	24	633	24	15	7	1	479	11	1,596	0.54	12.94	0	166	
42	3,388.70	125.84	240	15	25	465	21	40	4	2	324	8	1,144	0.34	9.09	1	102	
53	1,113.60	78.66	19	17	5	154	7	61	7	9	460	4	743	0.67	9.45	22	20	
54	2,166.70	126.66	23	10	22	209	10	77	9	8	475	0	843	0.39	6.66	17	15	
55	2,697.20	183.34	28	19	342	582	52	100	13	23	1,421	1	2,581	0.96	14.08	38	82	
56	2,105.80	93.00	5	8	107	239	12	56	11	2	473	0	913	0.43	9.82	10	28	
66	6,520.38	560.84	1,774	323	183	4,848	284	724	99	49	7,499	12	15,795	2.42	28.16	125	463	
68	5,001.40	408.51	1,892	317	85	2,707	186	398	64	26	5,300	3	10,978	2.19	26.87	76	290	
68N	1,846.50	132.99	688	47	18	723	16	40	1	0	757	0	2,290	1.24	17.22	7	139	
69	3,346.70	302.17	1,202	273	112	2,683	193	307	46	17	4,122	12	8,967	2.68	29.68	68	286	
69A	14,532.19	780.16	1,441	412	202	9,009	760	1,236	109	101	9,243	9	22,522	1.65	28.87	156	823	
69N	1,659.90	133.32	438	67	35	563	10	38	0	0	758	2	1,911	1.15	14.33	17	121	
69W	14,100.52	784.67	1,834	443	1,014	8,580	580	979	138	78	10,587	26	24,259	1.72	30.92	119	859	
70	2,734.20	224.83	216	60	839	1,130	122	175	25	16	2,274	9	4,866	1.78	21.64	20	142	
71	48,586.77	2,777.17	3,271	994	2,512	24,849	1,924	2,980	281	289	25,132	79	62,311	1.28	22.44	257	2,946	
72	5,260.08	254.34	11	17	28	1,429	79	270	25	22	1,040	0	2,921	0.56	11.48	19	64	
74	3,216.98	188.34	5	19	3	1,344	103	238	18	26	896	0	2,652	0.82	14.08	12	22	
75	6,598.80	397.50	42	37	41	3,354	146	544	67	72	2,244	0	6,547	0.99	16.47	40	153	
76	2,102.48	110.73	32	11	6	554	44	84	11	13	529	3	1,287	0.61	11.62	3	31	
79	1,569.26	91.66	4	24	3	555	74	241	18	58	679	0	1,656	1.06	18.07	47	21	
88	798.48	80.01	11	1	1	11	4,077	1	0	0	913	0	5,015	6.28	62.68	4	5	
91x	5,600.48	240.83	388	117	339	1,163	228	115	59	22	1,493	1	3,925	0.70	16.30	5	214	
UC Supp.	1,875.71	116.94	7,189	302	4	112	0	6	2	0	123	2	7,740	4.13	66.19	1	114	
Night Owl	1,534.81	121.68	4,661	37	15	337	5	4	0	0	88	1	5,148	3.35	42.31	0	147	
TOTAL	231,797.38	14,358.31	280,913	13,489	7,231	91,467	10,521	10,903	1,457	1,091	115,024	393	532,489	2.30	37.09	1,302	16,562	
ROUTE	VTA/SC		ECO		Full		S/D		17		Passes/		RIDERSHIP		Passengers		Passengers	
ROUTE	Day Pass	CalTrain	Pass	Fare	Tickets	Riders	Day Pass	Free Rides	Free Rides	Shores	Ridership	Per Mile	Per Hour	Wheelchair	Bike			
17	48,685.04	1,552.32	85	80	286	11,206	1,185	1,350	121	10,521	24,834	0.51	16.00	70	1,106			

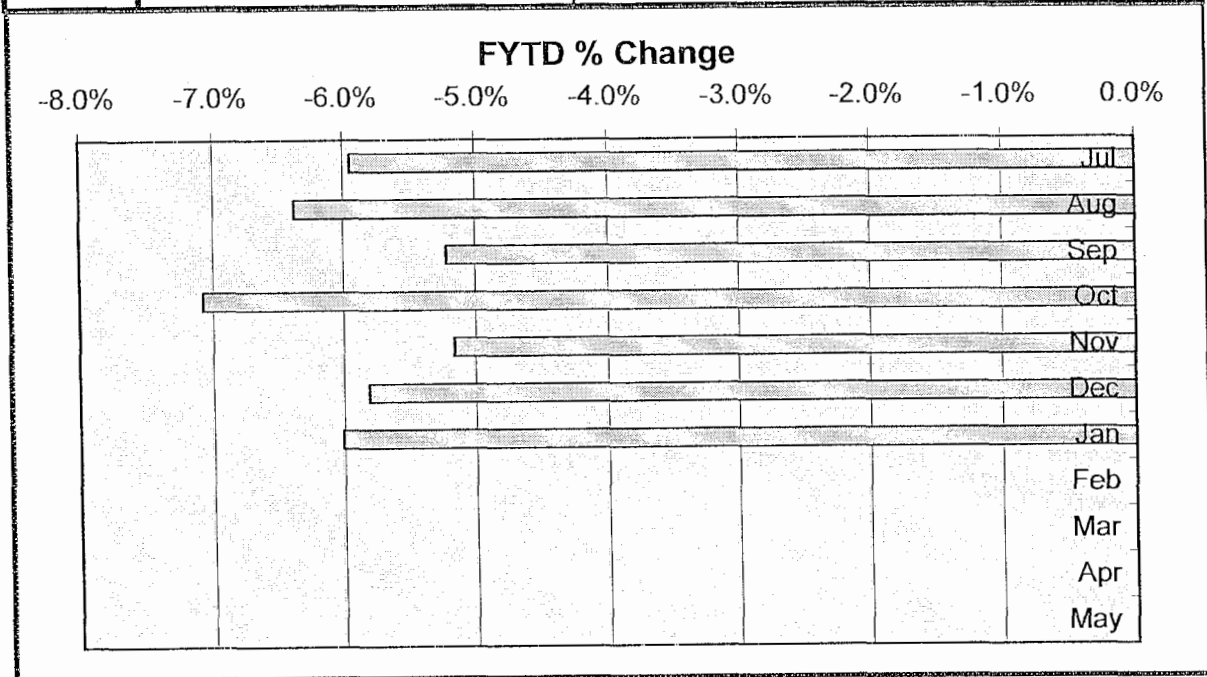
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January Ridership 557,323

Alto...  
100

FYTD % Change in Ridership  
Through January 2010

	FY10 YTD Ridership	FY09 YTD Ridership	% Change
Jul	335,537	356,739	-5.9%
Aug	650,763	695,099	-6.4%
Sep	1,107,101	1,167,955	-5.2%
Oct	1,756,415	1,890,113	-7.1%
Nov	2,286,450	2,410,825	-5.2%
Dec	2,633,869	2,796,142	-5.8%
Jan	3,151,955	3,353,465	-6.0%
Feb			
Mar			
Apr			
May			
Jun			



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## Route by Route Ridership

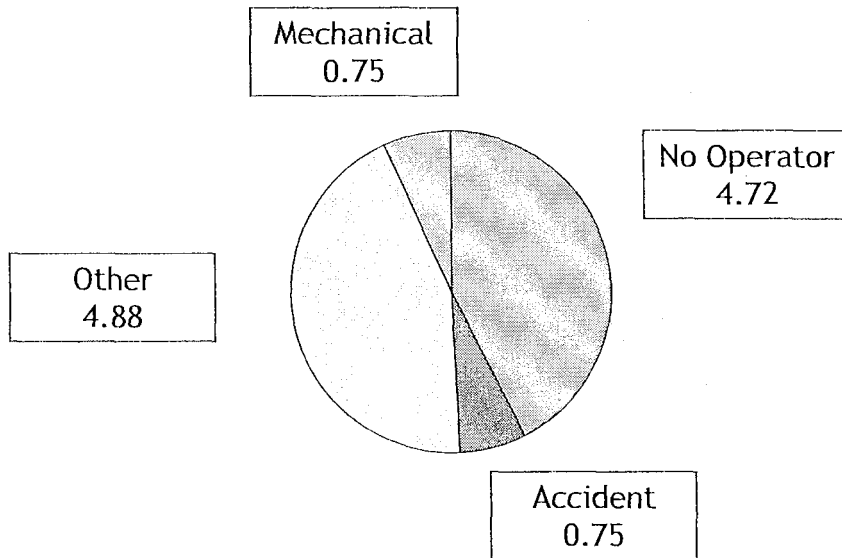
January 2010						
	Route	Destination	FY10 Riders	FY09 Riders	+/- from last year	%
1	9	Prospect Heights	397	331	66	19.9%
2	20D	Route 20 Supplemental	8,850	7,740	1,110	14.3%
3	27x	University Express	6,157	5,409	748	13.8%
4	N/O	University Night Owl	5,628	5,148	480	9.3%
5	32	Santa Cruz/Scotts Valley	530	533	-3	-0.6%
6	16	University via Laurel East	107,272	107,943	-671	-0.6%
7	19	University via Lower Bay	31,293	31,492	-199	-0.6%
8	20	University via Westside	26,713	27,421	-708	-2.6%
9	68N	Beach/Broadway/Portola Night	2,219	2,290	-71	-3.1%
10	75	Green Valley	6,284	6,547	-263	-4.0%
11	17	Santa Cruz/San Jose	23,695	24,834	-1,139	-4.6%
12	69A	Santa Cruz/Capitola/ Watsonville	21,468	22,522	-1,054	-4.7%
13	15	University via Laurel West	49,346	51,824	-2,478	-4.8%
14	56	Capitola/La Selva	868	913	-45	-4.9%
15	41	Bonny Doon	1,506	1,596	-90	-5.6%
16	54	Capitola/Aptos/La Selva	784	843	-59	-7.0%
17	66	Live Oak via 17th Avenue	14,639	15,795	-1,156	-7.3%
18	42	Davenport/Bonny Doon	1,060	1,144	-84	-7.3%
19	71	Watsonville/Santa Cruz	57,728	62,311	-4,583	-7.4%
20	69N	Santa Cruz/Capitola Cabrillo Night	1,770	1,911	-141	-7.4%
21	72	Corralitos	2,670	2,921	-251	-8.6%
22	69W	Santa Cruz/Capitola/Cabrillo Watsonville	21,852	24,259	-2,407	-9.9%
23	12	University/Eastside Direct	1,162	1,290	-128	-9.9%
24	3	Natural Bridges	2,757	3,101	-344	-11.1%
25	68	Live Oak via Broadway/Portola	9,661	10,978	-1,317	-12.0%
26	10	University via High St.	33,581	38,324	-4,743	-12.4%
27	13	University via Walnut	14,696	16,830	-2,134	-12.7%
28	35	San Lorenzo Valley	34,294	39,387	-5,093	-12.9%
29	53	Capitola/Dominican	645	743	-98	-13.2%
30	40	Davenport	1,202	1,416	-214	-15.1%
31	69	Santa Cruz/Capitola	7,607	8,967	-1,360	-15.2%
32	31	Santa Cruz/Scotts Valley	1,412	1,701	-289	-17.0%
33	55	Capitola/Rio Del Mar	2,131	2,581	-450	-17.4%
34	79	East Lake	1,321	1,656	-335	-20.2%
35	7	Beach St	910	1,141	-231	-20.2%
36	91	Santa Cruz-Watsonville Express	3,110	3,925	-815	-20.8%
37	4	Harvey West/Emeline	3,973	5,082	-1,109	-21.8%
38	70	Santa Cruz/Cabrillo	3,631	4,866	-1,235	-25.4%
39	76	Corralitos/Buena Vista	960	1,287	-327	-25.4%
40	34	South Felton	199	278	-79	-28.4%
41	74	Ohlone Parkway/Rolling Hills	1,865	2,652	-787	-29.7%
42	33	Lompico	240	376	-136	-36.2%
43	88	Armory	0	5,015	-5,015	N/A
<b>TOTALS</b>			<b>518,086</b>	<b>557,323</b>	<b>-34,222</b>	<b>-6.1%</b>

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Dropped Service for FY10

	FY07		FY08		FY09		FY10	
	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles
July	5.02	96.88	5.53	90.97	81.53	1482.81	10.35	208.64
August	15.02	276.46	4.93	110.45	1.13	23.95	32.77	894.57
September	11.30	160.72	9.00	191.05	11.50	194.51	17.30	240.17
October	37.52	540.19	9.52	122.24	29.75	555.98	13.02	234.98
November	37.55	477.48	3.32	45.89	11.60	59.92	14.75	180.63
December	6.08	143.84	18.97	241.87	1.58	26.64	9.40	220.62
January	12.24	188.23	49.20	453.86	0.97	10.95	11.10	196.58
February	13.07	188.23	53.53	717.31	25.18	488.75		
March	7.13	133.30	22.50	315.63	18.73	452.08		
April	4.85	43.67	40.75	586.55	19.57	310.04		
May	16.00	241.42	16.40	246.82	19.33	284.60		
June	62.19	802.29	52.05	882.35	5.85	73.64		
<b>TOTAL</b>	<b>227.96</b>	<b>3,292.71</b>	<b>285.70</b>	<b>4,004.99</b>	<b>226.74</b>	<b>3,963.85</b>	<b>111.65</b>	<b>2,214.15</b>

Dropped Service Breakdown for January 2010



5-6.e1

January 2010

BUS OPERATOR LIFT TEST \*PULL-OUT\*

	A	B	C	D	E	F	
VEHICLE CATEGORY	TOTAL BUSES	AVG # DEAD IN GARAGE	AVG # AVAIL. FOR SERVICE	AVG # IN SERVICE	AVG # SPARE BUSES	AVG # LIFTS OPERATING	% LIFTS WORKING ON PULL-OUT BUSES
FLYER/LOW FLOOR - 35'	18	2	16	9	7	9	100%
FLYER/LOW FLOOR - 40'	12	2	10	7	3	7	100%
FLYER/HIGHWAY 17 - 40'	7	2	5	0	5	0	100%
ORION/HIGHWAY 17 - 40'	11	3	8	7	1	7	100%
CNG/HIGHWAY 17 - 40'	5	1	4	2	2	2	100%
CNG NEW FLYER - 40'	18	4	14	12	2	12	100%
DIESEL CONVERSION - 35'	15	4	11	10	1	10	100%
DIESEL CONVERSION - 40'	14	2	12	9	2	9	100%
GILLIG/SAM TRANS - 40'	10	2	8	4	4	4	100%
GOSHEN	1	0	1	1	0	1	100%
TROLLEY	1	0	1	0	1	0	100%

5-6.f.1

Attachment E



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

## PASSENGER LIFT PROBLEMS

Attachment **G**

MONTH OF JANUARY 2010

BUS #	DATE	DAY	REASON
2207 CNG LFF 40	3-Jan	Sunday	Won't kneel on 1st try
2219 D/C LF 35	4-Jan	Monday	Ramp only works sometimes
2219 D/C LF 35	5-Jan	Tuesday	Ramp working intermittently
2219 D/C LF 35	7-Jan	Wednesday	Ramp doesn't want to deploy at times you need to do it manually
2601	8-Jan	Thursday	Kneel not working
9837 GIL 40	8-Jan	Thursday	Lift switch and kneel switch are dead. No response
9808 LFF 35	10-Jan	Sunday	No warning beep on kneel up or down
2309 17 ORI 40	10-Jan	Sunday	Front kneel/reverse siren out again
2810	11-Jan	Monday	Wheelchair restraint not working stree side
2406	13-Jan	Wednesday	Securement tracks full of dirt
2223 D/C LF 35	14-Jan	Thursday	Curbside W/C ? Is ? - will not rotate
9829 LFF 40	16-Jan	Saturday	Lift does not deploy properly, takes a long time or needs help to move
9812 LFF 35	20-Jan	Wednesday	Kneel siren does not sound
9830 LFF 40	21-Jan	Thursday	Beeper not working for ramp (second entry stated beeper was working now)
2220 D/C LF 35	24-Jan	Sunday	Screw missing from yellow strip front door-raised and can be a tripping hazard.
2230 D/C LF 40	24-Jan	Sunday	Kneel switch 1/2 broken.
9828 LFF 40	26-Jan	Tuesday	No beeper/or very faint when knelt/ramp deployed.
2217 D/C LF 35	27-Jan	Wednesday	Ramp won't stow automatically.
2208 CNG LFF 40	29-Jan	Friday	Can't get seat on door side to go up for W/C
2807	29-Jan	Friday	Red "flip" cover over kneel toggle switch is worn/not functioning well.
2208 CNG LFF 40	31-Jan	Sunday	Check leak in kneel airbag.

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

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

5-6.g1

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager

**SUBJECT: HIGHWAY 17 EXPRESS SERVICE REPORT FOR JANUARY 2010**

## I. RECOMMENDED ACTION

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

## II. SUMMARY OF ISSUES

- Total ridership for the month of January 2010 was 23,695. Which is an decrease of 1,140 riders or -4.6% from January 2009.
- FY10 average ridership per weekday was 932. This is an 7.3% decrease from FY09
- FY10 riders per revenue hour was 15.96 riders per hour, which is a 8.3% decrease from FY09.
- January 2010 Highway 17 Express operating costs was \$145,542.10 with January 2010 fare revenue at \$84,711.72 and additional funds from AMTRAK and SJSU at \$11,196.61 resulting in a 65.9% cost recovery ratio.

## III. DISCUSSION

In the nineteen (19) weekdays, ten (10) weekend days, and two (2) holidays of January 2010, the Highway 17 Express total ridership was 23,695 riders. This was a loss from the previous year, decreasing by 1,140 riders or simply -4.6%.

FY10 average weekday ridership on the Highway 17 Express was 932 riders per weekday, a 7.3% decrease from 1,006 riders per weekday in FY09. Simultaneously Highway 17 Express has seen an 8.3% decrease in riders per revenue hour from 17.41 riders per revenue hour to 15.96 riders per revenue hour. These decreases in ridership are most likely due to much lower gasoline prices in January 2010 than in January 2009 as well as an increase in unemployment in both Santa Clara and Santa Cruz counties.

The operating cost of the Highway 17 Express for January 2010 was \$145,542.10. A respectable 65.9% of the operating costs were recovered from fare revenue of \$84,711.72 and additional funds from AMTRAK and SJSU of \$11,196.61 totaling to \$95,911.33 in January 2010. Please see attachments regarding these figures.

## IV. FINANCIAL CONSIDERATIONS.

Revenue derived from passenger fares and passes are reflected in the FY10 Revenue.

5-7.1

**V. ATTACHMENTS**

- Attachment A: Highway 17 Express Operating Statistics Summary Fiscal Year 2010**  
**Attachment B: Highway 17 Express Revenue & Expenditure Summary**  
**Attachment C: Highway 17 Express Operating Statistics Summary Fiscal Year 2009**

Prepared by: Erich Friedrich, Provisional Transit Planner.  
Date Prepared: March 16, 2010

5-7.2

# HIGHWAY 17 EXPRESS OPERATING STATISTICS SUMMARY

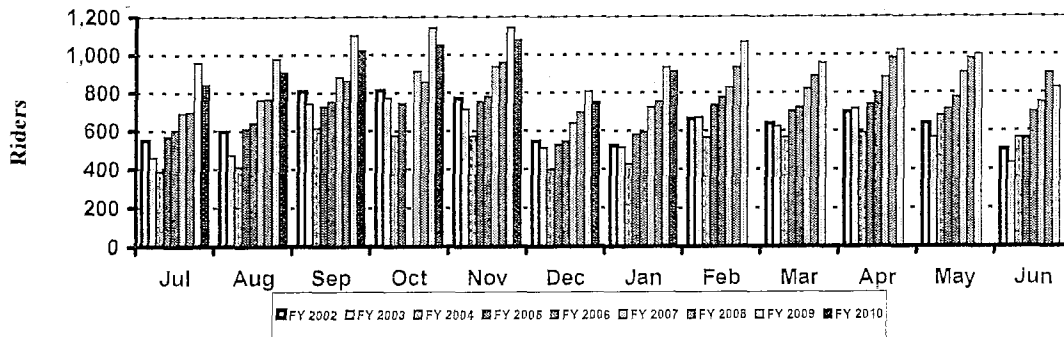
FISCAL YEAR 2010

MONTHLY	Jul-2009	Aug-2009	Sep-2009	Oct-2009	Nov-2009	Dec-2009	Jan-2010	Feb-2010	Mar-2010	Apr-2010	May-2010	Jun-2010
Total Ridership	23,566	24,127	26,172	29,411	27,204	19,484	23,695					
Avg. Weekday Ridership	842	908	1,020	1,049	1,076	747	911					
Avg. Saturday Ridership	533	510	522	652	544	387	510					
Avg. Sunday Ridership	519	502	535	767	656	300	489					
Total Service Days	31	31	30	31	30	31	31					
Number of Weekdays	23	21	21	22	19	22	20					
Number of Saturdays	4	5	4	5	4	4	5					
Numbers of Sundays	4	5	5	4	7	5	6					
Revenue Hours	1,618	1,552	1,523	1,590	1,482	1,585	1,527					

QUARTERLY	Q1			Q2			Q3			Q4		
Total Ridership	73,865			76,099								
Avg. Weekday Ridership	921			952								
Avg. Saturday Ridership	521			537								
Avg. Sunday Ridership	519			573								
Revenue Hours	4,694			4,657								

FYTD	Jul-2009	Aug-2009	Sep-2009	Oct-2009	Nov-2009	Dec-2009	Jan-2010	Feb-2010	Mar-2010	Apr-2010	May-2010	Jun-2010
Total Ridership	23,566	47,693	73,865	103,276	130,480	149,964	173,659					
Avg. Weekday Ridership	842	873	921	953	975	936	932					
Avg. Saturday Ridership	533	520	521	557	555	529	526					
Avg. Sunday Ridership	519	510	519	574	597	547	538					
Revenue Hours	1,618	3,170	4,694	6,283	7,765	9,351	10,878					

HIGHWAY 17 EXPRESS  
Average Weekday Ridership History



FYTD COMPARISON  
2010 vs. 2009

	FY 2010	FY 2009	Percent Change
# of Weekdays	148	148	0.0%
Total Ridership	173,659	185,317	-6.3%
Avg. Wkday Ridership	932	1,006	-7.3%
Avg Sat Ridership	526	549	-4.1%
Avg Sun Ridership	538	540	-0.5%
Revenue Hours	10,878	10,646	2.2%
Riders Per Rev. Hour	15.96	17.41	-8.3%

5-7.01

Attachment A

**HIGHWAY 17 EXPRESS**  
**REVENUE & EXPENDITURE SUMMARY**  
**FISCAL YEAR 2010**

PERIOD	TOTAL COST *	REVENUE								RATIOS				VTA COST SUMMARY			JPA COST SUMMARY		
		PASSENGER FARE REVENUE					ADDITIONAL FUNDS			TOTAL REVENUE	Ridership	Average Fare per Rider	Total Cost per Rider	Cost Recovery	Billed to VTA	VTA Fare Revenue	VTA Net Cost	TOTAL JPA Cost	JPA Cost per Rider
		FAREBOX	SCMTD Pass Sales	VTA Pass Sales	VTA EcoPass	Total Fare Revenue	SJSU** Funded	AMTRAK Funded											
Jul '09	\$155,343.40	\$54,382.61	\$14,362.50	\$9,810.00	\$1,120.00	\$79,675.11		\$10,361.00	\$90,036.11	23,568	\$3.38	\$6.59	58.0%	\$43,583.65	\$10,930.00	\$32,653.65	\$65,307.29	\$2.77	
Aug '09	\$148,122.32	\$57,058.06	\$15,222.50	\$9,360.00	\$940.00	\$62,580.56	\$279.28	\$10,361.00	\$93,220.84	24,127	\$3.42	\$6.14	62.9%	\$37,750.74	\$10,300.00	\$27,450.74	\$54,901.48	\$2.28	
Sep '09	\$145,713.48	\$56,350.07	\$17,092.50	\$17,460.00	\$828.00	\$91,730.57	\$2,117.95	\$10,348.15	\$104,196.68	26,172	\$3.50	\$5.57	71.5%	\$39,046.40	\$18,288.00	\$20,758.40	\$41,516.80	\$1.59	
Oct '09	\$152,325.81	\$63,785.70	\$18,733.50	\$15,750.00	\$924.00	\$99,193.20	\$2,489.96	\$10,460.59	\$112,143.75	29,411	\$3.37	\$5.18	73.6%	\$36,765.03	\$16,674.00	\$20,091.03	\$40,182.06	\$1.37	
Nov '09	\$141,545.21	\$67,168.82	\$17,159.50	\$15,930.00	\$716.00	\$100,974.32	\$2,198.20	\$10,870.85	\$114,043.37	27,204	\$3.71	\$5.20	80.6%	\$30,396.92	\$16,646.00	\$13,750.92	\$27,501.84	\$1.01	
Dec '09	\$151,732.86	\$49,562.08	\$14,356.00	\$9,630.00	\$480.00	\$74,028.08	\$1,726.58	\$10,371.00	\$86,125.64	19,484	\$3.80	\$7.79	56.8%	\$42,913.61	\$10,110.00	\$32,803.61	\$65,607.22	\$3.37	
Jan '10	\$145,542.10	\$58,924.22	\$15,357.50	\$9,630.00	\$800.00	\$84,711.72	\$655.52	\$10,544.09	\$95,911.33	23,695	\$3.58	\$6.14	65.9%	\$35,245.38	\$10,430.00	\$24,815.38	\$49,630.77	\$2.09	
<b>FYTD 2010</b>	\$1,040,325.17	\$407,231.56	\$112,284.00	\$87,570.00	\$5,808.00	\$612,893.56	\$9,467.48	\$73,316.68	\$695,677.72	173,659	\$3.53	\$5.99	66.9%	\$265,701.73	\$93,378.00	\$172,323.73	\$344,647.45	\$1.98	
<b>FYTD 2009</b>	\$1,038,026.97	\$384,902.06	\$111,404.50	\$110,790.00	\$7,624.00	\$614,720.56	\$10,387.12	\$71,335.10	\$686,442.78	185,317	\$3.32	\$5.60	67.1%	\$289,206.11	\$118,414.00	\$170,792.11	\$341,584.19	\$1.84	
<b>Percent Change</b>	0.2%	5.8%	0.8%	-21.0%	-23.6%	-0.3%	-8.9%	2.6%	-0.1%	-6.3%	6.4%	6.9%	-0.3%	-8.1%	-21.1%	0.9%	0.9%	7.7%	

FYTD 2009 Percent of Passenger Fare Revenues	66.4%	16.3%	14.3%	0.9%
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Abbreviations: SCMTD = Santa Cruz Metropolitan Transit District  
SJSU = San Jose State University

- \* SCMTD Invoice
- \*\* Expenses for SJSU blocks less farebox for SJSU blocks

5-7.61

Approved  


## HIGHWAY 17 EXPRESS OPERATING STATISTICS SUMMARY

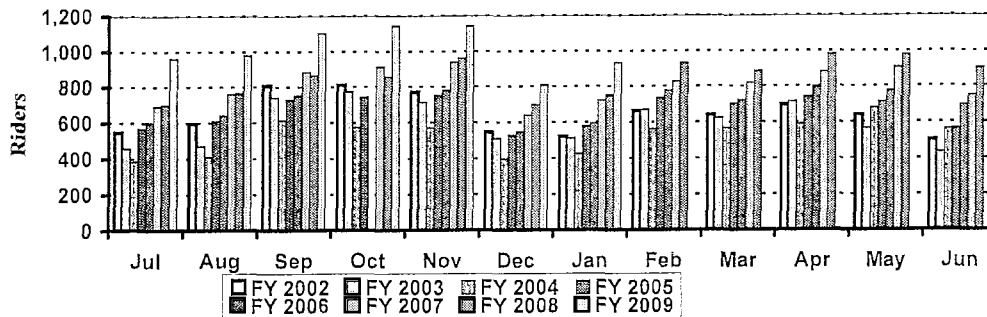
### FISCAL YEAR 2009

MONTHLY	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	Jan-2009	Feb-2009	Mar-2009	Apr-2009	May-2009	Jun-2009
<b>Total Ridership</b>	25,909	26,183	27,827	31,546	28,009	21,008	24,835					
Avg. Weekday Ridership	959	977	1,101	1,142	1,142	805	933					
Avg. Saturday Ridership	540	566	550	625	567	422	559					
Avg. Sunday Ridership	531	565	500	697	660	324	488					
<b>Total Service Days</b>	31	31	30	31	30	31	31					
Number of Weekdays	22	21	21	23	18	22	21					
Number of Saturdays	4	5	4	4	5	4	5					
Numbers of Sundays	5	5	5	4	7	5	5					
<b>Revenue Hours</b>	1,485	1,451	1,468	1,633	1,456	1,592	1,562					

QUARTERLY	Q1	Q2	Q3	Q4
<b>Total Ridership</b>	79,919	80,563		
Avg. Weekday Ridership	1,012	1,024		
Avg. Saturday Ridership	553	540		
Avg. Sunday Ridership	532	564		
<b>Revenue Hours</b>	4,403	4,681		

FYTD	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	Jan-2009	Feb-2009	Mar-2009	Apr-2009	May-2009	Jun-2009
<b>Total Ridership</b>	25,909	52,092	79,919	111,465	139,474	160,482	185,317					
Avg. Weekday Ridership	959	968	1,012	1,046	1,063	1,018	1,006					
Avg. Saturday Ridership	540	554	553	570	569	547	549					
Avg. Sunday Ridership	531	548	532	567	592	549	540					
<b>Revenue Hours</b>	1,485	2,936	4,403	6,037	7,492	9,084	10,646					

**HIGHWAY 17 EXPRESS**  
Average Weekday Ridership History




**FYTD COMPARISON**  
2009 vs. 2008

	FY 2009		Percent Change
	Jul '08 to Jan '09	Jul '07 to Jan '08	
# of Weekdays	168	169	-0.6%
Total Ridership	211,286	168,161	25.6%
Avg. Wkday Ridership	1,013	814	24.5%
Avg Sat Ridership	552	405	36.2%
Avg Sun Ridership	545	412	32.3%
Revenue Hours	12,098	11,488	5.3%
Riders Per Rev. Hour	17.46	14.64	19.3%

5-7.01

Atkinson

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager   
**SUBJECT: UNIVERSITY OF CALIFORNIA – SANTA CRUZ  
MONTHLY SERVICE REPORT FOR THE MONTH OF JANUARY 2010**

## I. RECOMMENDED ACTION

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

## II. SUMMARY OF ISSUES

- There were nineteen (19) school-term days in both January 2010 and January 2009.
  - Revenue received from UCSC was \$358,963.28 versus \$356,147.42; a increase of 0.8%
  - System-wide UCSC ridership decreased by 8.4% FYTD.
    - Total student ridership decreased by 7.7% FYTD.
    - Total Faculty/Staff ridership decreased by 17.2% FYTD.
  - Average Student ridership per school day decreased by 6.2%
  - Average Faculty/Staff ridership per weekday decreased by 1.5%

## III. DISCUSSION

For the month of January 2010, there were nineteen (19) school-term days.

UCSC Revenue in January 2010 increased a total of \$2,815.86 or 0.8% over January 2009. This increase was most likely caused by having the same number of school term service days and increases in CPI which dictate the billable rate per UCSC ride. UCSC ridership for all Santa Cruz METRO service in January 2010 was negative compared to January 2009, with a decrease of 8.4% FYTD. Monthly comparisons included a 6.2% decrease in Average Student ridership per school day and a 1.5% decrease in Average Faculty/ Staff ridership per weekday in January 2010 from January 2009.

After several conversations with university staff, it has been determined that shifts in student demographics are mostly responsible for the losses in ridership. The university, in the previous year, has reduced the number of incoming first year Freshmen while simultaneously raising the number of accepted Junior transfer students. Of the two groups, Junior transfer students tend to be less transit dependent than first year Freshmen, therefore effect on ridership is negative even though UCSC attendance is slightly more than in previous years.

5-8.1

Please see attached charts and graphs that will depict average UCSC Student and Faculty/Staff ridership decreasing by 6.2% and 1.5% respectively.

**IV. FINANCIAL CONSIDERATIONS.**

Total revenue received as of January 2010 is negative \$61,921.95 or -3.91% FYTD under January 2009 actuals.

**V. ATTACHMENTS**

- Attachment A: Total UCSC Monthly Revenue**
- Attachment B: Total UCSC Ridership**
- Attachment C: Monthly UCSC Ridership**
- Attachment D: Total UCSC Student Ridership**
- Attachment E: Total UCSC Faculty/Staff Ridership**

Prepared by: Erich Friedrich, Provisional Transit Planner.

Date Prepared: March 16, 2010

5-8.2



### Total UCSC Monthly Revenue

FY 09 UCSC Revenue									
Date	Regular Student Bill	Regular Staff Bill	Night Owl Bill	Supplemental Bill	27x	TOTAL	Last Year	% Change	\$ Change
Jul-08	\$ 40,787.95	\$ 14,367.08	-	\$ 9,719.80	-	\$ 64,874.83	\$ 48,944.00	32.5%	\$ 15,930.83
Aug-08	\$ 43,773.78	\$ 16,273.16	-	\$ 10,973.81	-	\$ 71,020.75	\$ 55,280.33	28.5%	\$ 15,740.42
Sep-08	\$ 151,871.29	\$ 18,162.59	\$ 3,763.96	\$ 2,563.82	\$ 2,007.46	\$ 178,369.12	\$ 126,441.28	41.1%	\$ 51,927.84
Oct-08	\$ 408,791.24	\$ 21,030.79	\$ 13,538.41	\$ 1,999.52	\$ 5,435.42	\$ 450,795.38	\$ 373,239.85	20.8%	\$ 77,555.53
Nov-08	\$ 274,825.68	\$ 15,381.16	\$ 10,512.74	\$ 5,500.47	\$ 3,989.36	\$ 310,209.41	\$ 278,625.33	11.3%	\$ 31,584.08
Dec-08	\$ 129,527.31	\$ 11,581.57	\$ 4,892.43	\$ 3,560.21	\$ 2,118.85	\$ 151,680.37	\$ 144,450.71	5.0%	\$ 7,229.66
Jan-09	\$ 324,761.80	\$ 15,605.62	\$ 11,679.83	\$ 297.04	\$ 3,803.13	\$ 356,147.42	\$ 291,196.34	22.3%	\$ 64,951.08
Feb-09	\$ 313,712.45	\$ 16,053.38	\$ 12,788.37	\$ 893.73	\$ 4,582.22	\$ 348,030.15	\$ 316,841.16	9.8%	\$ 31,188.99
Mar-09	\$ 256,439.79	\$ 16,335.68	\$ 7,795.60	\$ 1,419.89	\$ 4,529.94	\$ 286,520.90	\$ 248,308.68	15.4%	\$ 38,212.22
Apr-09	\$ 337,553.59	\$ 16,412.05	\$ 13,858.64	\$ 657.89	\$ 6,013.28	\$ 374,495.45	\$ 344,270.47	8.8%	\$ 30,224.98
May-09	\$ 300,396.54	\$ 15,066.45	\$ 12,869.92	\$ 1,647.19	\$ 6,425.82	\$ 336,405.92	\$ 323,061.52	4.1%	\$ 13,344.40
Jun-09	\$ 136,348.98	\$ 14,611.75	\$ 4,245.33	\$ 1,648.20	\$ 3,218.69	\$ 160,072.95	\$ 155,257.04	3.1%	\$ 4,815.91
<b>FY 2009</b>	<b>\$ 2,718,790.40</b>	<b>\$ 190,881.28</b>	<b>\$ 95,945.23</b>	<b>\$ 40,881.57</b>	<b>\$ 42,124.17</b>	<b>\$ 3,088,622.65</b>	<b>\$ 2,705,916.71</b>	<b>14.1%</b>	<b>\$382,705.94</b>
FY 10 UCSC Revenue									
Date	Regular Student Bill	Regular Staff Bill	Night Owl Bill	Supplemental Bill	27x	TOTAL	Last Year	% Change	\$ Change
Jul-09	\$48,734.00	\$13,306.66				\$62,040.66	\$ 64,874.83	-4.4%	-\$2,834.17
Aug-09	\$41,885.71	\$13,429.30				\$55,315.01	\$ 71,020.75	-22.1%	-\$15,705.74
Sep-09	\$153,393.69	\$15,756.32	\$2,760.13	\$652.54	\$2,408.04	\$174,970.72	\$ 178,369.12	-1.9%	-\$3,398.40
Oct-09	\$385,944.49	\$16,972.17	\$10,275.05	\$0.00	\$4,055.38	\$417,247.09	\$ 450,795.38	-7.4%	-\$33,548.29
Nov-09	\$291,654.82	\$15,207.74	\$7,550.34	\$918.86	\$4,427.86	\$319,759.62	\$ 310,209.41	3.1%	\$9,550.21
Dec-09	\$115,072.85	\$11,307.11	\$3,421.37	\$1,091.96	\$1,985.66	\$132,878.95	\$ 151,680.37	-12.4%	-\$18,801.42
Jan-10	\$331,619.03	\$15,284.03	\$8,693.45	\$0.00	\$3,366.77	\$358,963.28	\$ 356,147.42	0.8%	\$2,815.86
Feb-10									
Mar-10									
Apr-10									
May-10									
Jun-10									
<b>FY 2010 Total</b>	<b>\$1,368,304.59</b>	<b>\$101,263.33</b>	<b>\$32,700.34</b>	<b>\$2,663.36</b>	<b>\$16,243.71</b>	<b>\$1,521,175.33</b>	<b>\$1,583,097.28</b>	<b>-3.91%</b>	<b>-\$61,921.95</b>

5-8.a1

Attachment A

### Total UCSC Ridership

FY 2009 UCSC Ridership														
Year	July	August	September	October	November	December	January	February	March	April	May	June	Total	
Student	37,662	40,419	131,263	353,320	273,202	114,975	280,693	271,143	221,642	291,749	259,634	117,847	2,393,549	
Staff	13,266	15,026	15,698	18,177	15,302	11,263	13,488	13,875	14,119	14,185	13,022	12,629	170,050	
<b>Total</b>	<b>50,928</b>	<b>55,445</b>	<b>146,961</b>	<b>371,497</b>	<b>288,504</b>	<b>126,238</b>	<b>294,181</b>	<b>285,018</b>	<b>235,761</b>	<b>305,934</b>	<b>272,656</b>	<b>130,476</b>	<b>2,563,599</b>	
Percentage Difference Between This Year and Last Year														
Student	15.3%	7.1%	39.9%	8.1%	11.5%	4.0%	18.4%	6.4%	14.4%	6.1%	2.1%	0.4%	9.9%	
Staff	-15.5%	-11.5%	1.9%	-4.7%	-2.9%	-1.0%	-14.9%	-19.8%	-14.0%	-23.3%	-27.6%	-15.3%	-12.9%	
<b>Total</b>	<b>5.3%</b>	<b>1.3%</b>	<b>34.5%</b>	<b>7.4%</b>	<b>10.7%</b>	<b>3.5%</b>	<b>16.3%</b>	<b>4.7%</b>	<b>12.2%</b>	<b>4.3%</b>	<b>0.1%</b>	<b>-1.4%</b>	<b>8.0%</b>	
FY 2010 UCSC Ridership														
Year	July	August	September	October	November	December	January	February	March	April	May	June	Total	
Student	42,121	36,202	130,437	318,699	240,838	95,023	273,839						1,137,159	
Staff	11,501	11,607	13,030	14,015	12,558	9,337	12,621						84,669	
<b>Total</b>	<b>53,622</b>	<b>47,809</b>	<b>143,467</b>	<b>332,714</b>	<b>253,396</b>	<b>104,360</b>	<b>286,460</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,221,828</b>	
Percentage Difference Between This Year and Last Year														
Student	11.8%	-10.4%	-0.6%	-9.8%	-11.8%	-17.4%	-2.4%							
Staff	-13.3%	-22.8%	-17.0%	-22.9%	-17.9%	-17.1%	-6.4%							
<b>Total</b>	<b>5.3%</b>	<b>-13.8%</b>	<b>-2.4%</b>	<b>-10.4%</b>	<b>-12.2%</b>	<b>-17.3%</b>	<b>-2.6%</b>							
UCSC Ridership FYTD							FYTD 2009	FYTD 2010						
Student							1,231,534	1,137,159	-7.7%					
Staff							102,220	84,669	-17.2%					
<b>TOTAL</b>							<b>1,333,754</b>	<b>1,221,828</b>	<b>-8.4%</b>					

5-8.61

Attachment B

Monthly UCSC Ridership

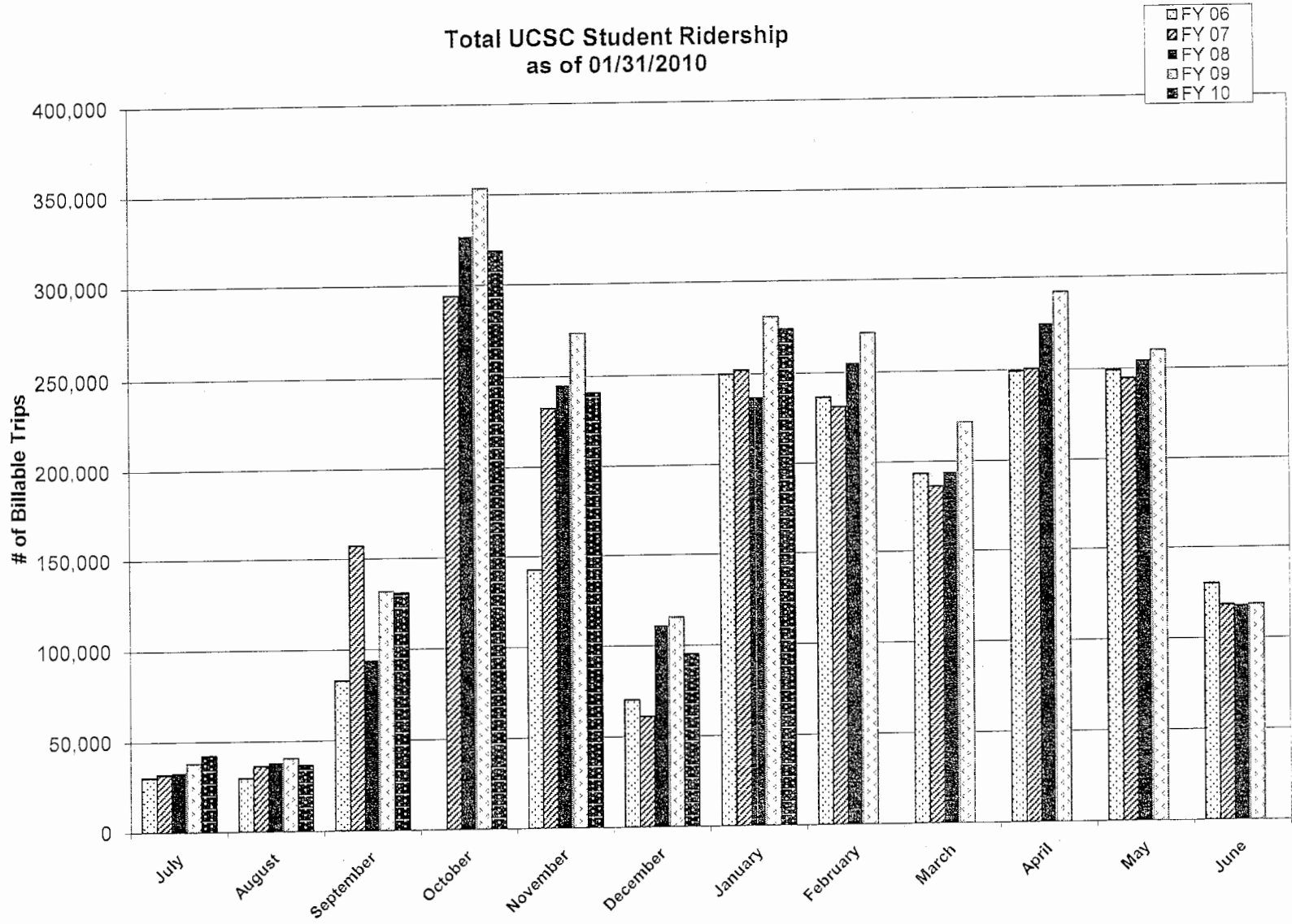
January 2010	Student Ridership			Faculty/ Staff Ridership			Average Student Ridership Per School Day			Average Faculty/Staff Ridership Per Weekday		
	FY 10	FY 09	%	FY 10	FY 09	%	FY 10	FY 09	%	FY 10	FY 09	%
Regular Service	254,534	263,854	-3.5%	12,050	12,942	-6.9%	11,361.8	12,310.8	-7.7%	634.2	647.1	-2.0%
Supplemental	8,391	7,189	16.7%	356	302	17.9%	441.6	378.4	16.7%	18.7	15.1	24.1%
Night Owl	5,182	4,661	11.2%	33	37	-10.8%	272.7	245.3	11.2%	1.7	1.9	-6.1%
27x	5,732	4,989	14.9%	182	207	-12.1%	301.7	262.6	14.9%	9.6	10.4	-7.4%
<b>TOTAL</b>	<b>273,839</b>	<b>280,693</b>	<b>-2.4%</b>	<b>12,621</b>	<b>13,488</b>	<b>-6.4%</b>	<b>12,377.8</b>	<b>13,197.1</b>	<b>-6.2%</b>	<b>664.3</b>	<b>674.4</b>	<b>-1.5%</b>

5-8.01

Attachment 2

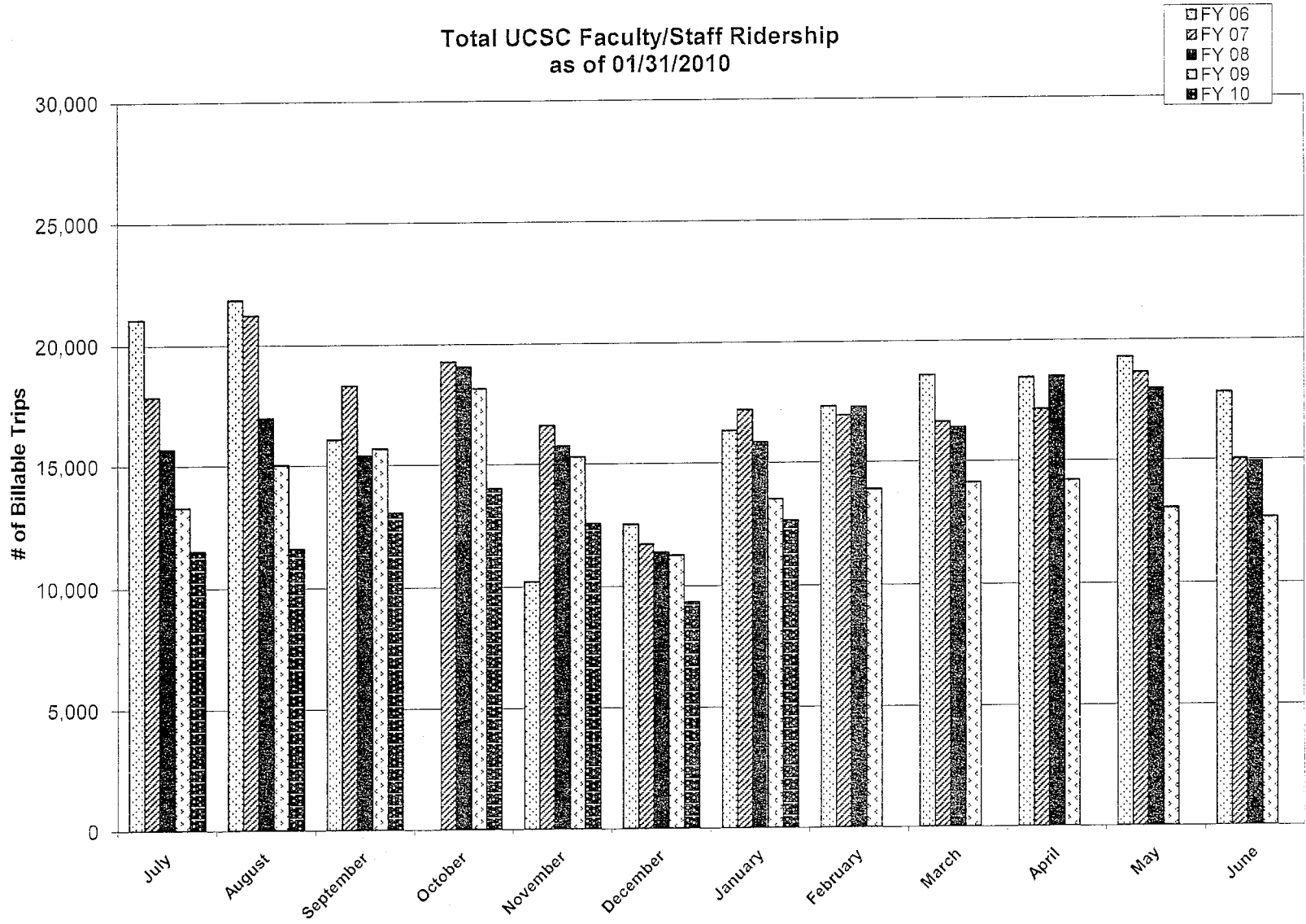
5-8.d1

### Total UCSC Student Ridership as of 01/31/2010



5-8.e1

### Total UCSC Faculty/Staff Ridership as of 01/31/2010



Altamonte  
E

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

February 12, 2010

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, February 12, 2010 at the District's Administrative Office located at 110 Vernon Street in Santa Cruz, California.

Vice Chair Robinson called the meeting to order at 9:02 a.m.

## SECTION 1: OPEN SESSION

### 1. ROLL CALL:

#### DIRECTORS PRESENT

Ron Graves  
Donald Hagen  
Michelle Hinkle  
John  
Ellen Pirie  
Lynn Robinson  
Mike Rotkin

#### DIRECTORS ABSENT

Dene Bustichi  
Emilio Martinez  
Mark Stone  
Marcela Tavantzis  
Ex-Officio Donna Blitzer

#### STAFF PRESENT

Ciro Aguirre, Operations Manager  
Angela Aitken, Finance Manager / Acting AGM  
Pat Aviles, Asst Human Resources Manager  
Frank Cheng, MB Project Manager  
Bob Cotter, Maintenance Manager  
Mary Ferrick, Fixed Route Superintendent  
Terry Gale, IT Manager

Pat Aviles, Asst Human Resources Manager  
Margaret Gallagher, District Counsel  
Debbie Kinslow, Asst Finance Manager  
Robyn Slater, Human Resources Manager  
April Warnock, Paratransit Superintendent  
Les White, General Manager

#### EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT

John Daugherty, SEA  
Eduardo Montesino, UTU

Bonnie Morr, UTU  
Richard Snow, Campaign for Sensible Transp

### 2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

None.

Oral:

None.

5-9.1

3. **LABOR ORGANIZATION COMMUNICATIONS**

None.

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

Angela Aitken distributed two documents for Item #6, which are attached to the file copy of these minutes.

**CONSENT AGENDA**

5-1. None

**REGULAR AGENDA**

6. **DISCUSSION OF THE STATUS OF THE PROJECTED FY10 BUDGET AND PROJECTED FRAMEWORK FOR FY11 & FY12 OPERATING BUDGETS INCLUDING POTENTIAL BUDGET BALANCING OPTIONS**

**Summary:**

Les White reported that the majority leadership in both the State Senate and Assembly would like to have a “budget fix” as part of the Prop 58 forty-five day budget balancing session that will give them carryover funds to go into the FY11 budget to deal with the larger state budget deficit.

Mr. White stated that this directly affects METRO as the FY11 State Budget that the governor has proposed will completely abolish the sales tax on gasoline, which is the financing mechanism for Prop 42, which provides 40% to the local cities and counties for local streets and roads, 40% to the regional transportation planning agencies like the SCCRTC for STIP projects, and 20% going to the Public Transportation Account for the State Transit Assistance (STA) Program – those funds would be eliminated.

Mr. White explained that the “official” reason this is being proposed is that if the gas tax is replaced with fixed gallonage excise tax, that could happen with a majority vote of the State Legislature rather than a two thirds vote because it is replacing a tax with a tax and is revenue neutral. However, the “real” reason is that excise taxes on gasoline are not covered under the jurisdiction of the Third District Appellate Court and can be diverted to the state’s General Fund.

Angela Aitken referred to the documents distributed at today’s meeting, which are attached to the file copy of these minutes, and explained in more detail how the loss of state funding would directly impact METRO, including the elimination of several jobs, Fixed Route and ParaCruz service reductions, fare increases, and the suspension of all capital projects.

5-9.2

7. **ORAL ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR FEBRUARY 26, 2010 – WATSONVILLE CITY COUNCIL CHAMBERS, 275 MAIN STREET, WATSONVILLE**

Vice Chair Robinson announced that the February 26, 2010 Board Meeting would be held at the Watsonville City Council Chambers, 275 Main Street, Watsonville.

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

Margaret Gallagher reported that the Board would have a conference with its Legal Counsel regarding the workers compensation claim of Rita Gentry.

9. **ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION**

None.

**SECTION II: CLOSED SESSION**

Vice Chair Robinson adjourned to Closed Session at 10:22 a.m. and reconvened to Open Session at 10:31 a.m.

**SECTION III: RECONVENE TO OPEN SESSION**

10. **REPORT OF CLOSED SESSION**

Vice Chair Robinson stated that there was no reportable action taken in Closed Session.

**ADJOURN**

There being no further business, Vice Chair Robinson adjourned the meeting at 10:31 a.m.

Respectfully submitted,

CINDI THOMAS  
Administrative Services Coordinator

5-9.3



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

February 26, 2010

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, February 26, 2010 at the Watsonville City Council Chambers, 275 Main Street, Watsonville, CA.

Chair Pirie called the meeting to order at 9:05 a.m.

## SECTION 1: OPEN SESSION

### 1. ROLL CALL:

#### DIRECTORS PRESENT

Dene Bustichi  
Ron Graves  
Donald Hagen  
Michelle Hinkle  
John Leopold (arrived after roll call)  
Emilio Martinez (arrived after roll call)  
Ellen Pirie  
Lynn Robinson  
Mike Rotkin  
Mark Stone  
Marcela Tavantzis  
Ex-Officio Donna Blitzer

#### DIRECTORS ABSENT

None

#### STAFF PRESENT

Angela Aitken, Finance Manager / Acting AGM  
Pat Aviles, Asst HR Manager  
Bob Cotter, Maintenance Manager  
Mary Ferrick, Fixed Route Supervisor  
Terry Gale, IT Manager

Margaret Gallagher, District Counsel  
Harlan Glatt, Database Administrator  
Debbie Kinslow, Asst Finance Manager  
Robyn Slater, HR Manager  
Les White, General Manager

#### EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT

John Daugherty, SEA  
Erich Friedrich, Provisional Transit Planner  
Manny Martinez, PSA  
Eduardo Montesino, UTU  
Bonnie Morr, UTU

Will Regan, VMU  
Don Spence  
Pat Spence, former Board Member  
Peter Stanger  
Amy Weiss, Spanish Interpreter

5-9.4

**2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS**

Written:

- |    |                      |                              |
|----|----------------------|------------------------------|
| a. | Kymerly Lacrosse     | Re: Complete Count Committee |
| b. | VTA                  | Re: Hwy 17 Fare Increase     |
| c. | Capital Corridor JPA | Re: Hwy 17 Fare Increase     |
| d. | DOT JPA              | Re: Hwy 17 Fare Increase     |
| e. | Peter Stanger        | Re: Route 69 Service Request |

Oral:

None.

**3. LABOR ORGANIZATION COMMUNICATIONS**

None.

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

None.

**CONSENT AGENDA**

- 5-1. APPROVE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF DECEMBER 2009
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR DECEMBER 2009
- 5-3. CONSIDERATION OF TORT CLAIMS: NONE
- 5-4. ACCEPT AND FILE MAC AGENDA FOR FEBRUARY 17, 2010 AND MINUTES OF DECEMBER 16, 2009
- 5-5. ACCEPT AND FILE RIDERSHIP AND PERFORMANCE REPORT FOR DECEMBER 2009
- 5-6. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2009
- 5-7. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ MONTHLY SERVICE REPORT FOR DECEMBER 2009
- 5-8. CONSIDERATION OF METROBASE STATUS REPORT
- 5-9. APPROVE REGULAR BOARD MEETING MINUTES OF DECEMBER 18, 2009 AND JANUARY 8 & 22, 2010
- 5-10. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE DECEMBER 2009 MEETING(S)
- 5-11. CONSIDERATION OF APPROVAL OF AN AMENDED AND RESTATED GREAT WEST ELIGIBLE DEFERRED COMPENSATION PLAN FOR GOVERNMENTAL EMPLOYERS AND AMENDED ADOPTION AGREEMENT
- 5-12. CONSIDERATION OF ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS REPORT FOR YEAR ENDING JUNE 30, 2009

5-9.5

- 5-13. CONSIDERATION OF RENEWAL PROPERTY INSURANCE COVERAGE FOR 1200 RIVER STREET AND ADD NEW PROPERTY INSURANCE COVERAGE FOR 138 GOLF CLUB
- 5-14. CONSIDERATION OF APPROVAL OF SIDE AGREEMENT, CLASS SPECIFICATIONS AND WAGE SCALES FOR THE NEWLY CREATED TRANSPORTATION PLANNER SERIES
- 5-16. CONSIDERATION OF AN AGREEMENT WITH SANTA CRUZ SEASIDE COMPANY FOR THE PROVISION OF LATE NIGHT SERVICE

Regarding item # 5-12, Angela Aitken reported that a review of the report revealed errors in the reported percentages, and that the corrected pages would be provided when received.

Regarding item #5-15, Chair Pirie asked if METRO received any references from other companies that have used the vendor. Harlan Glatt said that they had not received any. Chair Pirie said she had concerns.

Item # 5-15 was pulled from the Consent Agenda for discussion and Chair Pirie renumbered it as #16.1.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR GRAVES**

**Approve the remainder of the Consent Agenda.**

**Motion passed unanimously with Director Graves abstaining from approval of the 1/8/10 minutes, and with Directors Leopold and Martinez being absent.**

**DIRECTOR MARTINEZ ARRIVED**

**REGULAR AGENDA**

**6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS**

The following employees were presented with longevity awards for their years of service:

**TWENTY YEARS**

Terry Gale, Manager of Information Technology

**7. CONSIDERATION OF ADOPTION OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF PAT SPENCE AS A MEMBER OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Chair Pirie thanked Pat Spence for her years of service on the METRO Board. Pat Spence recounted her history with METRO, thanked her family, several of the Paratransit operators and METRO staff and showed a brief Power Point presentation of her METRO experiences. Chair Pirie read the resolution aloud and thanked Pat Spence for her service to the community at large. Director Tavantzis presented Ms. Spence a Certificate of Appreciation and gift from the City of Watsonville.

5-9.6

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR GRAVES**

**Adopt Resolution of Appreciation for the services of Pat Spence as a member of the Board of Directors of the Santa Cruz Metropolitan Transit District.**

**Motion passed unanimously with Director Leopold being absent.**

**DIRECTOR LEOPOLD ARRIVED**

**8. CONSIDERATION OF INCREASING HIGHWAY 17 EXPRESS FARES IN ORDER TO INCREASE REVENUES BY MAINTAINING AN OPTIMAL FAREBOX RECOVERY RATIO**

**Summary:**

Angela Aitken stated that all of METRO's partners in the Joint Powers Authority support increasing the fares by 10% for the Highway 17 Express. Ms. Aitken said that operating costs are ten percent higher and ridership is ten percent lower, resulting in a nearly twenty percent rise in costs.

**Discussion:**

Director Bustichi asked what percentage of the ridership the senior/disabled riders comprise. Erich Friedrich said that the senior/disabled comprise five to ten percent of the ridership. Director Bustichi asked why the Regular Day Pass with VTA Express Pass is only being raised by twenty-five cents when the goal was to set a fare that required fewer coins or bills. Director Bustichi suggested that the senior/disabled fare remain the same and that Regular Day Pass with VTA Express Pass be raised to \$2.00.

Chair Pirie asked what impact the changes would have. Les White said that raising the Regular Day Pass with VTA Express Pass fare to \$2.00 should be pursued, but the senior/disabled fare should stay at 50% of the regular fare. Mr. White suggested that the Board include the changes in the motion for the establishment of the proposed fare change in the attached first reading of the ordinance, and METRO will seek concurrence from JPA. Mr. White said that after a month of public comments and exposure, the Board will see the increase of the Regular Day Pass with VTA Express Pass fare to \$2.00.

Director Rotkin asked if it would be appropriate to pass both Ordinances, so that when the JPA partners join in, it won't take another month. Director Stone said that riders are probably less concerned with the increase than they are for the continued operation of the service, and although they are going to pay more, the biggest benefit to riders is going to be getting the automated fareboxes.

5-9.7

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Accept First Reading of Modified Fare Ordinance as in Attachment A, increasing Highway 17 Express fares; accept First Reading of Ordinance to increase Regular Day Pass with VTA Express Pass fare to \$2.00; and seek staff approval for increase of Regular Day Pass with VTA Express Pass fare to \$2.00.**

**Motion passed unanimously with all Directors present.**

**9. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE SECTION 5304 CALTRANS-ADMINISTERED FY10 TRANSPORTATION PLANNING TRANSIT PLANNING STUDENT INTERNSHIPS GRANTS PROGRAM**

**Summary:**

Angela Aitken said that METRO has participated in the intern program for the last three years and she explained what the interns do. Ms. Aitken said the grant was for \$50,000 to cover the period from October 2010 to September 2011.

**Discussion:**

Les White asked if this grant was being awarded through AMBAG. Angela Aitken said that the Resolution needed to be revised to add AMBAG as a partner. Director Leopold asked about the campuses represented in the pool of candidates. Angela Aitken said that applications have come from San Jose State and other local colleges. Les White said that the majority of interns have come from UCSC.

**ACTION: MOTION: DIRECTOR ROBINSON SECOND: DIRECTOR ROTKIN**

**Authorize the General Manager to submit a grant application, modified to include "AMBAG," and sign necessary agreements for Federal Funding in the Section 5304 CalTrans-administered FY10 Transportation Planning Transit Planning Student Internships Grants Program.**

**Motion passed unanimously with all Directors present.**

**10. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE SECTION 5304 CALTRANS-ADMINISTERED FY11 TRANSPORTATION PLANNING RURAL OR SMALL URBAN TRANSIT PLANNING STUDIES GRANTS PROGRAM**

5-9.8

**Summary:**

Angela Aitken explained that the grant will fund a study of the service needs in the Watsonville area for the next 2-3 years. Ms. Aitken said that the Resolution needed to be revised to add AMBAG as a partner, as well.

**Discussion:**

Les White said that although the service may not be implemented due to budget constraints, the need for service can be identified on the RTC Unmet needs list to articulate what is needed. Director Leopold said it was amazing that it had been so long since the previous study and that it was great that a study is being conducted. Les White noted that a previous study from UCSC recommended smart card fareboxes and a study of the Watsonville area.

**ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR ROBINSON**

**Authorize the General Manager to submit a grant application, modified to include “AMBAG,” and sign necessary agreements for Federal Funding in the Section 5304 CalTrans-administered FY11 Transportation Planning Rural or Small Urban Transit Planning Studies Grants Program.**

Motion passed unanimously with all Directors present.

**11. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS TO OBTAIN FINANCIAL ASSISTANCE FROM THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY'S FY10 CALIFORNIA TRANSIT SYSTEM SAFETY, SECURITY AND DISASTER RESPONSE GRANT PROGRAM**

**Summary:**

Angela Aitken said that METRO has applied for this same grant for the last two years. Ms. Aitken said that the grant will provide funds to conduct a comprehensive overview of METRO's security needs, and including hiring a consultant and upgrading the two-way radio system as required by the FCC.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR LEOPOLD**

**Authorize the General Manager to submit a grant application and sign necessary agreements to obtain financial assistance from the California Emergency Management Agency's FY10 California Transit System Safety, Security and Disaster Response Grant Program.**

Motion passed unanimously with all Directors present.

5-9.9

**12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH MASTER CAR WASH FOR PARACRUZ VEHICLE WASHING SERVICES FOR AN AMOUNT NOT TO EXCEED \$25,000 AND CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH DEVCO OIL, INC. FOR PARACRUZ VEHICLE FUELING SERVICES FOR AN AMOUNT NOT TO EXCEED \$185,000.**

**Summary:**

Ciro Aguirre reported that METRO staff requested proposals from qualified firms to provide fuel and vehicle washing services for Santa Cruz METRO's ParaCruz fleet. Devco Oil offered the lowest cost for fueling and Master Car Wash offered the lowest cost for vehicle washing services.

**Discussion:**

Director Rotkin asked where METRO washes its other cars and vehicles. Ciró Aguirre reported that METRO does its car washing in-house.

**ACTION: MOTION: DIRECTOR ROBINSON SECOND: DIRECTOR ROTKIN**

**Authorize the General Manager to execute a contract with Master Car Washing Services for ParaCruz vehicles in an amount not to exceed \$25,000 and Authorize the General Manager to execute a Contract with Devco Oil, Inc. for ParaCruz Vehicle fueling services for an amount not to exceed \$185,000.**

The motion passed unanimously with all Directors present.

**13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH CDX WIRELESS, INC. FOR CONSULTANT SERVICES FOR UPGRADE OF SANTA CRUZ METRO'S LAND MOBILE RADIO SYSTEM FOR AN AMOUNT NOT TO EXCEED \$59,798**

**Summary:**

Ciro Aguirre reported that the Radio Systems Consultants are necessary to determine what type of land mobile radio system and other related equipment METRO needs to purchase in order to meet all industry and legal standards. Mr. Aguirre said that the Consultant will be able to identify dead spots and ensure that METRO's system does not filter into other transmissions, such as emergency fire and safety transmissions.

**Discussion:**

Chair Pirie asked what the approximate cost will be to retrofit all land based systems. Ciró Aguirre stated that it could easily cost over \$1,000,000.00. Mr. Aguirre indicated that the Consultant will be looking beyond 2013, and preparing the system so that the newest upgrades will not require the system to be redone at some point soon in the future.

5-9.10

Director Stone wanted to ensure that METRO is working on this project in conjunction with the County of Santa Cruz so that the staffs and consultants will be collaborating together and not each agency acting independently, without knowing what the other is doing.

Ciro Aguirre stated that the “filter through” or bleeding onto other transmissions is an issue in determining the equipment that would fit METRO’s needs. Mr. Aguirre said that the consultant will be making recommendations in these areas.

Director Bustichi asked if METRO has the funds to take care of the cost for the consultant. Les White stated that METRO is looking at a 10-year funding source. Mr. White said that METRO will be selling bonds over the next few years and will need to front the money for the project and apply for reimbursement from the State of California. Ciro Aguirre stated that METRO has about half of the funds right now to fund the project.

Director Bustichi stated that he had an issue with paying for a consultant to find out what kind of system METRO needs, and he said it would be better to have METRO include in a Request for Proposal (RFP), all the specifications for the proposed vendors, to set up a system that will work. Mr. Bustichi said he cannot justify spending this amount of money for a consultant when he thinks that it could be accomplished directly through an RFP.

Les White stated that the problem with just doing the RFP is that METRO needs to determine what is compatible with the other local systems, such as emergency services. Mr. White said that METRO does not currently have the capability to do this without a consultant who is specialized in this training. Director Stone added that the system is not a stand-alone system, but will need to be compatible with other jurisdictions, and, therefore, he also believes that the consultant will be necessary in determining what systems will work.

Chair Pirie pointed out that there will be a need for an evaluation of the system to make these determinations.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Authorize the General Manager to Execute a Contract with CDX Wireless, inc. for Consultant Services for Upgrade of Santa Cruz METRO’s Land Mobile Radio System for an Amount Not to Exceed \$59,798.**

**Motion passed, with Director Bustichi voting “no;” with all Directors present.**

**14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXERCISE AN OPTION TO PURCHASE FOUR (4) EACH FORTY-FOOT LOW FLOOR COMPRESSED NATURAL GAS SUBURBAN COACHES FROM THE ORANGE COUNTY TRANSIT AUTHORITY CONTRACT WITH NEW FLYER OF AMERICA**

**Summary:**

Ciro Aguirre reported that METRO has a need to acquire for its fleet, four (4) 40-ft. low floor CNG buses and has an opportunity to purchase the buses through an Orange County Transit bus procurement.

5-9.11



**Discussion:**

Director Rotkin asked whether these buses being purchased are the same buses that METRO is currently using. Ciro Aguirre reported that METRO currently uses New Flyers, which these buses also are, but these buses are all New Flyer LFR, which is a new design that includes a frontal piece that is more rounded and might have more room from hip to feet for passengers.

Les White added that these buses are available to METRO through a piggyback order that allows METRO to purchase 8-10 buses with extra options, and save METRO from having to go through the procurement process for the purchase of only 4 buses.

Director Stone commented that the bus price is not stated in the staff report and asked if METRO currently has the funds to support this purchase. Ciro Aguirre stated that the quote was \$430,000 for each bus. Chair Pirie stated that this information would be helpful if provided to the Board in the staff report.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Authorize the General Manager to Exercise an Option to Purchase Four (4) Forty-Foot Low Floor Compressed Natural Gas Suburban Coaches From the Orange County Transit Authority Contract With New Flyer of America.**

**Motion passed unanimously with all Directors present.**

**15. CONSIDERATION OF APPROVAL OF MODIFICATIONS TO THE ADVERTISING POLICY AND REGULATIONS AR-1006 TO INCLUDE ADVERTISING ON METRO'S WEBSITE**

**Summary:**

Margaret Gallagher reported that METRO needs to include METRO's website in its advertising policy, as the new website will be up and running in March 18, 2010 and METRO staff plans to allow advertising on the website.

**Discussion:**

Director Rotkin inquired what the ads will look like on the website and asked if the ads might dominate the website screen, such as pop up ads, etc. Margaret Gallagher stated that the ads will be in a banner format at the bottom of the page and will not be pop ups. Les White confirmed that the ads will not dominate the page for the website reader.

5-9.12

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ROBINSON**

**Approve Modifications to the Advertising Policy and Regulations AR-1006 to Include Advertising on METRO's Website.**

**Motion passed unanimously with all Directors present.**

**16. CONSIDERATION OF REASSIGNMENT OF CONSTRUCTION ADMINISTRATION SERVICE HOURS BY RNL DESIGN, INC. TO ACCOMMODATE ADDITIONAL HOURS RELATING TO THE DELAYS IN THE MAINTENANCE BUILDING FOR THE METROBASE PROJECT**

**Summary:**

Les White reported that Frank Cheng's absence from the meeting this morning is due to illness; otherwise he would be presenting this matter to the Board. Mr. White stated that this proposal would allow METRO to reallocate funds and allow continuation of work on the Maintenance Building, because it is unknown when the ground-breaking will occur for the Operations Building.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Approve the Reassignment of Construction Administration Service Hours by RNL Design, Inc. to accommodate additional hours relating to the delays in the Maintenance Building for the MetroBase Project.**

**Motion passed unanimously with all Directors present.**

**16.1 (Previously #5-15) CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO SET UP A PAYMENT GATEWAY ACCOUNT TO ESTABLISH THE INFRASTRUCTURE NECESSARY TO ALLOW METRO TO ACCEPT CREDIT CARD PAYMENTS AT ITS WEBSITE**

**Summary:**

Harlan Glatt reported that METRO will be accepting credit card payment on its new Website for the purchase of bus passes. Mr. Glatt said that there are two major providers for facilitating the payments from on-line credit card payments, Pay Pal Pro and Authorize.Net, and he is recommending that METRO choose Authorize.Net to do this project as they have a fine reputation and there are other issues with PayPal.

**Discussion:**

Chair Pirie asked how Mr. Glatt knows that Authorize.Net has a "fine" reputation. Mr. Glatt responded that the web users and designers that he has worked with such as Jabico have

**5-9.13**

provided this information to him. Vice Chair Robinson asked what the issues are with PayPal. Harlan Glatt responded that the issues are not to the user of the site, but the transitions METRO would be required to carry out to implement the system.

Director Rotkin commented that he thought PayPal charged for its service, and asked if Authorize.Net charges for the service. Harlan Glatt reported that the terms of the financial cost for the service, that Authorize.Net was much less expensive for METRO. Mr. Glatt said that PayPal charges a 1% fee per transaction, whereas Authorize.Net charges 10 cents per transaction, no matter what the transaction amount. Mr. Glatt gave an example of \$100.00 transaction would cost METRO \$1.00 through PayPal, but only 10 cents through Authorize.Net.

**ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR ROBINSON**

**Authorize the General Manager to Set up a Payment Gateway Account to Establish the Infrastructure Necessary to Allow METRO to Accept Credit Card Payments at its Website.**

**Motion passed unanimously with all Directors present.**

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

Margaret Gallagher reported that the Board would have a conference with its Legal Counsel regarding whether to initiate litigation, and requested that the Board add to the Closed Session Agenda the potential claims of Kay Diaz, Leslie Pacheco and Juan Raya, arising out of an accident on February 22 where a METRO bus collided with a garage in Watsonville.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Make the findings necessary to add the potential claims of Kay Diaz, Nesly Pacheco, and Juana Raya.**

**Motion passed unanimously with all Directors present.**

**18. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION**

None.

**SECTION II: CLOSED SESSION**

Chair Pirie adjourned to Closed Session at approximately 10:35 a.m. and reconvened to Open Session at 11:05 a.m.

**SECTION III: RECONVENE TO OPEN SESSION**

**19. REPORT OF CLOSED SESSION**

Chair Pirie stated that there was no reportable action taken in Closed Session.

5-9.14

**ADJOURN**

There being no further business, Chair Pirie adjourned the meeting at 11:05 a.m.

Respectfully submitted,

ANTHONY TAPIZ  
Administrative Assistant

DRAFT

5-9.15

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Leslie R. White, General Manager  
**SUBJECT:** **ACCEPT AND FILE VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR PREVIOUS MEETINGS**

## I. RECOMMENDED ACTION

**That the Board of Directors accept and file the voting results from appointees to the Santa Cruz County Regional Transportation Commission.**

## II. SUMMARY OF ISSUES

- Per the action taken by the Board of Directors, staff is providing the minutes from the most recent meetings of the Santa Cruz County Regional Transportation Commission.
- Each month staff will provide the minutes from the previous month's SCCRTC meetings.

## III. DISCUSSION

The Board requested that staff include in the Board Packet information relating to the voting results from the appointees to the Santa Cruz County Regional Transportation Commission. Staff is enclosing the minutes from these meetings as a mechanism of complying with this request.

## IV. FINANCIAL CONSIDERATIONS

There is no cost impact from this action.

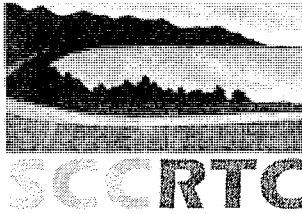
## V. ATTACHMENTS

**Attachment A:** Minutes of the January 14, 2010 Regular SCCRTC Meeting

Prepared by: Cindi Thomas, Administrative Services Coordinator

Date Prepared: March 19, 2010

5-10.1



**Santa Cruz County Regional  
Transportation Commission**

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**MINUTES**

Thursday  
January 14, 2010  
9:00 a.m.

Santa Cruz City Council Chambers  
809 Center St  
Santa Cruz CA 95060

1. Roll call

The meeting was called to order at 9:07 am.

Members present:

Dene Bustichi	Kirby Nicol
Tony Campos	Ellen Pirie
Neal Coonerty	Antonio Rivas
Randy Johnson	Donna Ziel
Don Lane	Donald Hagen (Alt)
John Leopold	Marcela Tavantzis
Aileen Loe (ex officio)	

Staff present:

George Dondero	Luis Mendez
Kim Shultz	Yesenia Parra
Karena Pushnik	Gini Pineda
Grace Blakeslee	Daniel Nikuna
Cory Caletti	Rachel Moriconi
Tegan Speiser	

2. Oral communications

**Rick Longinotti** asked the Commission to place consideration of sponsorship for the Housing Within Reach lecture series on its next agenda, saying that the program is in alignment with the spirit of SB 375 and social equity policies and practices that reduce the need for travel. He distributed a flier describing the lecture series.

**Jack Nelson** said that climate scientist James Hanson said that there could be a runaway climate effect if we continue burning our fossil fuels.

5-10.91

3. Additions or deletions to consent and regular agendas

Executive Director George Dondero said that there were add-on pages for Items 23, 25, 26 and 28 and a replacement page for Item 28.

**CONSENT AGENDA** (Rivas/Nicol approved unanimously)

**MINUTES**

4. Approved draft minutes of the November 5, 2009 regular SCCRTC meeting
5. Approved draft minutes of the November 19, 2009 Transportation Policy Workshop meeting
6. Approved draft minutes of the December 17, 2009 Transportation Policy Workshop meeting
7. Accepted draft minutes of the November 19, 2009 Interagency Technical Advisory Committee (ITAC) meeting
8. Accepted draft minutes of the December 8, 2009 Elderly & Disabled Transportation Advisory Committee meeting
9. Accepted draft minutes of the December 10, 2009 Budget & Administration/Personnel Committee meeting
10. Accepted draft minutes of the December 14, 2009 Bicycle Committee meeting
11. Accepted draft minutes of the December 17, 2009 Interagency Technical Advisory Committee (ITAC) meeting

**POLICY ITEMS**

*No consent items*

**PROJECTS and PLANNING ITEMS**

*No consent items*

**BUDGET AND EXPENDITURES ITEMS**

12. Accepted status report on Transportation Development Act (TDA) revenues
13. Approved consultant selection for 2009 Triennial Performance Audit (Resolution 12-10)

5-10.a2

14. Approved fiscal year (FY) 09-10 work program and budget amendment (Resolution 13-10)

#### **ADMINISTRATION ITEMS**

15. Approved fiscal year (FY) 10-11 work program format

#### **INFORMATION/OTHER ITEMS**

16. Accepted monthly meeting schedule
17. Accepted correspondence log
18. Accepted letters from SCCRTC committees and staff to other agencies
  - a. Letter to California Coastal Commission from the Bicycle Committee regarding support for Arana Gulch Master Plan
19. Accepted miscellaneous written comments from the public on SCCRTC projects and transportation issues
20. Accepted information items
  - a. Article from *The Herald* titled "Transportation Agency for Monterey County chooses light rail for rapid transit line"
  - b. Letter to SCCRTC from California State Treasurer Bill Lockyer regarding California Transportation Financing Authority

#### **REGULAR AGENDA**

21. Commissioner reports- none
22. Director's report – none
23. Caltrans report and consider action items

Aileen Loe, Caltrans District 5, said that the landscaping contract for the Highway 1/17 Merge Lanes project will be awarded soon. Ms. Loe also noted the handout for the transportation planning grants.

24. Highway 1/17 Interchange Merge Lanes Landscaping Project

Senior Planner Karena Pushnik gave a brief staff report and introduced Bryan Parker, Caltrans, who gave a presentation describing the planned landscaping for the Highway 1/17 Merge Lanes project. The project, which had been delayed due to budget constraints, received approval for funding from the California Transportation Commission in October 2009. Mr. Parker described the project limits and challenges when planting in the area. Among the species

5-10.a3



of trees included in the plan are 400 native coastal redwoods propagated by Clark Magruder and Luen Miller specifically for this project. Work is anticipated to begin in April 2010.

Commissioner Pirie arrived.

Commissioners discussed the type of irrigation to be used and encouraged Caltrans to hire local residents to work on the project when possible.

The Commission will send a letter to Mr. Magruder and Mr. Miller thanking them for taking the time to plant and provide the coastal redwoods.

25. Draft 2010 state and federal legislative programs and legislative update

Senior Planner Rachel Moriconi introduced state legislative assistant John Arriaga. Mr. Arriaga spoke on the new legislative session, the \$20 billion state budget deficit and the "gas tax swap" proposed by the governor to divert revenues to the general fund.

Ms. Moriconi said that a main focus of the state legislative program is protecting transportation funds. Congress is considering the Jobs for Main Street Act which could fund "ready to go" road and transit projects. Ms. Moriconi noted changes made to the draft legislative agenda since it was presented to the RTC in December.

Commissioner Pirie asked that language supporting legislation that would allow the County of Santa Cruz to pursue a sales tax measure for local transportation improvements be put back into the draft agenda.

Commissioner Rivas suggested changing the language of Item 2 of the federal legislative program to read: "Support efforts to included increased federal highway and transit funding in any federal proposals designed to reduce local unemployment".

Commissioner Nicol moved to approve the staff recommendations and the amendments suggested by Commissioners Pirie and Rivas. Commissioner Lane seconded the motion to approve the staff recommendations that the Regional Transportation Commission:

1. Receive a verbal report from the RTC's Sacramento Legislative Assistant;
2. Receive verbal updates on the State Budget and federal jobs bills and take action, if necessary; and
3. Adopt the 2010 State and Federal Legislative Programs, as amended.

**Jack Nelson** said that he supported increasing gas taxes but not vehicle registration fees because people driving fuel efficient cars were charged as much as those driving gas guzzlers.

5-10.04

The motion passed unanimously.

26. **10:00 AM Public hearing** - Adoption of the *2010 Regional Transportation Improvement Program (RTIP)*

Senior Planner Rachel Moriconi said that the only new funding available in the 2010 State Transportation Improvement Program (STIP) for Santa Cruz County is \$1.1 million of Transportation Enhancement funds. These funds are restricted for use on projects such as pedestrian and bicycle facilities, scenic land acquisitions and landscaping beyond required project mitigations. Ms. Moriconi reviewed the Commission's approval to direct these funds to the Broadway/Brommer Multiuse Path. In addition, the RTC has an unprogrammed balance of \$3.5 million. Although it is unlikely that the state will allow the RTC to access the funds, it is recommended that the RTC request the funds.

Commissioners discussed the lawsuit to defend the final environmental document for the Highway 1 Auxiliary lanes project, expressing the hope that it will be resolved quickly, and suggesting a closed session for the next meeting to consider the possibility of joining the litigation. Commissioners also discussed costs and construction details of the Broadway/Brommer Multiuse Path.

Chair Johnson opened the floor to the public hearing.

**Paul Shoehammer** supported funding the Broadway/Brommer project saying that it promotes biking and walking, is supported by seniors and that the Department of Fish and Wildlife concluded that the path will not hurt the endangered tar plant and its habitat.

**Michael Burns** said it is hard to ride on the dirt path and that the multiuse path would be safer.

**Jean Brocklebank** objected to funding the multiuse path saying that the planned bridge will be invasive to the habitat and that the money would be better spent on bike racks and cyclist education.

**Steve McCabe** said that he is a research botanist who opposes funding the multiuse path because the project endangers the tar plant.

**Carolyn Jett** said that the Broadway/Brommer path would help to connect great biking streets and make it easier to use alternate transportation modes.

**Kem Akol** said the Broadway/Brommer project will increase bicycle usage.

**Kirby Fosgate** supported the path saying it makes it safe to travel from Broadway to Brommer St.

**Paul Hempstead** supported the path as a safer alternative for cyclists.

5-10.a5

**Charlie Dixon** supported the path noting that the Elderly & Disabled Transportation Advisory Committee said that this would be the only path providing access for the mobility impaired.

**Cary Friedman** said that other routes between Live Oak and downtown are not safe for cyclists.

**Holly Tyler** said there has been sufficient review for this project which was a high priority in the 80's and is still good idea.

**Reed Searle** commented on the Highway 1 Auxiliary Lanes lawsuit saying that a settlement would be great and would reduce costs.

**Micah Posner** said that the path will have an exponential effect on getting people to ride bikes and walk.

**Jack Nelson** said that he used to be a county planner and is familiar with the tar plant, but that bike use needs to be increased and he thinks the environmental document shows that the plant will not be hurt.

**Kyle Waites** said that he is involved in the Arana Gulch cleanup and that the bridges are longer than being reported. He said that this project would promote more loitering and garbage will be thrown off the bridges.

**Celia Scott** asked about the status of the Highway 1 Auxiliary Lanes project lawsuit and suggested that a decision on funding the Broadway/Brommer path wait until the Coastal Commission makes its decision on whether to approve the project.

The public hearing was closed.

Commissioner Pirie moved and Commissioner Campos seconded to approve the combination of recommendations from its advisory committees and staff to adopt the *2010 Regional Transportation Improvement Program (RTIP)* to:

1. Program \$1.1 million in projected State Transportation Improvement Program Transportation Enhancement (STIP TE) funds to the Broadway-Brommer Multi-Use Path for construction;
2. Program \$925,000 in additional STIP funds for federally mandated planning, programming and monitoring (PPM) activities from FY 10/11 to 14/15; and
3. Make changes to several previously programmed projects, which include shifting funds between projects, updating project schedules, and modifying project scope.
4. Program \$1.45 million in additional STIP funds to the Highway 1 High Occupancy Vehicle (HOV) Lanes project for the environmental review phase; and

5-10.26

5. Program \$500,000 in additional STIP funds to the Highway 1 Soquel – Morrissey Auxiliary Lanes project to help defend a challenge to the final environmental documents, and authorize use of \$326,000 in previously reserved Regional Surface Transportation Exchange Program (RSTPX) funds for these cost increases if the CTC does not approve this supplemental allocation of STIP funds.
6. Hold a public hearing to receive comments on the proposed 2010 RTIP and consider any written comments received (to be distributed at the meeting);
7. Approve a resolution adopting the proposed 2010 RTIP with the recommendations listed above;
8. Amend the FY09/10 RTC Budget to reflect changes for Regional Surface Transportation Exchange Program (RSTPX) funded-projects; and
9. Request that the Association of Monterey Bay Area Governments (AMBAG) and California Transportation Commission (CTC) incorporate these amendments into the Metropolitan Transportation Improvement Program (MTIP) and State Transportation Improvement Program (STIP) respectively.

After further discussion of the funding for the Highway 1 Auxiliary Lanes environmental document legal challenge and details of the Broadway/Brommer multiuse path, Commissioner Campos called the question.

The motion (Resolutions 14-10 and 15-10) passed unanimously.

27. FY 09/10 Transportation Development Act (TDA) Article 8 allocation claim from the City of Santa Cruz for bicycle and pedestrian improvement projects

Senior Planner Cory Caletti presented the staff report and introduced Chris Schreiber, City of Santa Cruz Public Works, who provided details about the projects to be funded.

Commissioner Lane moved and Commissioner Leopold seconded to approve the Bicycle Committee, the Elderly & Disabled Transportation Advisory Committee and staff recommendations that the Regional Transportation Commission approve a resolution approving the City of Santa Cruz FY 09/10 Transportation Development Act Article 8 allocation claim for \$96,000 for the following projects:

1. Bikeway Striping and Minor Improvements (\$20,000);
2. Bicycle Parking Program (\$1,000); and
3. Branciforte Creek Bike/Pedestrian Bridge (\$75,000).

The motion (Resolution 16-10) passed unanimously.

28. Sustainable Transportation and Access Rating System (STARS) Technical Advisory Committee

The Commission recessed at 11:13 am.

5-10.07

The Commission reconvened 11:23 am.

Executive Director George Dondero said that the committee would be in place from now until October and would advise the Commission about which STARS credits to develop. He said that the proposed group represents a broad spectrum of interest and a degree of technical knowledge.

Commissioners discussed the composition of the committee including potential additional representation from Watsonville and a community group.

Commissioner Bustichi moved and Commissioner Campos seconded to approve the staff recommendations that the Regional Transportation Commission (RTC) approve the proposed Sustainable Transportation and Access Rating System (STARS) Technical Advisory Committee to assist the project development team and the RTC in the development of credits and their applications to the Highway 1 High Occupancy Vehicle (HOV) Lanes project.

Commissioner Pirie asked the maker to include the provision that staff would return with two additional committee members: one to represent an organization based in Watsonville and one to represent a community group.

**Jack Nelson** asked if the meetings will be open to the public and said he is concerned about balance and would like to see someone concerned about climate change on the committee.

George Dondero said that the meetings will be publicly noticed and that there will be time for public comment.

**Paul Elerick** suggested adding someone from the Sierra Club.

**Micah Posner** suggested adding people who are skeptical of the widening project.

The motion, as amended, passed unanimously.

29. Review of items to be discussed in closed session

The Commission adjourned into closed session at 11:50am.

#### **CLOSED SESSION**

30. Conference with Real Property Negotiator for acquisition of the Santa Cruz Branch Rail Line Property: Santa Cruz Branch Rail Line from Watsonville Junction to Davenport

Agency Negotiator: Kirk Trost, Miller Owen & Trost

Negotiation Parties: SCCRTC, Union Pacific

5-10.98

Under Negotiation: Price and Terms

**OPEN SESSION**

- 31. Report on closed session - none
- 32. Next Meetings

The meeting adjourned at 12:22 pm.

There is no Transportation Policy Workshop meeting scheduled for January.

The next SCCRTC meeting is scheduled for Thursday, February 4, 2010 at 9:00 a.m. at the Watsonville City Council Chambers, 275 Main St, Watsonville CA.

Respectfully submitted,

Gini Pineda, Staff

**ATTENDEES**

- B Selvidge
  - Jack Nelson
  - Les White
  - Randy DeShazo
  - Celia Scott
  - Reed Searle
  - Jean Brocklebank
  - Kirby Fosgate
  - Kem Akol
  - Carolyn Jett
  - Cary Friedman
  - Holly Tyler
  - Rick Longinotti
  - Paul Shoehammer
  - Michael Burns
  - Steve McCage
  - Paul Hempstead
  - Charlie Dixon
  - Micah Posner
  - Kyle Waites
  - Chris Schneiter
- SCMTD  
AMBAG
- Greenways to School
- City of Santa Cruz Public Works

5-10.a9

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Robert Cotter, Manager of Maintenance  
**SUBJECT: CONSIDERATION OF CONTRACT RENEWAL WITH EVERGREEN OIL, INC. FOR INDUSTRIAL WASTE DISPOSAL AND INDUSTRIAL WASTE EMERGENCY RESPONSE SERVICES FOR AN AMOUNT NOT TO EXCEED \$25,000**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to enter into a one-year contract extension with Evergreen Oil, Inc. for industrial waste disposal and industrial waste emergency response services for an amount not to exceed \$25,000.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO has a contract with Evergreen Oil, Inc. for industrial waste disposal and industrial waste emergency response services.
- This contract was established on May 1, 2009 for a one-year period with four optional one-year extensions.
- Evergreen Oil, Inc. has requested a renewal of the contract without any changes to the rates for the new contract period.

## III. DISCUSSION

Santa Cruz METRO has a contract with Evergreen Oil, Inc. for industrial waste disposal and industrial waste emergency response services that is due to expire on April 30, 2010. Over the past year, the quality of service provided by Evergreen Oil, Inc. has been excellent. Evergreen Oil, Inc. has reviewed the contract and has requested a one-year contract extension without any changes to the rates for the new contract period.

Staff recommends that Santa Cruz METRO exercise the option for a one-year contract extension with Evergreen Oil, Inc. for an amount not to exceed \$25,000. Staff further recommends that the Board of Directors authorize the General Manager to sign a one-year contract extension on behalf of Santa Cruz METRO.

## IV. FINANCIAL CONSIDERATIONS

Funds to support this contract are included in the Facilities Maintenance FY10 operating budget.

5-11.1

**V. ATTACHMENTS**

**Attachment A:** Letter from Evergreen Oil, Inc.

**Attachment B:** Contract Amendment with Evergreen Oil, Inc.

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 10, 2010

5-11.2





**Evergreen Oil, Inc.**

*dedicated to the protection of the environment*

**Attachment A**

9 March 2010

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

**Re: Renewal of Contract**  
**Industrial Waste Disposal and Industrial Waste Emergency Response Services**  
**No. 09-11**

Dear Mr. Longnecker:

Evergreen Oil, inc is in receipt of your request to extend the above listed contract for an additional year. We are pleased to do so with no changes.

We thank Santa Cruz Metropolitan Transit District for the business.

Sincerely,


**Evergreen Oil, Inc.**

Gary B Colbert  
President

*Headquarters*  
2415 Campus Drive, Suite 225  
Irvine CA 92612  
Tel: (949) 757-7770 Fax: (949) 474-9149  
Customer Service: (800) 972-5284

Website: [www.evergreenoil.com](http://www.evergreenoil.com)

*Operations - North*  
6880 Smith Avenue  
Newark, CA 94560-4224  
Tel: (510) 795-4400  
Fax: (510) 796-2559

5-11.01 

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FIRST AMENDMENT TO CONTRACT NO. 09-11  
FOR HAZARDOUS INDUSTRIAL WASTE DISPOSAL AND INDUSTRIAL WASTE  
EMERGENCY RESPONSE SERVICES**

This First Amendment to Contract No. 09-11 for Hazardous Industrial Waste Disposal and Industrial Waste Emergency Response Services is made effective May 1, 2010 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("Santa Cruz METRO") and EVERGREEN OIL, INC. ("Contractor").

**I. RECITALS**

- 1.1 Santa Cruz METRO and Contractor entered into a Contract for hazardous industrial waste disposal and industrial waste emergency response services ("Contract") on May 1, 2009.
- 1.2 The Contract allows for the extension upon mutual written consent.

Therefore, Santa Cruz METRO and Contractor amend the Contract as follows:

**II. TERM**

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

This Contract shall continue through April 30, 2011. This Contract may be mutually extended by agreement of both parties.

**III. REMAINING TERMS AND CONDITIONS**

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

**IV. AUTHORITY**

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

SIGNATURES ON NEXT PAGE

5-11.61

Signed on \_\_\_\_\_

Santa Cruz METRO  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR  
EVERGREEN OIL, INC.

By \_\_\_\_\_  
Gary B. Colbert  
President

Approved as to Form:

\_\_\_\_\_  
Margaret R. Gallagher  
District Counsel

5-11.62

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Robert Cotter, Manager of Maintenance  
**SUBJECT: CONSIDERATION OF CONTRACT RENEWAL WITH MISSION LINEN & UNIFORM SERVICE FOR AN AMOUNT NOT TO EXCEED \$20,000**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to enter into a one-year contract extension with Mission Linen & Uniform Service for furnishing uniforms, flat goods, and laundry services for an amount not to exceed \$20,000.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO has a contract with Mission Linen & Uniform Service for uniform, flat goods and laundry services.
- This contract was established on May 1, 2009 for a one-year period with four optional one-year extensions.
- Mission Linen & Uniform Service has requested a renewal of the contract without any changes to the rates for the new contract period.

## III. DISCUSSION

Santa Cruz METRO has a contract with Mission Linen & Uniform Service for furnishing uniforms, flat goods, and laundry services that is due to expire on April 30, 2010. Over the past year, the quality of service provided by Mission Linen & Uniform Service has been good. Mission Linen & Uniform Service has reviewed the contract and has requested a one-year contract extension without any changes to the rates for the new contract period.

Staff recommends that Santa Cruz METRO exercise the option for a one-year contract extension with Mission Linen & Uniform Service for an amount not to exceed \$20,000. Staff further recommends that the Board of Directors authorize the General Manager to sign a one-year contract extension on behalf of Santa Cruz METRO.

## IV. FINANCIAL CONSIDERATIONS

Funds to support this contract are included in the ParaCruz, Facilities and Fleet Maintenance FY10 operating budgets.

5-12.1

**V. ATTACHMENTS**

**Attachment A:** Letter from Mission Linen & Uniform Service.

**Attachment B:** Contract Amendment with Mission Linen & Uniform Service

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 15, 2010

5-12.2



Attachment **A**

March 19, 2010

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

Dear Sir:

In response to your letter, Mission Linen & Uniform would like to extend the contract for an additional one year period. At this time we see no need to change any of the language of the existing terms of the current agreement.

Sincerely,

Fred Kostner  
General Manager  
831 424-1707

5-12.01

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FIRST AMENDMENT TO CONTRACT NO. 09-15  
FOR UNIFORM, FLAT GOODS AND LAUNDRY SERVICE**

This First Amendment to Contract No. 09-15 for Uniform, Flat Goods and Laundry Service is made effective May 1, 2010 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("Santa Cruz METRO") and MISSION LINEN & UNIFORM SERVICE. ("Contractor").

**I. RECITALS**

1.1 Santa Cruz METRO and Contractor entered into a Contract for Uniform, Flat Goods and Laundry Service ("Contract") on May 1, 2009.

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

Therefore, Santa Cruz METRO and Contractor amend the Contract as follows:

**II. TERM**

2.1 Article 3.02 is amended to include the following language:

This Contract shall continue through April 30, 2011. This Contract may be mutually extended by agreement of both parties.

**III. REMAINING TERMS AND CONDITIONS**

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

**IV. AUTHORITY**

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

SIGNATURES ON NEXT PAGE

5-12.61

Signed on \_\_\_\_\_

Santa Cruz METRO  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR  
MISSION LINEN & UNIFORM SERVICE

By \_\_\_\_\_  
Fred Kostner  
General Manager

Approved as to Form:

\_\_\_\_\_  
Margaret R. Gallagher  
District Counsel

5-12.6<sup>2</sup>2



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Ciro Aguirre, Operations Manager  
**SUBJECT: CONSIDERATION OF CONTRACT RENEWALS WITH SANTA CRUZ TRANSPORTATION, LLC AND WATSONVILLE TRANSPORTATION, INC. FOR SUPPLEMENTAL PARATRANSIT SERVICES**

## I. RECOMMENDED ACTION

**That the Board of Directors authorizes the General Manager to enter into a one-year contract extension with Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. for supplemental paratransit services.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO has a contract with Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. for supplemental paratransit services.
- This contract was established on May 1, 2007 for a three-year period with two optional one-year extensions.
- Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. have requested a one-year renewal of the contract with separately negotiated rate changes for each contractor.

## III. DISCUSSION

Santa Cruz METRO has contracts with Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. for supplemental paratransit services that are due to expire on April 30, 2010. Over the past three years, both firms have provided good service. Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. have reviewed their contracts and have requested a one-year renewal of the contract with separately negotiated rate changes for each contractor.

Staff recommends that Santa Cruz METRO exercise the option for one-year contract extensions with Santa Cruz Transportation, LLC and Watsonville Transportation, Inc. Staff further recommends that the Board of Directors authorize the General Manager to sign a contract amendment for a one-year contract extension of each contract on behalf of Santa Cruz METRO.

5-13.1

#### **IV. FINANCIAL CONSIDERATIONS**

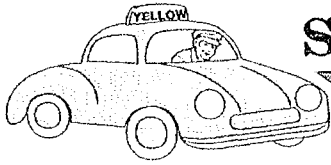
Funds to support this contract are included in the ParaCruz FY10 budget for contract transportation/Paratransit.

#### **V. ATTACHMENTS**

- Attachment A:** Letter received from Santa Cruz Transportation, LLC
- Attachment B:** Letter received from Watsonville Transportation, Inc.
- Attachment C:** Contract Amendment with Santa Cruz Transportation, LLC
- Attachment D:** Contract Amendment with Watsonville Transportation, Inc.

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 10, 2010

5-13.2



## Santa Cruz Transportation, LLC

PHONE: 831.423.1234

Thursday, March 04, 2010

Santa Cruz Metropolitan Transit District  
Ciro F. Aguirre  
Operations Manager  
1200 River Street  
Santa Cruz, CA 95060

Ciro F. Aguirre

This letter will confirm our ongoing commitment to the private operator and public service partnership developed between Metro Para Cruz and Santa Cruz Transportation, LLC.

Please be advised that Santa Cruz Transportation, LLC would like to renew the agreement with Santa Cruz Metro for an additional 1 (one) year term pursuant to Section 4.01 of Contract No. 06-08, beginning the first one year extension on May 1<sup>st</sup>, 2010.

1. For Metro provided vehicles: \$45.85 per hour, billed as before in 4 (four) hour minimum blocks with each additional hour prorated.
2. For non Metro provided vehicles: \$46.80 per hour, billed as before in 4 (four) hour minimum blocks, each additional hour prorated.
3. For SCT-100 rides: Metered rate plus \$3.00; door to door.

All other terms and conditions would remain the same. The 5% per hour increase compounded annually will henceforth be eliminated. Any per hour increase or decrease will be submitted prior to commencement of the next 1 (one) year extension.

Please let me know if Metro is willing to amend the agreement in accordance with this proposal.

Yours truly,

Santa Cruz Transportation, LLC  
By, James C. Monroe

Cc, Mark Hickey and April Warnock

March 1, 2010

Dear Mr. Aguirre

Please be advised that Watsonville Transportation Inc. d.b.a. Courtesy Cab would like to renew its agreement with Santa Cruz Metro Transit District for an additional one year term, pursuant to Section 4.01 of the current agreement. Watsonville Transportation Inc. d.b.a. Courtesy Cab is willing to accept the following compensation:

1. For Metro provided vehicles: \$46.92 per hour.
2. For non Metro provided vehicles: \$48.00 per hour.
3. For non Metro provided vehicles single ride rate:

\$4.00 Drop

\$3.00 per Mile

5 min wait time included at no charge.

All other terms and conditions would remain the same except that the 5% pay increase would be reduced to 2% only at the commencement of this one-year extension.

Please let me know if Santa Cruz Metro Transit District is willing to amend the agreement in accordance with this proposal.

Sincerely,



Richard Camperud, CEO  
Watsonville Transportation Inc.  
Courtesy Cab Co.

5-13.b1

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SECOND AMENDMENT TO CONTRACT NO. 06-08  
FOR SUPPLEMENTAL PARATRANSIT SERVICES**

This Second Amendment to Contract No. 06-08 for supplemental paratransit services is made effective May 1, 2010 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("Santa Cruz METRO") and SANTA CRUZ TRANSPORTATION, LLC ("Contractor").

**I. RECITALS**

- 1.1 Santa Cruz METRO and Contractor entered into a Contract for supplemental paratransit services ("Contract") on May 1, 2007.
- 1.2 The Contract allows for the extension upon mutual written consent.
- 1.3 Santa Cruz METRO and Contractor have negotiated compensation rates for the new contract period.

Therefore, Santa Cruz METRO and Contractor amend the Contract as follows:

**II. TERM**

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

This Contract shall continue through April 30, 2011. This Contract may be mutually extended by agreement of both parties.

**III. COMPENSATION**

- 3.1 Effective May 1, 2010, Santa Cruz METRO agrees to compensate Contractor as follows:

- 3.1.1 For Santa Cruz METRO provided vehicles: \$45.85 per hour, billed in four (4) hour minimum blocks with each additional hour prorated.
- 3.1.2 For non Santa Cruz METRO provided vehicles: \$46.80 per hour, billed in four (4) hour minimum blocks with each additional hour prorated.
- 3.1.3 For SCT-100 rides: Metered rate plus \$3.00 door to door.

**IV. REMAINING TERMS AND CONDITIONS**

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

5-13.01

V. AUTHORITY

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

Signed on \_\_\_\_\_

Santa Cruz METRO  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR  
SANTA CRUZ TRANSPORTATION, LLC

By \_\_\_\_\_  
James C. Monroe  
Owner

Approved as to Form:

\_\_\_\_\_  
Margaret R. Gallagher  
District Counsel

5-13.C2

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SECOND AMENDMENT TO CONTRACT NO. 06-08  
FOR SUPPLEMENTAL PARATRANSIT SERVICES**

This Second Amendment to Contract No. 06-08 for supplemental paratransit services is made effective May 1, 2010 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("Santa Cruz METRO") and WATSONVILLE TRANSPORTATION, INC. ("Contractor").

**I. RECITALS**

- 1.1 Santa Cruz METRO and Contractor entered into a Contract for supplemental paratransit services ("Contract") on May 1, 2007.
- 1.2 The Contract allows for the extension upon mutual written consent.
- 1.3 Santa Cruz METRO and Contractor have negotiated compensation rates for the new contract period.

Therefore, Santa Cruz METRO and Contractor amend the Contract as follows:

**II. TERM**

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

This Contract shall continue through April 30, 2011. This Contract may be mutually extended by agreement of both parties.

**III. COMPENSATION**

- 3.1 Effective May 1, 2010, Santa Cruz METRO agrees to compensate Contractor as follows:

- 3.1.1 For Santa Cruz METRO provided vehicles: \$46.92 per hour, billed in four (4) hour minimum blocks with each additional hour prorated.
- 3.1.2 For non Santa Cruz METRO provided vehicles: \$48.00 per hour, billed in four (4) hour minimum blocks with each additional hour prorated.
- 3.1.3 For non Santa Cruz METRO provided vehicles single ride rate: \$4.00 per drop, \$3.00 per mile, with a five minute wait included at no charge.

**IV. REMAINING TERMS AND CONDITIONS**

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

5-13.d1

V. AUTHORITY

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

Signed on \_\_\_\_\_

Santa Cruz METRO  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR  
WATSONVILLE TRANSPORTATION, INC.

By \_\_\_\_\_  
Richard Camperud  
CEO

Approved as to Form:

\_\_\_\_\_  
Margaret R. Gallagher  
District Counsel

5-13.d2



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Robert Cotter, Manager of Maintenance  
**SUBJECT: CONSIDERATION OF A TWO MONTH CONTRACT EXTENSION FOR RADIO MAINTENANCE AND REPAIR SERVICES WITH TELEPATH CORPORATION**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to extend the contract for radio maintenance and repair services with Telepath Corporation for two (2) additional months.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO's contract for the radio maintenance and repair services will expire on March 31, 2010.
- Santa Cruz METRO is currently reviewing proposals for a new contract for radio maintenance and repair services and will need more time for review due to extenuating circumstances.

## III. DISCUSSION

Santa Cruz METRO has a contract for radio maintenance and repair services with Telepath Corporation that will expire on March 31, 2010. Santa Cruz METRO is reviewing proposals received and opened on March 15, 2010 and will need more time for review due to extenuating circumstances.

Staff recommends that the Board of Directors authorize the General Manager to extend the current contract for radio maintenance and repair services with Telepath Corporation for two additional months at the current contract pricing.

## IV. FINANCIAL CONSIDERATIONS

Funds to support this contract extension are included in the FY10 Fleet Maintenance operating budget (account #503352).

5-14.1

**V. ATTACHMENTS**

**Attachment A:** Contract amendment with Telepath Corporation

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 17, 2010

5-14.2

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
THIRD AMENDMENT TO CONTRACT NO. 04-13  
FOR RADIO MAINTENANCE AND REPAIR SERVICES**

This Third Amendment to Contract No. 04-13 for radio maintenance and repair services is made effective April 1, 2010 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("METRO") and Telepath Corporation ("Contractor").

**I. RECITALS**

- 1.1 METRO and Contractor entered into a Contract for radio maintenance and repair services ("Contract") on April 1, 2005.
- 1.2 The Contract allows for the extension upon mutual written consent.

Therefore, METRO and Contractor amend the Contract as follows:

**II. TERM**

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

This contract shall continue through May 31, 2010. This Contract may be mutually extended by agreement of both parties.

**III. REMAINING TERMS AND CONDITIONS**

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

**IV. AUTHORITY**

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

SIGNATURES ON NEXT PAGE

5-14.a1

Signed on \_\_\_\_\_

METRO--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR—TELEPATH CORPORATION

By \_\_\_\_\_  
Aaron Ettinger  
President

APPROVED AS TO FORM:

\_\_\_\_\_  
Margaret R. Gallagher  
District Counsel

5-14.02

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Leslie R. White, General Manager

**SUBJECT: CONSIDERATION OF CONTINUING SPONSORSHIP OF LEADERSHIP SANTA CRUZ COUNTY IN ORDER TO PROVIDE EDUCATION ON TRANSPORTATION ISSUES, SERVICES, AND FACILITIES AND TO PROVIDE THE OPPORTUNITY FOR METRO STAFF TO PARTICIPATE IN THE PROGRAM.**

## I. RECOMMENDED ACTION

**That the Board of Directors approve METRO continuing to be a sponsor of the Leadership Santa Cruz County Program, providing information regarding public transit services and facilities to the class Members, and providing buses on April 2, 2010, May 21, 2010, and June 4, 2010 for tours of various facilities and activities.**

## II. SUMMARY OF ISSUES

- The Leadership Santa Cruz County program provides information regarding activities throughout the County for a classes of approximately 25 to 50 individuals annually.
- In 2005 the Board of Directors approved METRO becoming a sponsor of the Leadership Santa Cruz County Program by providing information regarding services and facilities, and by providing a bus for one day to tour various facilities and view activities. The Board has continued the sponsorship of Leadership Santa Cruz County in 2006, 2007, 2008, and 2009.
- The Leadership Santa Cruz County staff has requested that METRO continue to be a sponsor of the program by providing information to members of the class and by providing a bus for a tour of various facilities on April 2, 2010, May 21, 2010, and June 4, 2010.
- Prior to 2005 METRO had not participated in providing information to the Leadership Santa Cruz County classes nor sponsored the program. In 2007/2008 a Member of the METRO staff took advantage of the Leadership Santa Cruz County by participating in the program and in 2008/2009 two additional METRO staff members participated in the program. The program is provided to METRO staff members at no cost in exchange for the bus service that METRO has provided through its sponsorship.
- The cost of becoming a sponsor of Leadership Santa Cruz County would be the cost of providing the buses for the facilities tours on April 2, 2010, May 21, 2010, and

5-15.1

June 4, 2010. The estimated cost for providing the buses for the Leadership Santa Cruz County tours is approximately \$2,400.

- Staff recommends that the Board of Directors approve the request from Leadership Santa Cruz County staff.

### **III. DISCUSSION**

The Leadership Santa Cruz County Program provides information about, and orientation to, various programs and facilities annually for approximately 25 to 50 individuals from the community. Many of these individuals hold key leadership positions in the community.

In 2005 METRO received a request for program sponsorship from Gary W. Smith, Executive Director of Leadership Santa Cruz County. The requested sponsorship was in the form of providing a bus for a tour of facilities, and a presentation by METRO of information about the system, services, facilities and projects. The Board of Directors approved the sponsorship request and the event was very successful. METRO has continued to be a sponsor of the program in 2006, 2007, 2008, and 2009. Leadership Santa Cruz County has requested that METRO continue to be a sponsor of the program by providing support, including the bus on three different days, for programs this year. A copy of the request letter from the new Leadership Santa Cruz County Executive Director David Vincent is attached to this Staff Report. Participating in the Leadership Santa Cruz County program provides an opportunity to orient individuals regarding the benefits of a strong public transit system.

Prior to 2005 METRO had not participated in providing information to the Leadership Santa Cruz County classes nor sponsored the program. In 2007/2008 a Member of the METRO staff took advantage of the Leadership Santa Cruz County by participating in the program and has found it to be very beneficial. In 2008/2009 two METRO staff members participated in the Leadership Santa Cruz County Program. Based on the experiences of participating staff members, METRO intends to send additional staff members to the program as staff time permits. The program is provided to METRO staff members at no cost in exchange for the bus service that METRO provides through its sponsorship

Staff recommends that the Board of Directors approve the request to continue sponsorship of Leadership Santa Cruz County, including the provision of buses for tours of facilities and activities on April 2, 2010, May 2010, and June 4, 2010.

### **IV. FINANCIAL CONSIDERATIONS**

The cost of becoming a sponsor of the Leadership Santa Cruz County program through providing buses for facilities tours would be approximately \$2,400 plus presentation materials.

### **V. ATTACHMENTS**

**Attachment A:** Letter from David Vincent, February 15, 2010.

5-15.2



Attaciorini A

February 15, 2010

**Corporate  
Sponsors**

**Apex  
Adventures**

**Bay Federal  
Credit Union**

**Big Creek  
Lumber  
Company**

**Dominican  
Hospital**

**Driscoll's**

**Graniterock**

**Mount Hermon**

**Santa Cruz  
Realtor  
Association**

**Sutter Medical  
Foundation**

**Seaside  
Company**

**University of  
California, Santa  
Cruz**

**Wells Fargo  
Bank**

Les White  
General Manager  
Santa Cruz Metropolitan Transit District  
370 Encinal Street, Suite 100  
Santa Cruz, CA 95060

Dear Mr. White:

The purpose of this letter is to request the help of the SCMTD for this year's Leadership Santa Cruz County Class. As you know, both SCMTD and LSCC have benefited from a strong partnership over the years. Emerging leaders throughout the county have a better opportunity to understand just how their community works by visiting unfamiliar areas by bus and SCMTD benefits by having employees participate in the class at no cost. Everyone in the class better understands what SCMTD provides in terms of services and community outreach. Last year two SCMTD employees graduated from Class 25.

Once again LSCC will need to transport the class to various parts of the county as part of their learning experience. As you have seen in the past, it is extremely helpful when the class can travel as a group so that they can learn while in transit and also discuss their experiences amongst themselves. Specifically, it would be of tremendous help if SCMTD could supply the transportation needs for approximately 35 students on the following dates:

- The Pajaro Valley Day – April 2, 2010.
- The Agriculture & Food Processing Day – May 21, 2010.
- The Environment & Industry Day – June 4, 2010

Thank you for your consideration of this request. LSCC is proud to have you as a partner.

Sincerely,

David Vincent, Executive Director  
Leadership Santa Cruz County

---

**Leadership Santa Cruz County**

**[www.leadershipscc.org](http://www.leadershipscc.org)**

Executive Director: Dave Vincent - 210 View Court, Aptos, CA 95003  
Phone & Fax: (831)662-3881 E-Mail: [leadershipscc@cruzio.com](mailto:leadershipscc@cruzio.com)

5-15.01

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Ciro Aguirre, Operations Manager

**SUBJECT: CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A WAIVER AND RELEASE WITH ORANGE COUNTY TRANSIT AUTHORITY FOR THE RIGHT TO ACQUIRE FOUR (4) 40-FOOT LOW FLOOR CNG BUSES**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a Waiver and Release with Orange County Transit Authority for the right to acquire four (4) 40-foot low-floor CNG buses.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO currently has \$2,500,000 in Measure A funds from Santa Clara Valley Transit Authority (VTA) for the purchase of four each 40-foot, low-floor, compressed natural gas powered suburban coaches for the Highway 17 Express.
- Orange County Transit Authority (OCTA) in Southern California has options remaining on their contract with New Flyer of America for low-floor CNG buses that they will not be using.
- OCTA is willing to allow Santa Cruz METRO to purchase four (4) coaches using their contract options.
- On February 26, 2010, the METRO Board of Directors approved this action, however, it was not brought to your attention that in placing its order for the four (4) coaches, Santa Cruz METRO is required to waive and release any and all claims it may have against the OCTA and is also required to defend, indemnify and hold the OCTA harmless from any and all claims that may be related in any way to this purchase by METRO.

## III. DISCUSSION

Santa Cruz METRO currently has \$2,500,000 in Measure A funds from Santa Clara Valley Transit Authority (VTA) for the purchase of four each 40-foot, low-floor, compressed natural gas powered suburban coaches for the Highway 17 Express. Staff was able to locate four coaches on the contract in place with Orange County Transit Authority (OCTA) and New Flyer of America. Since the bid process is a lengthy process that generates a great deal of staff time, the use of this option will allow the funds to be utilized in a timely manner. On November 9, 2009,

5-16.1



Santa Cruz METRO requested that the OCTA assign to Santa Cruz METRO the right to purchase these four (4) coaches (Attachment A).

This process has the benefit of knowing the price for the coaches since the original procurement allowed for these options. Using the formula in the contract with OCTA, when Santa Cruz METRO signs a contract with New Flyer of America, final base price adjustments will be tied to the Producer Price Index. Negotiations will then occur with New Flyer of America to add those options to the coaches that are desired by Santa Cruz METRO such as paint scheme, bus stop announcement system, high-back seats, luggage racks, etc. In addition, any regulatory changes that have been changed since the initial OCTA procurement will have to added, such as lower emissions engines, etc. In this way, the cost of the coach will be less than if we were to bid the coaches at this time for a four (4) coach order. A further advantage in this approach is that Santa Cruz METRO will add the four (4) additional coaches from the same manufacturer (New Flyer of America) and will make it easier to maintain the buses by not requiring new parts to maintain the coaches.

As part of the transaction, Santa Cruz METRO is required to execute a Waiver and Release (Attachment B). This Waiver and Release contains language that releases any and all claims that METRO may have against OCTA with regard to this purchase and also requires METRO to defend, indemnify and hold OCTA harmless from and against any and all claims, suites or actions arising out of, resulting from, or in any way related to METRO's purchase, installation and use of the purchased buses. METRO staff wanted to insure that the Board of Directors was aware of the provisions of this Waiver and Release.

Staff recommends that the Board of Directors authorize the General Manager to execute an option from the Orange County Transit Authority contract with New Flyer of America to purchase four (4) each forty-foot low-floor compressed natural gas suburban coaches from New Flyer of America and be authorized to take all necessary steps to negotiate and sign a contract with New Flyer of America and the Orange County Transit Authority to purchase these four (4) coaches.

#### **IV. FINANCIAL CONSIDERATIONS**

Funds to support this procurement are included in the FY10 Final Capital Budget under Revenue Vehicle Replacement (\$2,500,000).

#### **V. ATTACHMENTS**

- Attachment A:** Letter to Orange County Transit Authority requesting Assignment of Options
- Attachment B:** Letter from Orange County Transit Authority requesting Waiver and Release

5-16.2

Attachment A  
Santa Cruz Metropolitan  
Transit District



November 9, 2009

Mr. Thomas Meng  
Section Manager – Maintenance and Procurement  
Orange County Transportation Authority (OCTA)  
550 S. Main Street  
Orange, CA 92863-1584

Reference: Assignment of Contract Options with New Flyer of America

Dear Mr. Meng:

It is my understanding that the Orange County Transit Authority (OCTA) established a contract with New Flyer of America to manufacture Low Floor 40 foot CNG buses and that some options may still be available under this contract. On behalf of the Santa Cruz Metropolitan Transit District (METRO) I would greatly appreciate it if you would be able to assign four (4) of your options to METRO. This would be of great benefit to METRO, saving us the costs of a procurement for only four vehicles.

If this arrangement is acceptable to you, please send us a letter to that effect with a copy to New Flyer of America. We will also need a copy of the contract and specifications for these vehicles for our procurement files along with the supporting documentation where Orange County Transit Authority has complied with all applicable regulations regarding transit vehicle procurements, including the FTA Piggybacking worksheet (please see enclosure).

Your consideration and assistance on this matter is most appreciated. If you have any questions regarding this request, please feel free to contact me at (831) 425-8951 or via email.

Sincerely,

Ciro F. Aguirre  
Operations Manager  
Santa Cruz METRO  
caguirre@scmtd.com

Enclosure – FTA Piggybacking Worksheet

Cc: Les White, METRO General Manager  
Margaret Gallagher, District Counsel  
Lloyd Longnecker, District Buyer

*METRO Operations 1200 River Street, Santa Cruz, CA 95060*

5-16.a1

## APPENDIX B.16

## PIGGYBACKING WORKSHEET

**Definition:** *Piggybacking is the post-award use of a contractual document/process that allows someone who was not contemplated in the original procurement to purchase the same supplies/equipment through that original document/process ("FTA Dear Colleague" letter, October 1, 1998).*

In order to assist in the performance of your review, to determine if a situation exists where you may be able to participate in the piggybacking (assignment) of an existing agreement, the following considerations are provided. Ensure that your final file includes documentation substantiating your determination.

WORKSHEET		YES	NO
1.	Have you obtained a copy of the contract and the solicitation document, including the specifications and any Buy America Pre-award or Post-Delivery audits?		
2.	Does the solicitation and contract contain an express "assignability" clause that provides for the assignment of all or part of the specified deliverables?		
3.	Did the Contractor submit the "certifications" required by Federal regulations? See BPPM Section 4.3.3.2.		
4.	Does the contract contain the clauses required by Federal regulations? See BPPM Appendix A1.		
5.	Were the piggybacking quantities included in the original solicitation; i.e., were they in the original bid and were they evaluated as part of the contract award decision?		
6.	If this is an indefinite quantity contract, did the original solicitation and resultant contract contain both a minimum and maximum quantity, and did these represent the reasonably foreseeable needs of the parties to the contract?		
7.	If this piggybacking action represents the exercise of an option in the contract, is the option provision still valid or has it expired?		
8.	Does your State law allow for the procedures used by the original contracting agency: e.g., negotiations vs. sealed bids?		

5-16.a2

WORKSHEET		YES	NO
9.	Was a cost or price analysis performed by the original contracting agency documenting the reasonableness of the price? Obtain a copy for your files		
10.	Does the contract term comply with the five-year term limit established by FTA?		
11.	Was there a proper evaluation of the bids or proposals? Include a copy of the analysis in your files.		
12.	If you will require changes to the vehicles (deliverables), are they “within the scope” of the contract or are they “cardinal changes”? See BPPM Section 9.2.1.		

Note: This worksheet is based upon the policies and guidance expressed in (a) the FTA Administrator's "Dear Colleague" letter of October 1, 1998, (b) the *Best Practices Procurement Manual*, Section 6.3.3—*Joint Procurements of Rolling Stock and "Piggybacking,"* and (c) FTA Circular 4220 1E

5-16.03



SENT VIA EMAIL & U.S. MAIL

December 22, 2009

BOARD OF DIRECTORS

Peter Sufia  
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Ex-Officio Member

CHIEF EXECUTIVE OFFICE

Will Kempton  
Chief Executive Officer

Mr. **Ciro F. Aguirre**  
Operations Manager  
Santa Cruz Metropolitan Transit District  
Metro Operations  
1200 River Street  
Santa Cruz, California 95060

**Subject: Request for Waiver and Release, Agreement No. C-5-0746**

Dear Mr. Aguirre:

The Orange County Transportation Authority (Authority) is in receipt of your letter dated November 9, 2009 requesting four (4) 40-foot, low floor compressed natural gas buses from options available under the subject agreement between the Authority and New Flyer of America. This letter is to inform you that the Authority approves your request.

Please sign the attached waiver and release, and upon receipt of the signed document, the Authority will inform New Flyer of America, Inc to provide the buses to the Santa Cruz Metropolitan Transit District.

Please contact me at (714) 560-5616 or at [ycrowder@octa.net](mailto:ycrowder@octa.net) if you have any questions.

Sincerely,

**Yvette Crowder**  
Contract Administrator  
Contracts Administration & Materials Management

Attachment: Waiver and Release Agreement

- c: Beth McCormick, Authority
- Tony Chavira, Authority
- Carolina Coppolo, Authority
- Paul Smith, New Flyer of America
- Greg Cherneski, New Flyer of America

5-16.61

**WAIVER AND RELEASE**

**WHEREAS**, New Flyer of America, Inc. (CONTRACTOR) entered into an Agreement, C-5-0746 (herein referred to as CONTRACT) for 40-foot, low floor, compressed natural gas transit buses, dated March 6, 2006, with the Orange County Transportation Authority (AUTHORITY); and

**WHEREAS**, the AUTHORITY has agreed to assign to Santa Cruz Metropolitan Transit District (METRO) AUTHORITY's right to acquire four (4) 40-foot low floor, compressed natural gas buses from CONTRACTOR under the terms and conditions of the CONTRACT, and pursuant to a separate agreement between CONTRACTOR and METRO.

**NOW THEREFORE**, in exchange for METRO's assignment of the right to acquire four (4) 40-foot low floor, compressed natural gas buses from CONTRACTOR, METRO hereby declares and states as follows:

1. METRO warrants that it meets all requirements for eligibility to participate in the assignment of these options.

2. METRO hereby waives and releases any and all claims it may have against the AUTHORITY with respect to any and all obligations of METRO under the agreement between CONTRACTOR and METRO for the purchase of said 40-foot low floor, compressed natural gas buses pursuant to the CONTRACT between CONTRACTOR and AUTHORITY.

3. METRO shall defend, indemnify, and hold harmless AUTHORITY, and its directors, officers, agents, and employees from and against any and all claims, suits, or actions arising out of, resulting from, or in any way related to METRO's purchase, installation, and use of the 40-foot low floor, compressed natural gas buses.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

By: \_\_\_\_\_

Print: \_\_\_\_\_


Title: \_\_\_\_\_

5-16.62

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager 

**SUBJECT:** PUBLIC HEARING FOR CONSIDERATION OF ADOPTION OF THE FARE ORDINANCE TO INCREASE HIGHWAY 17 EXPRESS FARES IN ORDER TO INCREASE REVENUES BY MAINTAINING AN OPTIMAL FAREBOX RECOVERY RATIO

## I. RECOMMENDED ACTION

**That the Board of Directors adopt the attached Fare Ordinance establishing the schedule for bus fares on the Highway 17 Express.**

## II. SUMMARY OF ISSUES

- Last month, the Board held a first reading of the Highway 17 Express Fare Ordinance adjustment.
- The last time Highway 17 Express fares were increased was July 2004.
- Operating Costs Per Passenger for the Highway 17 Express has increased 7.6% while Total Fare Revenue and the Farebox Recovery Ratio have decreased 0.7% and 1.4% from FY09 to FY10 respectively.
- Declining route productivity (6.6% decrease in total ridership and 9.2% decrease in passengers per hour) will continue to negatively effect Total Fare Revenues and the Farebox Recovery Ratio if a fare increase is not put in place.
- In order to be proactive against the decline in Total Fare Revenues and the Farebox Recovery Ratio as well as increasing Operating Costs, a 25% (\$1.00) increase to the Adult Base Fare (with similar increases to other fares) is proposed.
- Advertisements were posted in buses, newspapers, and information was provided on-line notifying the public of the propose changes.

## III. DISCUSSION

At the last Board Meeting, the Board of Directors considered the first reading of increasing Highway 17 Express Fares in Order to Increase Revenues by Maintaining an Optimal Farebox Recovery Ratio. After several minor adjustments (detailed below) recommended by both the Board of Directors and Santa Cruz METRO staff, it is recommended that the Board of Directors adopt the proposed Highway 17 Express Fare Ordinance as outlined in Attachment A.

Fares on the Highway 17 Express have remained the same for over five years. In that time CPI has increased 13.6%. More recently with the economic downturn and the fall of record high gas prices, ridership has decreased 6.6% YTD and passengers per hour has decreased 9.2%. This

7.1

loss in route productivity has lead to a decrease of 0.7% in Total Fare Revenues and furthermore an emerging trend of decreasing Farebox Recovery Ratio. Attachment B shows the current Revenue and Expenses Summary as of December 31, 2009.

The Farebox Recovery Ratio is a vital measure of the success or deterioration of a particular aspect of transit service. It is defined as: the average fare per rider multiplied by ridership per hour all divided by operating costs per hour. This ratio is a direct link to passenger revenues as they pertain to the productivity (ridership) of service and the costs of that service. Most importantly this ratio dictates the proportion of Total Fare Revenue and the amount of Sales Tax, Contract Payments, TDA Funding, FTA Funding, and other non-fare revenues needed to cover the Total Cost of providing transit service.

As stated above, the decreased ridership over FYTD10 has lead to a small but very significant decreasing trend in the Farebox Recovery Ratio. Currently the Highway 17 Express has an respectable 59.0% Farebox Recovery Ratio, yet this is a decrease from 59.9% a year ago. These figures are not to be confused with Cost Recovery figures which are derived by including additional revenue sources from San Jose State and AMTRAK. Santa Cruz METRO Planning Staff anticipates a continuation of decreasing ridership on the Highway 17 Express, which would logically lead to a continuation of decreasing Farebox Recovery Ratio. Please see Attachment C for analysis of the decreasing Farebox Recovery Ratio. In addition, decreases in the Farebox Recovery Ratio would be even more dismal if not for Santa Cruz METRO's Operations Department making an extended effort to crackdown on counterfeit passes on the Highway 17 Express.

These anticipated decreases in Farebox Recovery Ratio and subsequent decreases in Total Fare Revenue will put further pressure on other non-fare revenue sources such as Sales Tax and FTA funding to cover the increasing costs of Highway 17 Express service. It is well documented that the current level of non-fare revenue sources are already inadequate in covering all operating costs without the use of reserve funds. Therefore maintaining and/or enhancing the Farebox Recovery Ratio on the Highway 17 Express by increasing fares is vital and necessary.

Santa Cruz METRO Planning Staff recommends consideration of the following Highway 17 Express fare adjustments:

<b>Fare Type</b>	<b>Current Rate</b>	<b>Proposed Rate</b>
Cash Single Ride	\$4.00	\$5.00
Discounted Senior/Disabled Ride	\$2.00	\$2.50
Regular Day Pass	\$8.00	\$10.00
Regular Day Pass with METRO Day Pass	\$3.50	\$4.00
Regular Day Pass with VTA Day Pass	\$3.50	\$4.00
Regular Day Pass with 2 Zone (min) Cal Train Monthly Pass	\$3.50	\$4.00
Regular Day Pass With VTA Express Single Ride	\$1.50	\$2.00
Monthly Pass	\$90.00	\$113.00

7.2



*Please see Attachment A for the complete chart of Highway 17 Express fare increases.*

These recommendations are made based on four (4) criteria:

1. That the Highway 17 Express fares should assist in maintaining a standard Farebox Recovery Ratio of 60-65% to offset the losses in non-fare revenue.
2. That increases in Highway 17 Express Single Ride Fares should be made in \$1.00 increments for efficient operation of the Farebox as well as loading and unloading of passengers and to maintain schedule adherence.
3. That the funding partners of the Highway 17 Express including the Santa Clara Valley Transportation Authority, California Department of Transportation, and the AMTRAK Capitol Corridor Joint Powers Authority have met, discussed, and conferred that these recommendations are both wanted and necessary. (Attachments E-G)
4. That the current trend of decreasing ridership and simultaneous increases in operating expenses may result in Total Highway 17 fares under performing up to 4.2% under budget.

Advertisements were posted in buses, newspapers, and information was provided on-line notifying the public of the propose changes. One response was received (*see Attachment H*). Also, as requested by the Board, the Regular Day Pass with VTA Express Pass was altered from a proposed rate of \$1.75 to \$2.00.

Furthermore, Santa Cruz METRO staff has made a few minor changes to the naming of two fare categories in order to provide more clarity for passengers. These changes (in italics) include renaming the "Regular Day Pass with VTA Express Pass" to "Regular Day Pass with VTA Express *Single Ride*," and renaming "Regular Day Pass with 2 Zone (min) Cal Train Pass" to "Regular Day Pass with 2 Zone (min) Cal Train *Monthly* Pass."

With adoption, these new fares will take effect on June 10, 2010, corresponding to the beginning of Santa Cruz METRO's summer service.

#### **IV. FINANCIAL CONSIDERATIONS.**

The net effect of increasing Highway 17 fares would raise the Average Fare per Passenger nearly 22%, from \$3.45 per passenger to \$4.14 (see Attachment D). Concurrently, Santa Cruz METRO Planning staff anticipates an acceleration in the decrease in passengers per hour of 6% on top of the current 11% decrease, resulting in 15.5 passengers per hour. The Operating Cost per Hour is anticipated to increase 3% to \$98.70 per hour in FY11. When calculated together, increasing Highway 17 fares to the proposed levels, along with the net effects of the increase, will most likely result in a 64.9% Farebox Recovery Ratio.

In terms of Total Farebox Revenue for FY11, the proposed increase in Highway 17 fares would generate \$166,000 in one year. Without this increase, the net effect of current ridership and operating costs trends may lead to the Highway 17 Fares collecting under budget by as much as

2.8%. If Highway 17 Fares are left alone, the Farebox Recovery Ratio will decline to roughly 55.9% which would lead to a Total Fare Revenue of about \$1,040,000; which would be 2.8% below budget. Attachment D details the proposed Highway 17 Express Fare Increases and the analysis of anticipated effects.

#### **V. ATTACHMENTS**

- Attachment A: Draft of Revised Fare Ordinance**
- Attachment B: Highway 17 Express Revenue & Expenses Summary**
- Attachment C: Highway 17 Express Farebox Recovery Ratio Analysis**
- Attachment D: Highway 17 Express Proposed Fares and Anticipated Effects**
- Attachment E: Letter of Support from Santa Clara Valley Transportation Authority**
- Attachment F: Letter of Support from Capitol Corridor Joint Powers Authority**
- Attachment G: Letter of Support from California Department of Transportation**
- Attachment H: Public Comment Recieved**

Prepared by: Erich R. Friedrich, Provisional Transit Planner  
Date Prepared: March 17, 2010

7.4

ORDINANCE NO. 84-2-1 As Amended

AN ORDINANCE OF THE  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
ESTABLISHING SCHEDULE FOR BUS FARES

Be it enacted by the Board of Directors of the Santa Cruz Metropolitan Transit District as follows:

**SECTION I: FARE SCHEDULE - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**A. Fixed Route Service**

Regular Bus Fare	1.50
Discount Bus Fare - Senior Passenger/Individual with Disability *	.75
Regular Day Pass	4.50
Discount Day Pass - Senior Passenger/Individual with Disability *	2.25
Regular Convenience Card	22.00
Discount Convenience Card - Senior Passenger/Individual with Disability *	11.25
Regular Monthly Pass	50.00
Discount Monthly Pass - Senior Passenger/Individual with Disability *	25.00
Student Monthly Pass	35.00
School Student Field Trip Rate	25.00

\* To obtain Discount Fare passenger must produce a Santa Cruz METRO Photo I.D. Card or other approved identification.

**B. Highway 17 Express Bus Service Options**

Regular Express Bus Fare (One Way)	<del>4.00</del> <u>5.00</u>
Discount Bus Fare-Senior Passenger/Individual with Disability	<del>2.00</del> <u>2.50</u>
Regular Day Pass	<del>8.00</del> <u>10.00</u>
Regular Day Pass with surrender of Santa Cruz METRO Day Pass	<del>3.50</del> <u>4.00</u>
Regular Day Pass with surrender of VTA Day Pass	<del>3.50</del> <u>4.00</u>
Regular Day Pass with 2 Zone minimum Cal Train Monthly Pass	<del>3.50</del> <u>4.00</u>
Regular Day Pass with VTA Express Single Ride	<del>1.50</del> <u>2.00</u>
Monthly Pass	<del>90.00</del> <u>113.00</u>

**C. Paratransit Service**

Regular Paratransit Fare (One Way)	3.00
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**D. Group Pass Contract Rate**

Fares for individuals of the group are determined through negotiations between the group and Santa Cruz METRO and are set forth in the contract.

**E. Service Charge on Return Checks**

The service charge on returned checks is \$15.00.

Ordinance No. 84-2-1 of the Santa Cruz Metropolitan Transit District is hereby amended and shall become effective on June 10, 2010.

Passed and adopted by the Board of Directors on this 26<sup>th</sup> day of March 2010, by the following vote:

AYES: Directors -

NOES: Directors -

ABSENT: Directors -

ABSTAIN: Directors -

**DRAFT**

ATTEST: \_\_\_\_\_  
LESLIE R. WHITE  
Secretary/General Manager

APPROVED: \_\_\_\_\_  
ELLEN PIRIE  
Chairperson

APPROVED AS TO FORM:

\_\_\_\_\_  
MARGARET GALLAGHER  
District Counsel

7.a2

**HIGHWAY 17 EXPRESS  
REVENUE & EXPENDITURE SUMMARY  
FISCAL YEAR 2010**

PERIOD	TOTAL COST*	REVENUE								RATIOS				VTA COST SUMMARY			JPA COST SUMMARY		
		PASSENGER FARE REVENUE					ADDITIONAL FUNDS			TOTAL REVENUE	Ridership	Average Fare per Rider	Total Cost per Rider	Cost Recovery	Billed to VTA	VTA Fare Revenue	VTA Net Cost	TOTAL JPA Cost	JPA Cost per Rider
		FAREBOX	SCMTD Pass Sales	VTA Pass Sales	VTA EcoPass	Total Fare Revenue	SJSU** Funded	AMTRAK Funded											
Jul '09	\$155,343.40	\$54,382.61	\$14,362.50	\$9,810.00	\$1,120.00	\$79,675.11		\$10,361.00	\$90,036.11	23,566	\$3.38	\$6.59	58.0%	\$43,583.85	\$10,930.00	\$32,653.65	\$65,307.29	\$2.77	
Aug '09	\$146,122.32	\$57,058.06	\$15,222.50	\$9,360.00	\$940.00	\$82,580.56	\$279.28	\$10,361.00	\$93,220.84	24,127	\$3.42	\$6.14	62.9%	\$37,750.74	\$10,300.00	\$27,450.74	\$54,901.48	\$2.28	
Sep '09	\$145,713.48	\$56,350.07	\$17,092.50	\$17,460.00	\$628.00	\$91,730.57	\$2,117.96	\$10,348.15	\$104,196.68	26,172	\$3.50	\$5.57	71.5%	\$39,046.40	\$18,288.00	\$20,758.40	\$41,516.80	\$1.59	
Oct '09	\$152,325.81	\$63,785.70	\$18,733.50	\$15,750.00	\$924.00	\$99,193.20	\$2,489.96	\$10,460.59	\$112,143.75	29,411	\$3.37	\$5.18	73.6%	\$36,765.03	\$16,674.00	\$20,091.03	\$40,182.06	\$1.37	
Nov '09	\$141,545.21	\$67,168.82	\$17,159.50	\$15,930.00	\$716.00	\$100,974.32	\$2,196.20	\$10,870.85	\$114,043.37	27,204	\$3.71	\$5.20	80.6%	\$30,396.92	\$16,646.00	\$13,750.92	\$27,501.84	\$1.01	
Dec '09	\$151,732.85	\$49,562.08	\$14,356.00	\$9,630.00	\$480.00	\$74,028.08	\$1,726.56	\$10,371.00	\$86,125.64	19,484	\$3.80	\$7.79	56.8%	\$42,913.61	\$10,110.00	\$32,803.61	\$65,607.22	\$3.37	
FYTD 2010	\$894,783.07	\$348,307.34	\$96,926.50	\$77,940.00	\$5,008.00	\$528,181.84	\$8,811.96	\$62,772.59	\$599,766.39	149,964	\$3.52	\$5.97	67.0%	\$230,456.35	\$82,946.00	\$147,508.35	\$295,016.68	\$1.97	
FYTD 2009	\$889,982.01	\$329,680.89	\$96,091.50	\$101,160.00	\$6,480.00	\$533,412.39	\$9,339.84	\$61,149.80	\$603,902.03	160,482	\$3.32	\$5.55	67.9%	\$250,680.00	\$107,640.00	\$143,040.00	\$286,079.98	\$1.78	
Percent Change	0.5%	5.6%	0.9%	-23.0%	-22.7%	-1.0%	-5.7%	2.7%	-0.7%	-6.6%	6.0%	7.6%	-1.2%	-8.1%	-22.8%	3.1%	3.1%	10.4%	

FYTD 2009 Percent of Passenger Fare Revenues	65.9%	18.4%	14.8%	0.9%
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Abbreviations: SCMTD = Santa Cruz Metropolitan Transit District  
SJSU = San Jose State University

- \* SCMTD Invoice
- \*\* Expenses for SJSU blocks less farebox for SJSU blocks

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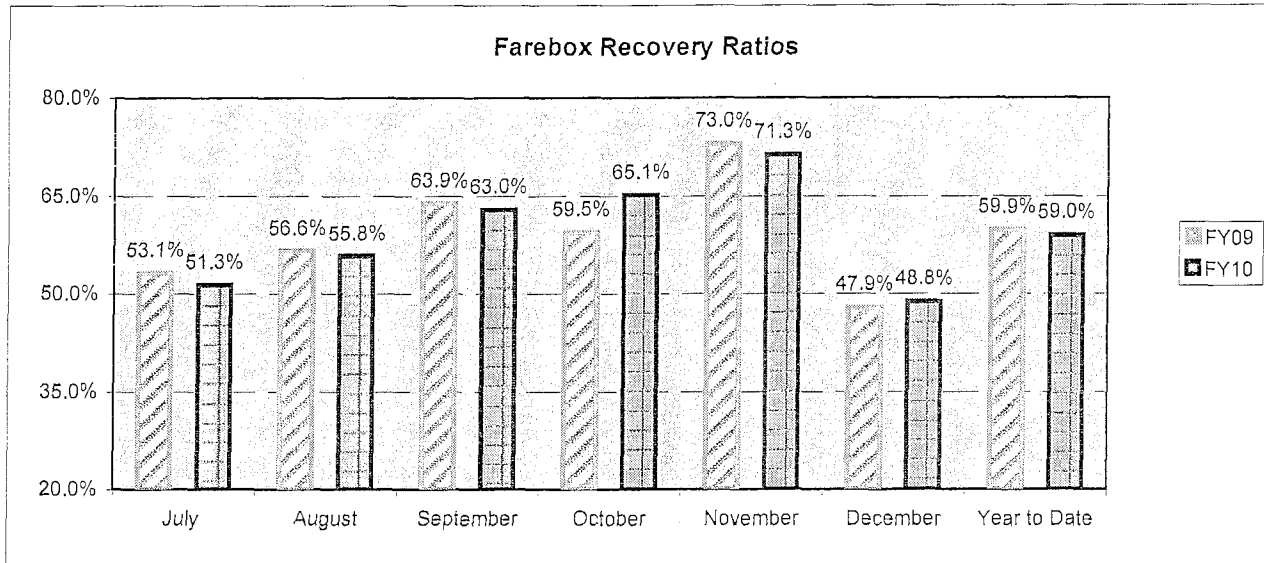
Approved  
B

### Highway 17 Express Farebox Recovery Ratio Analysis

	FY09				FY10			
	Avg. Fare per Passenger	Ridership	Operating Costs	Operating Hours	Avg. Fare per Passenger	Ridership	Operating Costs	Operating Hours
July	\$3.11	25,909	\$151,858.56	1,484.50	\$3.38	23,566	\$155,343.40	1,617.98
August	\$3.20	26,183	\$148,056.38	1,451.07	\$3.42	24,127	\$148,122.32	1,552.32
September	\$3.33	27,827	\$145,287.07	1,467.92	\$3.50	26,172	\$145,713.48	1,524.48
October	\$2.94	31,536	\$155,940.96	1,633.17	\$3.37	29,411	\$152,325.81	1,585.15
November	\$3.58	28,009	\$137,438.78	1,455.77	\$3.71	27,204	\$141,545.21	1,482.00
December	\$3.45	21,008	\$151,400.26	1,591.86	\$3.80	19,484	\$151,732.86	1,585.21
<b>Year to Date</b>	<b>\$3.32</b>	<b>160,472</b>	<b>\$889,982.01</b>	<b>9,084.29</b>	<b>\$3.52</b>	<b>149,964</b>	<b>\$894,783.08</b>	<b>9,347.14</b>

	Passengers Per Hour	Cost Per Hour	Fare Box Recovery Ratio	Passengers Per Hour	Cost Per Hour	Fare Box Recovery Ratio	Change From Previous Year
July	17.45	\$102.30	53.1%	14.57	\$96.01	51.3%	-1.8%
August	18.04	\$102.03	56.6%	15.54	\$95.42	55.8%	-0.8%
September	18.96	\$98.97	63.9%	17.17	\$95.58	63.0%	-0.9%
October	19.31	\$95.48	59.5%	18.55	\$96.10	65.1%	5.7%
November	19.24	\$94.41	73.0%	18.36	\$95.51	71.3%	-1.7%
December	13.20	\$95.11	47.9%	12.29	\$95.72	48.8%	0.9%
<b>Year to Date</b>	<b>17.66</b>	<b>\$97.97</b>	<b>59.9%</b>	<b>16.04</b>	<b>\$95.73</b>	<b>59.0%</b>	<b>-0.9%</b>



7.01

ATTENTION

## Highway 17 Express Proposed Fares and Anticipated Effects

Current Fares	
Cash Single Ride	\$4.00
Senior/Disabled	\$2.00
Single Day Pass	\$8.00
Monthly Pass	\$90.00
Current Day Passes	
With Santa Cruz Metro Day Pass	\$3.50
With VTA Day Pass	\$3.50
With Cal Train Ticket	\$3.50
VTA Express Pass	\$1.50

Proposed Fares	
Cash Single Ride	\$5.00
Senior/Disabled	\$2.50
Single Day Pass	\$10.00
Monthly Pass	\$113.00
Proposed Day Passes	
With Santa Cruz Metro Day Pass	\$4.00
With VTA Day Pass	\$4.00
With Cal Train Ticket	\$4.00
VTA Express Pass	\$1.75

Percentage Increase	
	25.0%
	25.0%
	25.0%
	25.6%
	14.3%
	14.3%
	14.3%
	16.7%

**Average Percentage Increase**

**21.9%**

FY11

Currently Anticipated Farebox Recovery Ratio	
Average Fare per Passenger	\$3.45
Passengers per Hour	16
Cost per Hour **	98.7
<b>Anticipated Farebox Recovery Ratio</b>	<b>55.9%</b>
Annual Cost of Operation	\$1,860,495.00
Anticipated Total Farebox Revenue	\$1,040,520.00

FY11

Proposed Fare's Effect on Farebox Recovery Ratio	
Average Fare per Passenger	\$4.14
Passengers per Hour *	15.5
Cost per Hour **	98.7
<b>Proposed Farebox Recovery Ratio</b>	<b>64.9%</b>
Annual Cost of Operation	\$1,860,495.00
Anticipated Total Farebox Revenue	\$1,206,762.16

Anticipated Revenue Increase
\$166,242.16

7.21

\* Based off an accelerated decrease in ridership of 6%.

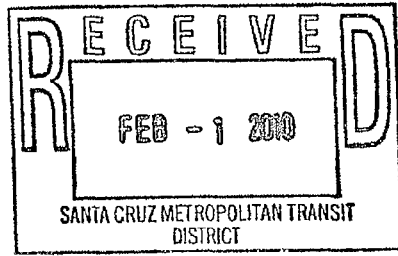
\*\* Based on a proprtion of the budgeted 3.5% increase in Operating Expenses.

ATTACHED



February 1, 2010

Santa Cruz Metropolitan Transit District  
Board of Directors  
110 Vernon St.  
Santa Cruz, CA 95060



Dear Board of Directors:

The Santa Clara Valley Transportation Authority (VTA) has partnered with Santa Cruz Metro since 1991 to provide the Highway 17 Express service. VTA and Santa Cruz Metro are parties to a Joint Powers Authority that governs the service and in 2004 the California Department of Transportation and the Capitol Corridor Joint Powers Authority became funding partners through a Memorandum of Understanding.

Quarterly meetings of the four agencies are held to discuss the finances, planning, and operating performance of the Highway 17 Express service. Over the past several meetings discussions have been held on the possibility of raising the price of fares and passes for the service. The proposal to increase fares addresses rising operating expenses, reduces subsidies and brings the Highway 17 Express fares more in line with other regional bus services. Also, it has been quite some time since fares were last increased in April 2004.

After much discussion, VTA recommends the following twenty five (25%) fare increase for the Highway 17 Express:

- Increase the Adult Single Ride from \$4.00 to \$5.00
- Increase the Adult Day pass from \$8.00 to \$10.00
- Increase the Adult Monthly Pass from \$90.00 to \$113.00
- Increase the Senior/Disabled Single Ride from \$2.00 to \$2.50

We understand the other agency partners for the Highway 17 Express service will also express their support for the proposed fare increase. With the anticipation that this fare increase will undergo the appropriate level of public review and input, VTA appreciates the Santa Cruz METRO Board of Directors' positive consideration of the proposal. Please do not hesitate to contact me at 408-321-7032 if further information is needed.

Sincerely,

James B. Unites  
Deputy Director, Operations  
Service & Operations Planning

- C:
- A. Aitken, Acting Assistant General Manager, Santa Cruz Metro
  - M. Burns, General Manager
  - D. Smith, Chief Operating Officer

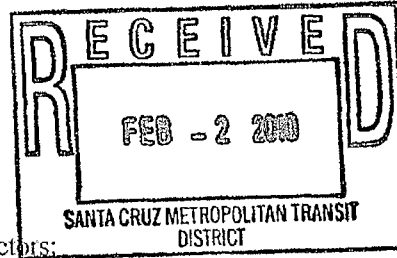
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February 2, 2010

Santa Cruz Metropolitan Transit District  
Board of Directors  
110 Vernon St.  
Santa Cruz, CA 95060



**BOARD OF DIRECTORS**

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TRANSPORTATION  
PLANNING AGENCY  
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**EXECUTIVE OFFICERS**

Dorothy W. Dugger  
Executive Director

David B. Kutrosky  
Managing Director

CAPITOL CORRIDOR  
JOINT POWERS AUTHORITY  
300 LAKESIDE DRIVE  
14<sup>TH</sup> FLOOR EAST  
OAKLAND, CA 94612  
(V) 510 464 6995  
(F) 510 464 6901  
www.capitolcorridor.org

Dear Santa Cruz METRO Board of Directors:

The JPA meets on a quarterly basis to discuss the finances, planning, and operating performance of the Highway 17 Express. One of the main topics of discussion for the past several years has been the possibility of raising the value of fares and passes on the Highway 17 Express as a way to combat rising operating expenses. Each of the member agencies have raised on each of their individual train or bus services to offset rising operating expenses. After much discussion, the JPA is unanimously recommending the following twenty percent (20%) fare increase on the Highway 17 Express route:

- Raise the Adult Single Ride from \$4.00 to \$5.00
- Raise the Adult Day pass from \$8.00 to \$10.00
- Raise the Adult Monthly Pass from \$90.00 to \$113.00

We, the individual agencies that embody the Highway 17 Express Joint Powers Authority (JPA), fully support the proposed increases to the Highway 17 Express fares and passes.

The JPA greatly appreciates the Santa Cruz METRO Board of Directors' consideration of the proposed Highway 17 Express fare increase.

Sincerely,

*Member Agencies of the Highway 17 Express Joint Powers Authority:*

**Capitol Corridor Joint Powers Authority**

By: *D. B. Kutrosky*  
*Designee - Managing Director*

cc: Angela Aitken, Santa Cruz Metro  
James Unites, Santa Clara VTA  
Pat Merrill, Caltrans Division of Rail  
Lee Goldenberg, Caltrans Division of Rail  
Carlos Ruiz, Caltrans Division of Rail  
Jim Allison, CCJPA

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**DEPARTMENT OF TRANSPORTATION**  
DIVISION OF RAIL  
1120 N STREET  
P. O. BOX 942874 – MS 74  
SACRAMENTO, CA 94274-0001  
PHONE (916) 654-6542  
FAX (916) 653-4565  
TTY 711



February 1, 2010

Santa Cruz Metropolitan Transit District  
Board of Directors  
110 Vernon St.  
Santa Cruz, CA 95060

Dear Santa Cruz METRO Board of Directors:

The JPA meets on a quarterly basis to discuss the finances, planning, and operating performance of the Highway 17 Express. One of the main topics of discussion for the past several meetings has been the possibility of raising the value of fares and passes on the Highway 17 Express as a way to combat rising operating expenses. After much discussion, the JPA is unanimously recommending the following twenty percent (20%) fare increase on the Highway 17 Express route:

- Raise the Adult Single Ride to \$5.00
- Raise the Adult Day pass to \$10.00
- Raise the Adult Monthly Pass to \$113

We, the individual agencies that embody the Highway 17 Express Joint Powers Authority (JPA), fully support the proposed increases to the Highway 17 Express fares and passes.

The JPA greatly appreciates the Santa Cruz METRO Board of Directors' consideration of the proposed Highway 17 Express fare increase.

Sincerely,

*Member Agencies of the Highway 17 Express Joint Powers Authority:*

California Department of Transportation

By:   
Designee

7.91

Sincerely,



PATRICK MERRILL  
Rail Transportation Manager II  
Division of Rail

c: Angela Aitken, SCMTD

bc: Lee Goldenberg, Rail  
Carlos Ruiz, Rail  
James Allison, CCJPA  
James Unites, VTA

Subject: Proposed Fare Increase  
To: hwy17@scmtd.com  
From: "David Ciani" <dciani@davidciani.com>

Allegioni H

Hi,

I Just wanted to comment on the proposed fare increase for the Highway 17 express bus service. From a practical point of view having the cash fare \$5 would be much simpler since passengers could pay with a single \$5 bill. This would speed the boarding process. I have also always thought the \$4 fare was a bit of a steal especially when you look at what it costs to drive (in a private auto) and the amenities (namely the free WiFi which I love). Keep up the good work.

~ David Ciani, UC Santa Cruz student

David Ciani  
dciani@davidciani.com  
(858) 736-5174


Sent from my Verizon Wireless BlackBerry

7.h1

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager 

**SUBJECT: CONSIDER ADOPTING A RESOLUTION DESIGNATING THE GENERAL MANAGER AS THE AUTHORIZED AGENT TO EXECUTE ACTIONS NECESSARY TO RECEIVE PUBLIC TRANSPORTATION, MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) FUNDS ON BEHALF OF SANTA CRUZ METRO**

## I. RECOMMENDED ACTION

**That the Board of Directors adopt a resolution authorizing the General Manager to execute any actions and agreements necessary to obtain Public Transportation, Modernization, Improvement and Service Enhancement Account (PTMISEA) funds on behalf of Santa Cruz METRO.**

## II. SUMMARY OF ISSUES

- Proposition 1B established \$3.6 Billion for the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA);
- Per AB1072 and AB672, both signed into law on October 11, 2009, the process for extending PTMISEA through all subsequent financial years has now been established for the period of bond availability.
- In FY09, California appropriated \$350 million in PTMISEA funds, with Santa Cruz METRO receiving \$2,480,910 for MetroBase.
- The FY10 California budget appropriates an additional \$350 million in PTMISEA funds, which will provide approximately \$2,491,923 more for MetroBase, dependent on the success of bond sales.
- PTMISEA Guidelines require that the Recipient Agency, Santa Cruz METRO, designate an Authorized Agent to execute agreements.
- Adopting the attached resolution designates Leslie R. White, General Manager, as the Authorized Agent to execute all actions necessary to receive PTMISEA funds on behalf of Santa Cruz METRO.

### III. DISCUSSION

In November, 2006, California voters approved the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006 (Bond Act), balloted as Proposition 1B. Proposition 1B and its enabling legislation, SB 88, established the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) to fund public transportation improvement projects in California. The PTMISEA program is expected to receive approximately \$3.6 Billion from the sale of bonds over the life of the Act.

The State Controller's Office allocates PTMISEA funds to regional transportation planning agencies and public transit operators according to the same distribution as State Transit Assistance (STA) funds. The Santa Cruz County Regional Transportation Commission and Santa Cruz METRO are the eligible recipients in Santa Cruz County, and the SCCRTC agreed in 2007 to sponsor MetroBase construction with its allocation of PTMISEA funds. The SCCRTC's share of PTMISEA funds will flow directly to Santa Cruz METRO from the California Department of Transportation (Caltrans).

Over the life of the Bond Act, an estimated \$27 million will accrue to Santa Cruz County. Last year, Santa Cruz METRO continued to program all of its anticipated PTMISEA revenue to the MetroBase project. However, not every eligible recipient requested allocations to program the entire \$3.6 billion available from the Bond Act. Since the statewide allocation requests did not demonstrate a need to appropriate bond revenue at the same level as in the first year, the 2008 California state budget reduced PTMISEA funding by more than forty percent (40%).

Therefore, last year, the California budget appropriated \$350 Million in PTMISEA bond funds, which provided \$2,480,910 for the MetroBase project. California's FY10 budget appropriated an additional \$350 million to the PTMISEA fund, which provides \$2,491,923 to the MetroBase project rather than the \$5.4 million programmed in the initial funding request. As a result, this revenue stream for the MetroBase project is accruing more slowly than originally planned.

In addition, the ongoing California budget crisis continues to result in delayed receipt of PTMISEA funds. This year's allocation request asks for priority access to PTMISEA funds because of the urgency of the MetroBase project completion. Nonetheless, the next round of bond sales is occurring in a depressed market that values California bonds at a very low status.

Caltrans administers the California's PTMISEA program as per AB1072 and AB672, both signed into law on October 11, 2009. In the subsequently revised Guidelines for FY10 Allocation Requests, Caltrans requires the attached resolution authorizing the General Manager to execute agreements. A new Authorized Agent form was submitted in August 2009 and this further supports that documentation. The Authorized Agent is enabled to execute any and all actions necessary to obtain PTMISEA funds.

Adopting the attached resolution designates Leslie R. White, General Manager, as the Authorized Agent for the PTMISEA program. This form will be attached to the Allocation Request for PTMISEA funds.

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**IV. FINANCIAL CONSIDERATIONS**

PTMISEA funds will provide approximately \$2,491,923 in FY10 for the MetroBase project.

**V. ATTACHMENTS**

**Attachment A:** Resolution designating the General Manager as the Authorized Agent to execute agreements for PTMISEA funds.

*Staff Report Prepared By: Tove Beatty, Interim Grants/Legislative Analyst  
Date Prepared: March 15, 2010*

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

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

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
DESIGNATING LESLIE R. WHITE, GENERAL MANAGER, AS THE  
AUTHORIZED AGENT TO EXECUTE ANY AND ALL ACTIONS NECESSARY  
TO RECEIVE FUNDS FROM THE CALIFORNIA PUBLIC  
TRANSPORTATION, MODERNIZATION, IMPROVEMENT AND SERVICE  
ENHANCEMENT ACCOUNT**

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

**WHEREAS**, the Bond Act and its enabling legislation in Senate Bill 88, Statutes of 2007 created the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) with \$3.6 Billion to be funded by Bond sales; and

**WHEREAS**, SB 88 added to the California Government Code Sections 8879.55 and 8879.56 which authorize the State Controller’s Office to allocate PTMISEA funds to eligible regional transportation agencies and designate the California Department of Transportation as the administrative agency for implementing and monitoring the PTMISEA and to establish Guidelines therefore; and

**WHEREAS**, the Santa Cruz Metropolitan Transit District proposes to use all PTMISEA funds allocated to Santa Cruz County according to the formula in Public Utilities Code Sections 99313 and 99314 for MetroBase, a capital project in conformance with the PTMISEA Guidelines, the Santa Cruz Metropolitan Transit District’s Financial Framework for Capital Budgets and the Regional Transportation Plan;

**NOW, THEREFORE, BE IT RESOLVED**, that the Santa Cruz Metropolitan Transit District hereby designates Leslie R. White, General Manager, as the Authorized Agent to execute any and all actions necessary to receive funds from the California Public Transportation Modernization Improvement and Service Enhancement Account on behalf of the Santa Cruz Metropolitan Transit District.

**PASSED AND ADOPTED** this 26th Day of March, 2010 by the following vote:

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Resolution No. \_\_\_\_\_

Page 2

**AYES:** Directors -

**NOES:** Directors -

**ABSTAIN:** Directors -

**ABSENT:** Directors -

**APPROVED** \_\_\_\_\_

ELLEN PIRIE  
Board Chair

**ATTEST** \_\_\_\_\_

LESLIE R. WHITE  
General Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
MARGARET GALLAGHER  
District Counsel

8.a2

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager 

**SUBJECT: CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING A CLAIM FOR FY11 TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS**

## RECOMMENDED ACTION

**That the Board adopt a resolution authorizing staff to submit a claim to the Santa Cruz County Regional Transportation Commission for FY11 Transportation Development Act (TDA) funds.**

## II. SUMMARY OF ISSUES

- The California Legislature enacted the Transportation Development Act (TDA) of 1971 to provide funding for mass transportation, including public transit. The TDA is funded from ¼ cent of the general sales tax collected statewide.
- The Santa Cruz County Transportation Commission (SCCRTC) apportions TDA funds in Santa Cruz County and provided a FY11 TDA apportionment estimate to Santa Cruz METRO of \$4,974,478.
- If authorized, Santa Cruz METRO will submit a claim to the SCCRTC for \$4,974,478 in TDA revenue for its FY11 operating budget.
- The actual amount of TDA revenue allocated to Santa Cruz METRO in FY11 may differ from the estimate based upon sales tax revenue accruing to Santa Cruz County during FY11.

## III. DISCUSSION

The California Legislature enacted the Transportation Development Act (TDA) of 1971 to fund public transportation as an essential component of a balanced public transportation system. Funding for the TDA is derived from ¼ cent of the statewide sales tax and is returned to the counties in proportion to the sales tax revenue generated by that county. California Code of Regulations Title 21 Chapter 3 Sections 6600 through 6756 (21 CCR §6600 - §6756) implement provisions of the TDA as contained in the Public Utilities Code beginning with Section 92000. California Code Section 6640 (21 CCR §6640) designates the regional Transportation Planning Agency of each California County to allocate funds and administer the TDA in that county. In

Santa Cruz County, the Santa Cruz County Regional Transportation Commission (SCCRTC) administers the TDA program.

Each year, the SCCRTC receives an estimate of the total TDA revenue available to Santa Cruz County from the County Auditor Controller for the coming fiscal year. In accordance with the *Santa Cruz County Regional Transportation Commission Rules & Regulations*, the SCCRTC apportions to Santa Cruz METRO 85.5% of the TDA revenue remaining after funding its costs for planning and administering the TDA program. The remaining funds are allocated to the county jurisdictions and to specialized transportation providers such as Community Bridges, the Volunteer Center and Community Traffic Safety Colalition in accordance with 21 CCR §6644.

For FY11, the SCCRTC apportioned \$4,974,478 in TDA funds to Santa Cruz METRO. In accordance with 21 CCR §6634, TDA funds may be used for capital, planning and operations in an amount not to exceed actual expenditures. As in past years, Santa Cruz METRO will include the entire apportionment of \$4,974,478 in TDA funds in its FY11 operating budget.

By adopting the attached resolution, the Board authorizes the General Manager to submit a claim to the SCCRTC for \$4,974,478 in FY11 TDA funds. TDA funds are paid retroactively at the end of each quarter based upon actual sales tax revenue generated in the county.

The County Auditor Controller provides TDA revenue forecast updates to the SCCRTC throughout the year. If the actual amount of TDA funds generated in Santa Cruz County differs from the estimated apportionment, Santa Cruz METRO will receive its share of actual TDA revenue in accordance with the amended amount of TDA funds adopted by the SCCRTC for its annual work program.

#### **IV. FINANCIAL CONSIDERATIONS**

The \$4,974,478 in TDA revenue is included in Santa Cruz METRO's FY11 Preliminary Line Item Operating Budget.

#### **V. ATTACHMENTS**

**Attachment A:** Resolution Authorizing Submittal of FY11 TDA Claim

*Staff Report prepared by Thomas Hiltner, Grants/Legislative Analyst*

*Date Prepared: March 15, 2010*

9.2

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

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

**A RESOLUTION OF THE  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
AUTHORIZING A CLAIM TO THE  
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION  
FOR TRANSPORTATION DEVELOPMENT ACT FUNDS**

**WHEREAS**, the Mills-Alquist-Deddeh Act (SB325), also known as the Transportation Development Act (TDA) of 1971, was enacted by the California Legislature to provide funding for transit and public transportation which complies with regional transportation plans; and,

**WHEREAS**, the Transportation Development Act of 1971 establishes a revenue source to foster balanced public transportation in the counties to be funded by one-quarter cent of the state sales tax collected in the county; and,

**WHEREAS**, California Government Code Title 3, Article 11, Section 29532 designates the regional transportation planning agency for each county to allocate TDA funds to public transportation entities; and,

**WHEREAS**, in accordance with Article 1, Section 99210 of the Public Utilities Code the Santa Cruz Metropolitan Transit District is a transit operator; and

**WHEREAS**, in accordance with Article 1, Section 99214 of the Public Utilities Code the Santa Cruz County Regional Transportation Commission is the Transportation Planning Agency for Santa Cruz County; and

**WHEREAS**, in accordance with Article 4, Section 99260(a) of the Public Utilities Code, claims may be filed with the transportation planning agency by transit operators for the support of public transportation systems; and

**WHEREAS**, in accordance with Title 21, Chapter 3, Section 6659 of the California Code of Regulations, the Transportation Planning Agency issues instruction to the County Auditor for payment to claimants,

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**NOW, THEREFORE, BE IT RESOLVED**, that the General Manager of the Santa Cruz Metropolitan Transit District is authorized to submit a claim up to \$4,974,478 to the Santa Cruz County Regional Transportation Commission for Transportation Development Act funds in FY11.

**PASSED AND ADOPTED** this 26<sup>th</sup> day of March 2010, by the following vote:

**AYES:** Directors -

**NOES:** Directors -

**ABSTAIN:** Directors -

**ABSENT:** Directors -

**APPROVED** \_\_\_\_\_  
ELLEN PIRIE  
Board Chair

**ATTEST** \_\_\_\_\_  
LESLIE R. WHITE  
General Manager

**APPROVED AS TO FORM:**


\_\_\_\_\_  
MARGARET GALLAGHER  
District Counsel

9.a2

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager 

**SUBJECT: APPROVAL OF FY11 AND FY12 PRELIMINARY LINE ITEM OPERATING AND CAPITAL BUDGETS FOR REVIEW AND TDA/STA CLAIMS PURPOSES**

## I. RECOMMENDED ACTION

**That the Board of Directors adopt the attached preliminary line item Operating and Capital Budget for FY11 and FY12, for review and TDA/STA claims purposes.**

## II. SUMMARY OF ISSUES

- The Board of Directors must adopt a preliminary line item budget in order to allow submittal of Santa Cruz METRO's Transportation Development Act (TDA) and State Transit Assistance (STA) claims to the Santa Cruz County Regional Transportation Commission (SCCRTC) by the April 1<sup>st</sup> deadline.
- The proposed two-year FY11 and FY12 preliminary line item **Operating Budget -- Attachment A** totals \$37,896,043 and \$39,044,392 respectively. This is a "first-cut" budget. A two-year budget proposal will be presented to the Board of Directors in May, which will reflect the latest data regarding revenues and expenses.
- Major **Operating Revenue** assumptions in the preliminary FY11 and FY12 budget over the published FY10 budget include:
  - Decrease of 5% in fare box revenue for FY11 with a 1% increase for FY12.
  - Decrease of 4% in FY11 for special transit fares such as the UCSC and Cabrillo contracts with a 5% increase in FY12.
  - Increase of 15% in FY11 for Highway 17 fares, in anticipation of the fare increase from \$4.00 to \$5.00 in July 2010, with a 1% increase in FY12.
  - Decrease of 19% in sales tax revenue in FY11 and a 2% increase in FY12.
  - Decrease of 10.4% for the Transportation Development Act (TDA) allocation received from the Santa Cruz County Regional Transportation Commission (SCCRTC) with no increase in FY12
- Preliminary **Balancing Actions** for the Operating Budgets include:
  - Use of American Recovery and Reinvestment Act of 2009 (ARRA) Operating funds of \$205,000 in FY11, and \$270,000 in FY12

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- Redistribution of the Federal Small Transit Intensive Cities (STIC) funds from the capital budget to the operating budget in the amount of \$800,000 in both years
  - Use of the remaining (anticipated) carryover from FY10 of \$301,663 for FY11 only
  - Transfers from Capital Reserves of approximately \$120,000 in both years
  - Transfers from the Legal Settlements Reserve Account of \$150,000 to pay for settlement costs in both years.
- To balance the preliminary two-year budget, cost containment and/or revenue enhancement actions must be identified in the amounts of \$5,173,833 for FY11 and \$6,348,323 for FY12, prior to adoption of the final budget in June. Items currently under consideration, yet not formally approved as of this time are:
    - The potential use of State Transit Assistance (STA) funding of approximately \$2,500,000 in both years
    - Extension of the Alternative Fuel Tax Credit Rebate program worth approximately \$500,000 per year
    - Funds from the passage of a Federal Jobs bill with preliminary estimates between \$4,000,000 and \$6,000,000.
    - **All funding sources listed above will require extensive advocacy efforts.**
  - The preliminary FY11 **Capital Budget – Attachment B** totals \$12,843,584, and is funded with the remainder of unspent funds from the FY10 Capital Budget. In February 2009, the State Legislature voted to suspend funding for the STA Program for five (5) years, which will result in a loss of about \$5 million per year for Santa Cruz METRO. This loss of capital funding will significantly impact Santa Cruz METRO's ability to fund capital expansion and / or capital replacement projects in the future.
  - Over the next few months, staff will continue to refine revenue and expense projections as updated information becomes available. Staff will present a draft two-year **Operating and Capital Budget** to the Board of Directors in May, with specific recommendations at that time regarding budget balancing actions for FY11 and FY12.
  - Budget workshops with Union representatives have been held in February and March with another to be scheduled for early May to answer questions about the draft two-year Operating and Capital Budget and to obtain input from the employee organizations.

### III. DISCUSSION

The Board of Directors must adopt a preliminary line item budget in order to allow submittal of Santa Cruz METRO's Transportation Development Act (TDA) and State Transit Assistance (STA) claims to the Santa Cruz County Regional Transportation Commission (SCCRTC) by the April 1<sup>st</sup>

10.2

deadline. This is a “first-cut” budget. A two-year budget proposal will be presented to the Board of Directors in May, which will reflect the latest data regarding revenues and expenses.

### **A. Operating Revenues**

**Operating Revenues** total \$32,722,210 in FY11 and \$32,696,069 in FY12; including one-time revenues and transfers from reserves.

**Fare Revenue** accounts have been projected based on data through January 2010 and will be updated prior to presentation of the draft Operating Budget in May.

**Sales Tax Revenues** have been projected at a 19% decrease over the published budget for FY10 and a 2% increase over the preliminary budget for FY11 in FY12. These projections are based on actual sales tax receipts for the first eight (8) months of FY10 and many other economic indicators from local County agencies, surrounding Cities and a neighboring transit agency. Staff projects that during FY11, the economy will start to level off and in FY12, the economy will start to slowly recover.

**TDA Funding** is budgeted in the amount of \$4,974,478; a 10.4% decrease from the FY10 published budget allocation amount from the SCCRTC. This budgeted amount was approved by the Santa Cruz Auditor Controller and the SCCRTC at their March meeting. The FY12 TDA is budgeted at a 0% increase over FY11’s budget allocation of \$4,974,478.

### **B. Operating Expenses**

**Operating Expenses** for FY11 are projected to be 7.4% below the published FY10 budget. Operating Expenses for FY12 are projected at 3% above FY11 due to increases included in the current labor contracts and increased retirement costs for active employees.

Departmental changes over the published FY10 budgeted amounts include:

- Decrease of 14.5% in Administration due to un-funding one (1) Admin. Assistant position.
- Decrease of 17.1% in Customer Service due to un-funding one (1) Customer Service Coordinator position.
- Decrease of 21.8% in Human Resources (HR) due to un-funding one (1) HR Specialist position, as well as cost cutting measures in the non-personnel accounts.
- Decrease of 10.8% in Facilities Maintenance due to un-funding one (1) Custodial Service Worker I, as well as lower facility lease expense due to the move to 110 Vernon Street.
- Decrease of 5.5% in Bus Operators due to un-funding fifteen (15) Bus Operator positions.



- Decrease of 16.8% in Fleet Maintenance due to un-funding one (1) Vehicle Service Worker I/II position, three (3) FM Mechanic I/II positions, two (2) FM Lead Mechanic positions, one (1) Sr. Accounting position, as well as cost cutting measures in the non-personnel accounts.
- Decrease of 18.8% in Retired Employee Benefits due to expected lower percentage increase in Medical Insurance, effective January 2011 and January 2012.

Initial Budget Balancing Actions for the two-year FY11 & FY12 Preliminary Operating Budget include:

- Use of ARRA Operating Funds in the amount of \$205,000 in FY11 and \$270,000 in FY12
- Redistribution of the Federal STIC Funding from the Capital Budget to the Operating budget in the amount of \$800,000 for FY11 and FY12 only.
- Carryover from FY10 is estimated at \$301,663 into FY11
- Transfer of \$150,000 from the Legal Settlements Reserve in FY11 & FY12.
- Transfer of approximately \$120,000 from the Capital Reserves for Project Manager personnel expenses in FY11 & FY12.

Operating Expenses exceed Operating Revenues in this preliminary budget by \$5,173,833 in FY11 and \$6,348,323 in FY12.

All recommended actions to balance the budget will be detailed in the draft Operating Budget in May. These amounts and actions may increase or decrease in the May budget proposal.

### **C. Capital Budget**

The FY11 **Capital Budget** as shown in Attachment B contains projects carried forward from FY10 only, due to a lack of funding resources with the indefinite suspension of the State Transit Assistance (STA) capital program. The Capital Budget will be updated if funding sources are identified and become available prior to submittal of the Capital Budget to the Board in May.

## **IV. FINANCIAL CONSIDERATIONS**

The preliminary line item Operating and Capital Budget must be approved this month in order for Santa Cruz METRO to submit claims to the SCCRTC for TDA and STA funding for FY11 by the April 1<sup>st</sup> deadline.

**V. ATTACHMENTS**

**Attachment A:** FY11 and FY12 Preliminary Line Item Operating Budget

**Attachment B:** FY11 Preliminary Capital Budget

Prepared by: Debbie Kinslow, Assistant Finance Manager

Date Prepared: March 17, 2010

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
REVENUE SOURCES**

REVENUE SOURCE	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
1 Passenger Fares	3,386,252	3,416,931	30,679	0.9%	3,246,084	(170,847)	-5.0%	3,278,545	32,461	1.0%
2 Special Transit Fares	3,590,053	3,682,013	91,960	2.6%	3,534,732	(147,281)	-4.0%	3,711,469	176,737	5.0%
3 Paratransit Fares	322,124	327,254	5,130	1.6%	341,250	13,996	4.3%	358,313	17,063	5.0%
4 Highway 17 Fares	1,034,204	1,070,046	35,842	3.5%	1,230,746	160,700	15.0%	1,243,054	12,308	1.0%
5 Highway 17 Payments	436,551	431,200	(5,351)	-1.2%	435,512	4,312	1.0%	439,867	4,355	1.0%
6 Commissions	5,677	5,500	(177)	-3.1%	6,612	1,112	20.2%	6,612	-	0.0%
7 Advertising Income	187,312	150,000	(37,312)	-19.9%	150,000	-	0.0%	150,000	-	0.0%
8 Rent Income - SC Pacific Station	90,384	91,774	1,390	1.5%	90,000	(1,774)	-1.9%	90,000	-	0.0%
9 Rent Income - Watsonville TC	36,716	34,399	(2,317)	-6.3%	34,490	91	0.3%	34,490	-	0.0%
10 Rent Income - General	12,659	-	(12,659)	-100.0%	-	-	0.0%	-	-	0.0%
11 Interest Income	391,808	50,000	(341,808)	-87.2%	50,000	-	0.0%	50,000	-	0.0%
12 Other Non-Transp Revenue	(5,244)	5,823	11,067	-211.0%	6,000	177	3.0%	6,000	-	0.0%
13 Sales Tax (1/2 cent)	14,923,142	16,201,999	1,278,857	8.6%	13,130,000	(3,071,999)	-19.0%	13,392,600	262,600	2.0%
14 Transp Dev Act (TDA) Funds	5,696,249	5,551,220	(145,029)	-2.5%	4,974,478	(576,742)	-10.4%	4,974,478	-	0.0%
15 FTA Sec 5307 - Op Assistance	3,496,293	3,715,442	219,149	6.3%	3,645,442	(70,000)	-1.9%	3,645,442	-	0.0%
16 Misc. Local Operating	-	-	-	0.0%	10,000	10,000	100.0%	25,000	15,000	150.0%
17 Repay FTA Advance (#4 and #5 of 5)	(70,000)	(70,000)	-	0.0%	-	70,000	-100.0%	-	-	0.0%
18 FTA Sec 5311 - Rural Op Asst	161,615	170,894	9,279	5.7%	170,894	-	0.0%	170,894	-	0.0%
<b>SUBTOTAL REVENUE</b>	<b>33,695,795</b>	<b>34,834,495</b>	<b>1,138,700</b>	<b>3.4%</b>	<b>31,056,240</b>	<b>(3,778,255)</b>	<b>-10.8%</b>	<b>31,576,764</b>	<b>520,524</b>	<b>1.7%</b>
<b>ONE-TIME REVENUES</b>										
19 FTA Sec 5316 - CalTrans JARC	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
20 FTA Sec 5317 - Operating Assistance	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
21 AMBAG Funding	27,799	15,000	(12,799)	-46.0%	25,000	10,000	66.7%	50,000	25,000	100.0%
22 ARRA Operating	-	-	-	0.0%	270,000	270,000	100.0%	-	(270,000)	-100.0%
23 STIC	-	-	-	0.0%	800,000	800,000	100.0%	800,000	-	0.0%
<b>SUBTOTAL ONE-TIME REVENUES</b>	<b>27,799</b>	<b>15,000</b>	<b>(12,799)</b>	<b>-46.0%</b>	<b>1,095,000</b>	<b>1,080,000</b>	<b>7200.0%</b>	<b>850,000</b>	<b>(245,000)</b>	<b>-22.4%</b>
<b>TRANSFERS</b>										
24 Carryover from Previous Year	795,471	3,268,589	2,473,118	310.9%	301,663	(2,966,926)	-90.8%	-	(301,663)	-100.0%
25 Carryover from Current Year	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
26 Xfr from Ins Res-Legal Settlement	-	150,000	150,000	100.0%	150,000	-	0.0%	150,000	-	0.0%
27 Transfer (to)/from Capital Reserves	-	119,305	119,305	100.0%	119,305	-	0.0%	119,305	-	0.0%
28 Transfer (to)/from Operating Reserves	-	2,547,920	2,547,920	100.0%	-	(2,547,920)	-100.0%	-	-	0.0%
29 Transfer fr Op Res for Retiree Payouts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>SUBTOTAL TRANSFERS</b>	<b>795,471</b>	<b>6,085,814</b>	<b>5,290,343</b>	<b>665.1%</b>	<b>570,968</b>	<b>(5,514,846)</b>	<b>-90.6%</b>	<b>299,305</b>	<b>(301,663)</b>	<b>-52.8%</b>
<b>TOTAL REVENUE</b>	<b>34,519,065</b>	<b>40,935,309</b>	<b>6,416,244</b>	<b>18.6%</b>	<b>32,722,210</b>	<b>(8,213,101)</b>	<b>-20.1%</b>	<b>32,696,069</b>	<b>(26,139)</b>	<b>-0.1%</b>

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Departmental Expenses

DEPARTMENT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
1100 Administration	977,524	1,116,801	139,277	14.2%	955,205	(161,597)	-14.5%	991,159	35,955	3.8%
1200 Finance	1,788,447	2,153,007	364,560	20.4%	2,259,481	106,474	4.9%	2,224,942	(34,539)	-1.5%
1300 Customer Service	496,968	572,736	75,767	15.2%	474,615	(98,121)	-17.1%	475,796	1,182	0.2%
1400 Human Resources	607,666	800,140	192,474	31.7%	625,359	(174,781)	-21.8%	701,991	76,632	12.3%
1500 Information Technology	628,672	716,342	87,671	13.9%	730,352	14,010	2.0%	758,969	28,617	3.9%
1700 District Counsel	468,429	490,759	22,330	4.8%	507,023	16,263	3.3%	529,159	22,137	4.4%
1800 Risk Management	168,925	250,000	81,075	48.0%	250,000	-	0.0%	250,000	-	0.0%
2200 Facilities Maintenance	2,581,391	2,568,539	(12,853)	-0.5%	2,289,975	(278,563)	-10.8%	2,320,746	30,771	1.3%
3100 Paratransit Program	3,626,158	4,579,272	953,114	26.3%	4,672,312	93,040	2.0%	4,952,474	280,162	6.0%
3200 Operations	2,506,237	2,603,509	97,272	3.9%	2,684,588	81,079	3.1%	2,789,496	104,908	3.9%
3300 Bus Operators	13,209,215	14,348,318	1,139,103	8.6%	13,559,235	(789,083)	-5.5%	13,955,388	396,154	2.9%
4100 Fleet Maintenance	5,899,119	8,575,136	2,676,017	45.4%	7,133,456	(1,441,680)	-16.8%	7,287,195	153,738	2.2%
9001 Cobra Benefits	2,716	-	(2,716)	-100.0%	-	-	0.0%	-	-	0.0%
9005 Retired Employee Benefits	1,557,326	2,160,449	603,123	38.7%	1,754,441	(406,008)	-18.8%	1,807,075	52,633	3.0%
700 SCCIC/COPS	270	300	30	11.1%	-	(300)	-100.0%	-	-	0.0%
<b>TOTAL OPERATING EXPENSES</b>	<b>34,519,065</b>	<b>40,935,309</b>	<b>6,416,245</b>	<b>18.6%</b>	<b>37,896,043</b>	<b>(3,039,267)</b>	<b>-7.4%</b>	<b>39,044,392</b>	<b>1,148,349</b>	<b>3.0%</b>
<b>Budget Balancing Actions</b>					<b>(5,173,833)</b>			<b>(6,348,323)</b>		
<b>TOTAL OPERATING EXPENSES</b>					<b>32,722,210</b>			<b>32,696,069</b>		

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Consolidated Expenses

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	7,571,893	8,139,509	567,616	7.5%	7,932,855	(206,655)	-2.5%	8,109,216	176,361	2.2%
501013 Bus Operator OT	1,498,661	1,340,792	(157,869)	-10.5%	1,656,038	315,246	23.5%	1,692,454	36,417	2.2%
501021 Other Salaries	6,161,033	6,760,686	599,653	9.7%	6,548,716	(211,970)	-3.1%	6,738,471	189,755	2.9%
501023 Other OT	273,100	310,543	37,443	13.7%	357,317	46,774	15.1%	372,017	14,699	4.1%
<b>Totals</b>	<b>15,504,688</b>	<b>16,551,531</b>	<b>1,046,843</b>	<b>6.8%</b>	<b>16,494,926</b>	<b>(56,605)</b>	<b>-0.3%</b>	<b>16,912,158</b>	<b>417,232</b>	<b>2.5%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	219,517	257,801	38,284	17.4%	249,992	(7,809)	-3.0%	256,039	6,047	2.4%
502021 Retirement	2,215,059	2,388,462	173,403	7.8%	2,324,750	(63,712)	-2.7%	2,683,990	359,240	15.5%
502031 Medical Ins	5,107,701	6,334,591	1,226,890	24.0%	5,361,659	(972,932)	-15.4%	5,508,747	147,088	2.7%
502041 Dental Ins	473,738	556,752	83,014	17.5%	473,964	(82,788)	-14.9%	487,023	13,059	2.8%
502045 Vision Ins	133,491	144,513	11,022	8.3%	134,940	(9,573)	-6.6%	138,638	3,698	2.7%
502051 Life Ins/AD&D	43,264	51,834	8,570	19.8%	43,353	(8,481)	-16.4%	44,541	1,188	2.7%
502060 State Disability Ins (SDI)	174,294	317,792	143,498	82.3%	185,501	(132,291)	-41.6%	189,904	4,403	2.4%
502061 Long Term Disability Ins	214,215	271,195	56,980	26.6%	224,800	(46,395)	-17.1%	230,130	5,330	2.4%
502071 State Unemployment Ins (SUI)	51,904	53,211	1,307	2.5%	48,461	(4,750)	-8.9%	48,300	(161)	-0.3%
502081 Worker's Comp Ins	740,341	1,029,073	288,732	39.0%	700,000	(329,073)	-32.0%	720,000	20,000	2.9%
502101 Holiday Pay	315,564	404,834	89,270	28.3%	391,155	(13,679)	-3.4%	400,798	9,643	2.5%
502103 Floating Holiday	83,980	72,498	(11,482)	-13.7%	69,581	(2,917)	-4.0%	72,234	2,653	3.8%
502109 Sick Leave	683,804	886,879	203,074	29.7%	813,817	(73,062)	-8.2%	834,369	20,552	2.5%
502111 Annual Leave	1,792,333	1,556,459	(235,874)	-13.2%	1,467,898	(88,561)	-5.7%	1,488,127	20,228	1.4%
502121 Other Paid Absence	141,865	127,880	(13,986)	-9.9%	124,109	(3,770)	-2.9%	127,245	3,135	2.5%
502251 Phys. Exams	6,740	13,300	6,560	97.3%	13,699	399	3.0%	14,110	411	3.0%
502253 Driver Lic Renewal	1,380	4,400	3,020	218.8%	4,532	132	3.0%	4,668	136	3.0%
502999 Other Fringe Benefits	70,827	149,310	78,483	110.8%	69,730	(79,580)	-53.3%	70,615	885	1.3%
<b>Totals</b>	<b>12,470,019</b>	<b>14,620,784</b>	<b>2,150,765</b>	<b>17.2%</b>	<b>12,701,941</b>	<b>(1,918,843)</b>	<b>-13.1%</b>	<b>13,319,477</b>	<b>617,536</b>	<b>4.9%</b>

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Consolidated Expenses

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	80,015	103,250	23,235	29.0%	95,000	(8,250)	-8.0%	95,000	-	0.0%
503012 Admin/Bank Fees	185,856	216,630	30,774	16.6%	211,300	(5,330)	-2.5%	219,339	8,039	3.8%
503031 Prof/Technical Fees	140,958	334,575	193,617	137.4%	218,132	(116,443)	-34.8%	276,309	58,177	26.7%
503032 Legislative Services	90,000	103,400	13,400	14.9%	103,400	-	0.0%	106,502	3,102	3.0%
503033 Legal Services	1,473	55,000	53,527	3633.9%	55,000	-	0.0%	55,000	-	0.0%
503034 Pre-Employment Exams	12,530	12,440	(90)	-0.7%	7,200	(5,240)	-42.1%	7,416	216	3.0%
503041 Temp Help	105,043	-	(105,043)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	68,499	66,100	(2,399)	-3.5%	50,000	(16,100)	-24.4%	50,000	-	0.0%
503162 Uniforms/Laundry	30,487	44,015	13,528	44.4%	33,600	(10,415)	-23.7%	34,100	500	1.5%
503171 Security Services	358,207	406,368	48,161	13.4%	393,000	(13,368)	-3.3%	398,000	5,000	1.3%
503221 Classified/Legal Ads	13,054	26,400	13,346	102.2%	29,100	2,700	10.2%	29,793	693	2.4%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	4,000	4,000	100.0%	4,000	-	0.0%	4,000	-	0.0%
503351 Repair - Bldg & Impr	73,337	91,500	18,163	24.8%	100,000	8,500	9.3%	100,000	-	0.0%
503352 Repair - Equipment	327,259	412,872	85,613	26.2%	576,490	163,618	39.6%	581,621	5,131	0.9%
503353 Repair - Rev Vehicle	376,355	437,300	60,945	16.2%	410,000	(27,300)	-6.2%	410,000	-	0.0%
503354 Repair - Non Rev Vehicle	13,890	31,500	17,610	126.8%	25,000	(6,500)	-20.6%	25,000	-	0.0%
503363 Haz Mat Disposal	51,806	46,000	(5,806)	-11.2%	45,000	(1,000)	-2.2%	45,000	-	0.0%
<b>Totals</b>	<b>1,928,769</b>	<b>2,391,350</b>	<b>462,581</b>	<b>24.0%</b>	<b>2,356,222</b>	<b>(35,128)</b>	<b>-1.5%</b>	<b>2,437,080</b>	<b>80,858</b>	<b>3.4%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	138,057	207,400	69,343	50.2%	151,100	(56,300)	-27.1%	151,100	-	0.0%
504012 Fuels & Lubricants - Rev Veh	1,316,522	3,245,000	1,928,478	146.5%	2,695,000	(550,000)	-16.9%	2,735,000	40,000	1.5%
504021 Tires & Tubes	180,368	213,000	32,632	18.1%	243,000	30,000	14.1%	247,000	4,000	1.6%
504161 Other Mobile Supplies	6,580	10,300	3,720	56.5%	-	(10,300)	-100.0%	-	-	0.0%
504191 Rev Vehicle Parts	460,132	817,000	356,868	77.6%	625,000	(192,000)	-23.5%	635,000	10,000	1.6%
<b>Totals</b>	<b>2,101,659</b>	<b>4,492,700</b>	<b>2,391,041</b>	<b>113.8%</b>	<b>3,714,100</b>	<b>(778,600)</b>	<b>-17.3%</b>	<b>3,768,100</b>	<b>54,000</b>	<b>1.5%</b>

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Consolidated Expenses

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	1,981	3,600	1,619	81.7%	2,500	(1,100)	-30.6%	2,500	-	0.0%
504211 Postage & Mailing	9,129	26,266	17,137	187.7%	23,400	(2,866)	-10.9%	23,984	584	2.5%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	76,063	101,137	25,074	33.0%	102,487	1,350	1.3%	83,158	(19,329)	-18.9%
504217 Photo Supp/Process	4,783	9,900	5,117	107.0%	6,000	(3,900)	-39.4%	5,903	(97)	-1.6%
504311 Office Supplies	57,066	88,240	31,174	54.6%	72,617	(15,623)	-17.7%	74,229	1,612	2.2%
504315 Safety Supplies	12,084	33,500	21,416	177.2%	16,300	(17,200)	-51.3%	16,300	-	0.0%
504317 Cleaning Supplies	30,517	59,200	28,683	94.0%	33,100	(26,100)	-44.1%	33,100	-	0.0%
504409 Repair/Maint Supplies	45,834	57,300	11,466	25.0%	40,000	(17,300)	-30.2%	40,000	-	0.0%
504421 Non-Inventory Parts	46,071	53,550	7,479	16.2%	45,000	(8,550)	-16.0%	45,000	-	0.0%
504511 Small Tools	3,363	10,500	7,137	212.2%	8,700	(1,800)	-17.1%	8,700	-	0.0%
504515 Employee Tool Replacement	1,361	2,700	1,339	98.4%	3,000	300	11.1%	3,000	-	0.0%
<b>Totals</b>	<b>288,252</b>	<b>445,893</b>	<b>157,641</b>	<b>54.7%</b>	<b>353,104</b>	<b>(92,789)</b>	<b>-20.8%</b>	<b>335,873</b>	<b>(17,231)</b>	<b>-4.9%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	183,850	229,212	45,362	24.7%	225,000	(4,212)	-1.8%	225,000	-	0.0%
505021 Water & Garbage	131,072	128,171	(2,901)	-2.2%	150,000	21,829	17.0%	150,000	-	0.0%
505031 Telecommunications	116,428	147,578	31,150	26.8%	169,000	21,422	14.5%	170,000	1,000	0.6%
<b>Totals</b>	<b>431,350</b>	<b>504,961</b>	<b>73,611</b>	<b>17.1%</b>	<b>544,000</b>	<b>39,039</b>	<b>7.7%</b>	<b>545,000</b>	<b>1,000</b>	<b>0.2%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	71,469	121,898	50,429	70.6%	115,000	(6,898)	-5.7%	115,000	-	0.0%
506015 Insurance - PL/PD	481,462	525,300	43,838	9.1%	525,300	-	0.0%	525,300	-	0.0%
506021 Insurance - Other	711	800	89	12.5%	750	(50)	-6.3%	750	-	0.0%
506123 Settlement Costs	162,577	150,000	(12,577)	-7.7%	150,000	-	0.0%	150,000	-	0.0%
506127 Repairs - District Prop	(30,744)	-	30,744	-100.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>685,475</b>	<b>797,998</b>	<b>112,523</b>	<b>16.4%</b>	<b>791,050</b>	<b>(6,948)</b>	<b>-0.9%</b>	<b>791,050</b>	<b>-</b>	<b>0.0%</b>

10.95

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Consolidated Expenses**

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	10,183	14,510	4,327	42.5%	14,000	(510)	-3.5%	14,000	-	0.0%
507201 Licenses & Permits	12,652	15,800	3,148	24.9%	23,000	7,200	45.6%	23,300	300	1.3%
507999 Other Taxes	21,012	27,000	5,988	28.5%	30,000	3,000	11.1%	30,000	-	0.0%
<b>Totals</b>	<b>43,847</b>	<b>57,310</b>	<b>13,463</b>	<b>30.7%</b>	<b>67,000</b>	<b>9,690</b>	<b>16.9%</b>	<b>67,300</b>	<b>300</b>	<b>0.4%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	176,002	250,000	73,998	42.0%	250,000	-	0.0%	250,000	-	0.0%
<b>Totals</b>	<b>176,002</b>	<b>250,000</b>	<b>73,998</b>	<b>42.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	62,021	66,820	4,799	7.7%	66,025	(795)	-1.2%	68,747	2,722	4.1%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	8,094	34,600	26,506	327.5%	34,600	-	0.0%	35,533	933	2.7%
509121 Employee Training	22,935	63,065	40,130	175.0%	35,575	(27,490)	-43.6%	35,967	392	1.1%
509123 Travel	36,260	86,780	50,520	139.3%	86,780	-	0.0%	89,323	2,543	2.9%
509125 Local Meeting Expense	4,474	4,950	476	10.6%	4,950	-	0.0%	5,099	149	3.0%
509127 Board Director Fees	10,350	13,200	2,850	27.5%	13,200	-	0.0%	13,596	396	3.0%
509150 Contributions	22	650	628	2854.5%	650	-	0.0%	650	-	0.0%
509198 Cash Over/Short	522	500	(22)	-4.2%	500	-	0.0%	500	-	0.0%
<b>Totals</b>	<b>144,678</b>	<b>270,565</b>	<b>125,887</b>	<b>87.0%</b>	<b>242,280</b>	<b>(28,285)</b>	<b>-10.5%</b>	<b>249,415</b>	<b>7,135</b>	<b>2.9%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	728,350	522,357	(205,993)	-28.3%	359,000	(163,357)	-31.3%	346,300	(12,700)	-3.5%
512061 Equipment Rental	15,976	29,860	13,884	86.9%	22,420	(7,440)	-24.9%	22,639	219	1.0%
<b>Totals</b>	<b>744,326</b>	<b>552,217</b>	<b>(192,109)</b>	<b>-25.8%</b>	<b>381,420</b>	<b>(170,797)</b>	<b>-30.9%</b>	<b>368,939</b>	<b>(12,481)</b>	<b>-3.3%</b>
<b>PERSONNEL TOTAL</b>	<b>27,974,706</b>	<b>31,172,315</b>	<b>3,197,609</b>	<b>11.4%</b>	<b>29,196,867</b>	<b>(1,975,448)</b>	<b>-6.3%</b>	<b>30,231,635</b>	<b>1,034,768</b>	<b>3.5%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>6,544,358</b>	<b>9,762,994</b>	<b>3,218,636</b>	<b>49.2%</b>	<b>8,699,176</b>	<b>(1,063,818)</b>	<b>-10.9%</b>	<b>8,812,757</b>	<b>113,581</b>	<b>1.3%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>34,519,065</b>	<b>40,935,309</b>	<b>6,416,245</b>	<b>18.6%</b>	<b>37,896,043</b>	<b>(3,039,267)</b>	<b>-7.4%</b>	<b>39,044,392</b>	<b>1,148,349</b>	<b>3.0%</b>

10.06



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Administration - 1100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	410,679	376,042	(34,637)	-8.4%	347,220	(28,823)	-7.7%	357,594	10,374	3.0%
501023 Other OT	239	584	345	144.1%	-	(584)	-100.0%	-	-	0.0%
<b>Totals</b>	<b>410,918</b>	<b>376,626</b>	<b>(34,292)</b>	<b>-8.3%</b>	<b>347,220</b>	<b>(29,406)</b>	<b>-7.8%</b>	<b>357,594</b>	<b>10,374</b>	<b>3.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	7,815	7,761	(54)	-0.7%	6,153	(1,607)	-20.7%	6,337	184	3.0%
502021 Retirement	75,311	71,613	(3,698)	-4.9%	57,221	(14,392)	-20.1%	66,432	9,211	16.1%
502031 Medical Ins	72,118	64,953	(7,165)	-9.9%	50,154	(14,799)	-22.8%	51,659	1,505	3.0%
502041 Dental Ins	7,439	5,714	(1,725)	-23.2%	4,821	(893)	-15.6%	4,966	145	3.0%
502045 Vision Ins	2,028	1,842	(186)	-9.2%	1,360	(482)	-26.2%	1,400	41	3.0%
502051 Life Ins/AD&D	857	876	19	2.2%	629	(247)	-28.2%	648	19	3.0%
502060 State Disability Ins (SDI)	4,026	5,289	1,263	31.4%	3,477	(1,812)	-34.3%	3,581	104	3.0%
502061 Long Term Disability Ins	4,294	10,166	5,872	136.8%	4,982	(5,185)	-51.0%	5,131	149	3.0%
502071 State Unemployment Ins (SUI)	1,069	886	(183)	-17.1%	644	(242)	-27.3%	644	-	0.0%
502081 Worker's Comp Ins	11,047	17,137	6,090	55.1%	10,614	(6,523)	-38.1%	10,917	303	2.9%
502101 Holiday Pay	5,985	7,054	1,068	17.9%	4,881	(2,173)	-30.8%	5,028	146	3.0%
502103 Floating Holiday	16,878	18,665	1,786	10.6%	12,475	(6,190)	-33.2%	12,849	374	3.0%
502109 Sick Leave	32,943	69,442	36,498	110.8%	19,524	(49,917)	-71.9%	20,110	586	3.0%
502111 Annual Leave	71,987	60,728	(11,258)	-15.6%	37,211	(23,518)	-38.7%	38,327	1,117	3.0%
502121 Other Paid Absence	104	3,292	3,188	3073.0%	3,051	(241)	-7.3%	3,142	92	3.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	5,101	8,000	2,898	56.8%	4,029	(3,971)	-49.6%	4,032	4	0.1%
<b>Totals</b>	<b>319,002</b>	<b>353,417</b>	<b>34,414</b>	<b>10.8%</b>	<b>221,226</b>	<b>(132,190)</b>	<b>-37.4%</b>	<b>235,204</b>	<b>13,978</b>	<b>6.3%</b>

10.27

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
*Administration - 1100*

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	1,300	1,300	100.0%	1,300	-	0.0%	1,339	39	3.0%
503031 Prof/Technical Fees	29,460	42,232	12,772	43.4%	42,232	-	0.0%	43,499	1,267	3.0%
503032 Legislative Services	90,000	103,400	13,400	14.9%	103,400	-	0.0%	106,502	3,102	3.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	661	-	(661)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	3,300	8,100	4,800	145.5%	8,100	-	0.0%	8,343	243	3.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	5,467	11,700	6,233	114.0%	11,700	-	0.0%	12,051	351	3.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>128,888</b>	<b>166,732</b>	<b>37,844</b>	<b>29.4%</b>	<b>166,732</b>	<b>-</b>	<b>0.0%</b>	<b>171,734</b>	<b>5,002</b>	<b>3.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.28

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Administration - 1100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	4,773	11,800	7,027	147.2%	11,800	-	0.0%	12,154	354	3.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	6,023	10,487	4,464	74.1%	10,487	-	0.0%	10,802	315	3.0%
504217 Photo Supp/Process	-	100	100	100.0%	100	-	0.0%	103	3	3.0%
504311 Office Supplies	4,500	8,790	4,290	95.3%	8,790	-	0.0%	9,054	264	3.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>15,296</b>	<b>31,177</b>	<b>15,881</b>	<b>103.8%</b>	<b>31,177</b>	<b>-</b>	<b>0.0%</b>	<b>32,112</b>	<b>935</b>	<b>3.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.09

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Administration - 1100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	48,261	54,450	6,189	12.8%	54,450	-	0.0%	56,084	1,634	3.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	4,781	31,100	26,319	550.5%	31,100	-	0.0%	32,033	933	3.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	35,217	84,780	49,563	140.7%	84,780	-	0.0%	87,323	2,543	3.0%
509125 Local Meeting Expense	4,224	4,700	476	11.3%	4,700	-	0.0%	4,841	141	3.0%
509127 Board Director Fees	10,350	13,200	2,850	27.5%	13,200	-	0.0%	13,596	396	3.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>102,833</b>	<b>188,230</b>	<b>85,397</b>	<b>83.0%</b>	<b>188,230</b>	<b>-</b>	<b>0.0%</b>	<b>193,877</b>	<b>5,647</b>	<b>3.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	587	620	33	5.6%	620	-	0.0%	639	19	3.0%
<b>Totals</b>	<b>587</b>	<b>620</b>	<b>33</b>	<b>5.6%</b>	<b>620</b>	<b>-</b>	<b>0.0%</b>	<b>639</b>	<b>19</b>	<b>3.0%</b>
<b>PERSONNEL TOTAL</b>	<b>729,920</b>	<b>730,042</b>	<b>122</b>	<b>0.0%</b>	<b>568,446</b>	<b>(161,597)</b>	<b>-22.1%</b>	<b>592,798</b>	<b>24,352</b>	<b>4.3%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>247,604</b>	<b>386,759</b>	<b>139,155</b>	<b>56.2%</b>	<b>386,759</b>	<b>-</b>	<b>0.0%</b>	<b>398,362</b>	<b>11,603</b>	<b>3.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>977,524</b>	<b>1,116,801</b>	<b>139,277</b>	<b>14.2%</b>	<b>955,205</b>	<b>(161,597)</b>	<b>-14.5%</b>	<b>991,159</b>	<b>35,955</b>	<b>3.8%</b>

10.01  
11/17/2010

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Finance - 1200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	554,899	698,081	143,182	25.8%	802,856	104,774	15.0%	763,065	(39,791)	-5.0%
501023 Other OT	122	551	429	351.4%	642	92	16.6%	610	(32)	-5.0%
<b>Totals</b>	<b>555,021</b>	<b>698,632</b>	<b>143,611</b>	<b>25.9%</b>	<b>803,498</b>	<b>104,866</b>	<b>15.0%</b>	<b>763,676</b>	<b>(39,822)</b>	<b>-5.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	10,452	11,974	1,522	14.6%	13,766	1,792	15.0%	13,092	(673)	-4.9%
502021 Retirement	87,931	106,594	18,664	21.2%	128,013	21,419	20.1%	137,245	9,232	7.2%
502031 Medical Ins	96,283	130,921	34,638	36.0%	131,716	795	0.6%	121,906	(9,810)	-7.4%
502041 Dental Ins	9,916	15,306	5,390	54.4%	13,784	(1,522)	-9.9%	13,038	(746)	-5.4%
502045 Vision Ins	3,129	4,019	890	28.4%	4,419	400	9.9%	4,201	(218)	-4.9%
502051 Life Ins/AD&D	1,199	1,590	391	32.6%	1,614	24	1.5%	1,549	(64)	-4.0%
502060 State Disability Ins (SDI)	6,357	11,539	5,182	81.5%	9,858	(1,681)	-14.6%	9,330	(528)	-5.4%
502061 Long Term Disability Ins	6,245	11,876	5,631	90.2%	10,455	(1,421)	-12.0%	10,097	(357)	-3.4%
502071 State Unemployment Ins (SUI)	2,198	1,932	(266)	-12.1%	2,254	322	16.7%	2,093	(161)	-7.1%
502081 Worker's Comp Ins	7,972	37,391	29,419	369.0%	25,474	(11,917)	-31.9%	26,202	728	2.9%
502101 Holiday Pay	8,113	9,528	1,416	17.5%	10,811	1,283	13.5%	10,418	(393)	-3.6%
502103 Floating Holiday	8,515	9,465	950	11.2%	10,145	680	7.2%	10,449	304	3.0%
502109 Sick Leave	41,585	36,769	(4,816)	-11.6%	41,900	5,131	14.0%	40,330	(1,570)	-3.7%
502111 Annual Leave	100,606	66,199	(34,408)	-34.2%	77,112	10,913	16.5%	72,367	(4,745)	-6.2%
502121 Other Paid Absence	3,882	5,745	1,863	48.0%	6,547	802	14.0%	6,302	(245)	-3.7%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	4,149	6,228	2,078	50.1%	5,518	(710)	-11.4%	5,497	(21)	-0.4%
<b>Totals</b>	<b>398,533</b>	<b>467,076</b>	<b>68,542</b>	<b>17.2%</b>	<b>493,383</b>	<b>26,308</b>	<b>5.6%</b>	<b>484,117</b>	<b>(9,267)</b>	<b>-1.9%</b>

10.011

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Finance - 1200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	79,765	103,000	23,235	29.1%	95,000	(8,000)	-7.8%	95,000	-	0.0%
503012 Admin/Bank Fees	185,836	215,280	29,444	15.8%	210,000	(5,280)	-2.5%	218,000	8,000	3.8%
503031 Prof/Technical Fees	3,200	-	(3,200)	-100.0%	-	-	0.0%	6,500	6,500	100.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	1,707	-	(1,707)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	4,347	7,100	2,753	63.3%	6,000	(1,100)	-15.5%	6,000	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	515	515	100.0%	600	85	16.5%	600	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>274,855</b>	<b>325,895</b>	<b>51,040</b>	<b>18.6%</b>	<b>311,600</b>	<b>(14,295)</b>	<b>-4.4%</b>	<b>326,100</b>	<b>14,500</b>	<b>4.7%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.012

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Finance - 1200

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	180	106	(74)	-41.1%	250	144	135.8%	250	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	1,140	2,100	960	84.2%	2,000	(100)	-4.8%	2,000	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	3,302	8,550	5,248	158.9%	6,000	(2,550)	-29.8%	6,000	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>4,622</b>	<b>10,756</b>	<b>6,134</b>	<b>132.7%</b>	<b>8,250</b>	<b>(2,506)</b>	<b>-23.3%</b>	<b>8,250</b>	<b>-</b>	<b>0.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	71,469	121,898	50,429	70.6%	115,000	(6,898)	-5.7%	115,000	-	0.0%
506015 Insurance - PL/PD	481,462	525,300	43,838	9.1%	525,300	-	0.0%	525,300	-	0.0%
506021 Insurance - Other	711	800	89	12.5%	750	(50)	-6.3%	750	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>553,642</b>	<b>647,998</b>	<b>94,356</b>	<b>17.0%</b>	<b>641,050</b>	<b>(6,948)</b>	<b>-1.1%</b>	<b>641,050</b>	<b>-</b>	<b>0.0%</b>

10.013

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Finance - 1200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	1,252	2,150	898	71.7%	1,200	(950)	-44.2%	1,250	50	4.2%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	522	500	(22)	-4.2%	500	-	0.0%	500	-	0.0%
<b>Totals</b>	<b>1,774</b>	<b>2,650</b>	<b>876</b>	<b>49.4%</b>	<b>1,700</b>	<b>(950)</b>	<b>-35.8%</b>	<b>1,750</b>	<b>50</b>	<b>2.9%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>953,554</b>	<b>1,165,708</b>	<b>212,154</b>	<b>22.2%</b>	<b>1,296,881</b>	<b>131,173</b>	<b>11.3%</b>	<b>1,247,792</b>	<b>(49,089)</b>	<b>-3.8%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>834,893</b>	<b>987,299</b>	<b>152,406</b>	<b>18.3%</b>	<b>962,600</b>	<b>(24,699)</b>	<b>-2.5%</b>	<b>977,150</b>	<b>14,550</b>	<b>1.5%</b>
<b>DEPARTMENT TOTALS</b>	<b>1,788,447</b>	<b>2,153,007</b>	<b>364,560</b>	<b>20.4%</b>	<b>2,259,481</b>	<b>106,474</b>	<b>4.9%</b>	<b>2,224,942</b>	<b>(34,539)</b>	<b>-1.5%</b>

10.014



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Customer Service - 1300

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	226,115	237,483	11,368	5.0%	204,922	(32,562)	-13.7%	213,216	8,294	4.0%
501023 Other OT	1,064	5,000	3,936	369.9%	820	(4,180)	-83.6%	853	33	4.0%
<b>Totals</b>	<b>227,179</b>	<b>242,483</b>	<b>15,304</b>	<b>6.7%</b>	<b>205,741</b>	<b>(36,742)</b>	<b>-15.2%</b>	<b>214,069</b>	<b>8,328</b>	<b>4.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	1,889	2,744	855	45.2%	3,610	866	31.6%	3,756	145	4.0%
502021 Retirement	37,947	38,796	849	2.2%	33,573	(5,223)	-13.5%	39,369	5,796	17.3%
502031 Medical Ins	74,870	91,128	16,258	21.7%	54,778	(36,350)	-39.9%	56,422	1,643	3.0%
502041 Dental Ins	8,095	10,367	2,272	28.1%	6,762	(3,605)	-34.8%	6,964	203	3.0%
502045 Vision Ins	1,892	2,009	117	6.2%	1,700	(310)	-15.4%	1,750	51	3.0%
502051 Life Ins/AD&D	630	702	72	11.4%	547	(155)	-22.1%	563	16	3.0%
502060 State Disability Ins (SDI)	2,747	5,769	3,022	110.0%	2,739	(3,030)	-52.5%	2,849	110	4.0%
502061 Long Term Disability Ins	3,397	3,297	(99)	-2.9%	2,632	(666)	-20.2%	2,740	108	4.1%
502071 State Unemployment Ins (SUI)	966	966	0	0.0%	805	(161)	-16.7%	805	-	0.0%
502081 Worker's Comp Ins	4,799	17,918	13,119	273.4%	12,206	(5,712)	-31.9%	12,555	349	2.9%
502101 Holiday Pay	3,214	3,269	55	1.7%	2,811	(457)	-14.0%	2,927	116	4.1%
502103 Floating Holiday	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	5,548	13,075	7,527	135.7%	11,246	(1,830)	-14.0%	11,708	463	4.1%
502111 Annual Leave	41,014	34,084	(6,930)	-16.9%	28,247	(5,837)	-17.1%	29,324	1,077	3.8%
502121 Other Paid Absence	1,187	2,043	856	72.2%	1,757	(286)	-14.0%	1,829	72	4.1%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	164	185	21	13.0%	1,361	1,175	633.9%	1,366	5	0.4%
<b>Totals</b>	<b>188,359</b>	<b>226,352</b>	<b>37,993</b>	<b>20.2%</b>	<b>164,773</b>	<b>(61,579)</b>	<b>-27.2%</b>	<b>174,927</b>	<b>10,154</b>	<b>6.2%</b>

10.015

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Customer Service - 1300**

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	13,156	14,500	1,344	10.2%	16,000	1,500	10.3%	16,000	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	4,000	4,000	100.0%	4,000	-	0.0%	4,000	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	1,012	2,100	1,088	107.5%	1,500	(600)	-28.6%	1,500	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>14,168</b>	<b>20,600</b>	<b>6,432</b>	<b>45.4%</b>	<b>21,500</b>	<b>900</b>	<b>4.4%</b>	<b>21,500</b>	<b>-</b>	<b>0.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.016

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
Customer Service - 1300

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	3,001	6,000	2,999	99.9%	4,000	(2,000)	-33.3%	4,200	200	5.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	57,601	65,000	7,399	12.8%	65,000	-	0.0%	46,500	(18,500)	-28.5%
504217 Photo Supp/Process	2,750	4,300	1,550	56.4%	5,000	700	16.3%	5,000	-	0.0%
504311 Office Supplies	1,565	4,000	2,435	155.6%	4,000	-	0.0%	4,500	500	12.5%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>64,917</b>	<b>79,300</b>	<b>14,383</b>	<b>22.2%</b>	<b>78,000</b>	<b>(1,300)</b>	<b>-1.6%</b>	<b>60,200</b>	<b>(17,800)</b>	<b>-22.8%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.017

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Customer Service - 1300

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	1,722	1,900	178	10.3%	2,500	600	31.6%	2,800	300	12.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>1,722</b>	<b>1,900</b>	<b>178</b>	<b>10.3%</b>	<b>2,500</b>	<b>600</b>	<b>31.6%</b>	<b>2,800</b>	<b>300</b>	<b>12.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	22	500	478	2172.7%	500	-	0.0%	500	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>22</b>	<b>500</b>	<b>478</b>	<b>2172.7%</b>	<b>500</b>	<b>-</b>	<b>0.0%</b>	<b>500</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	601	1,600	999	166.2%	1,600	-	0.0%	1,800	200	12.5%
<b>Totals</b>	<b>601</b>	<b>1,600</b>	<b>999</b>	<b>166.2%</b>	<b>1,600</b>	<b>-</b>	<b>0.0%</b>	<b>1,800</b>	<b>200</b>	<b>12.5%</b>
<b>PERSONNEL TOTAL</b>	<b>415,538</b>	<b>468,836</b>	<b>53,297</b>	<b>12.8%</b>	<b>370,515</b>	<b>(98,321)</b>	<b>-21.0%</b>	<b>388,996</b>	<b>18,482</b>	<b>5.0%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>81,430</b>	<b>103,900</b>	<b>22,470</b>	<b>27.6%</b>	<b>104,100</b>	<b>200</b>	<b>0.2%</b>	<b>86,800</b>	<b>(17,300)</b>	<b>-16.6%</b>
<b>DEPARTMENT TOTALS</b>	<b>496,968</b>	<b>572,736</b>	<b>75,767</b>	<b>15.2%</b>	<b>474,615</b>	<b>(98,121)</b>	<b>-17.1%</b>	<b>475,796</b>	<b>1,182</b>	<b>0.2%</b>

10.018

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Human Resources - 1400

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	319,156	349,386	30,230	9.5%	321,678	(27,708)	-7.9%	333,478	11,800	3.7%
501023 Other OT	1,420	1,400	(20)	-1.4%	997	(403)	-28.8%	1,034	37	3.7%
<b>Totals</b>	<b>320,576</b>	<b>350,786</b>	<b>30,210</b>	<b>9.4%</b>	<b>322,675</b>	<b>(28,111)</b>	<b>-8.0%</b>	<b>334,512</b>	<b>11,837</b>	<b>3.7%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	5,747	6,032	284	4.9%	5,538	(494)	-8.2%	5,741	203	3.7%
502021 Retirement	50,857	55,658	4,801	9.4%	51,501	(4,158)	-7.5%	60,180	8,680	16.9%
502031 Medical ins	69,767	80,041	10,274	14.7%	57,397	(22,644)	-28.3%	59,119	1,722	3.0%
502041 Dental ins	7,282	7,654	372	5.1%	5,451	(2,203)	-28.8%	5,615	164	3.0%
502045 Vision Ins	1,974	2,009	35	1.7%	1,700	(310)	-15.4%	1,750	51	3.0%
502051 Life Ins/AD&D	827	888	61	7.3%	739	(149)	-16.8%	761	22	3.0%
502060 State Disability Ins (SDI)	3,508	5,769	2,261	64.5%	3,869	(1,900)	-32.9%	4,013	144	3.7%
502061 Long Term Disability Ins	3,869	7,292	3,423	88.5%	4,428	(2,863)	-39.3%	4,589	160	3.6%
502071 State Unemployment Ins (SUI)	1,072	966	(106)	-9.9%	805	(161)	-16.7%	805	-	0.0%
502081 Worker's Comp Ins	16,208	18,696	2,488	15.4%	12,737	(5,959)	-31.9%	13,101	364	2.9%
502101 Holiday Pay	4,515	4,800	285	6.3%	4,407	(393)	-8.2%	4,568	161	3.7%
502103 Floating Holiday	8,230	8,906	676	8.2%	9,173	267	3.0%	9,448	275	3.0%
502109 Sick Leave	18,383	19,199	816	4.4%	17,628	(1,571)	-8.2%	18,273	646	3.7%
502111 Annual Leave	40,703	30,689	(10,013)	-24.6%	26,298	(4,392)	-14.3%	27,301	1,003	3.8%
502121 Other Paid Absence	3,535	3,000	(535)	-15.1%	2,754	(245)	-8.2%	2,855	101	3.7%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	2,782	4,781	2,000	71.9%	4,061	(721)	-15.1%	4,066	5	0.1%
<b>Totals</b>	<b>239,260</b>	<b>256,380</b>	<b>17,120</b>	<b>7.2%</b>	<b>208,485</b>	<b>(47,895)</b>	<b>-18.7%</b>	<b>222,185</b>	<b>13,700</b>	<b>6.6%</b>

10.9.19

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Human Resources - 1400

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	13,295	115,800	102,505	771.0%	39,200	(76,600)	-66.1%	89,200	50,000	127.6%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	12,445	12,440	(5)	0.0%	7,200	(5,240)	-42.1%	7,416	216	3.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	2,819	11,000	8,181	290.2%	15,000	4,000	36.4%	15,450	450	3.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>28,559</b>	<b>139,240</b>	<b>110,681</b>	<b>387.6%</b>	<b>61,400</b>	<b>(77,840)</b>	<b>-55.9%</b>	<b>112,066</b>	<b>50,666</b>	<b>82.5%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.a20

3/17/2010

HR - 1400

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Human Resources - 1400

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	414	750	336	81.2%	1,000	250	33.3%	1,030	30	3.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	1,332	200	(1,132)	-85.0%	5,200	5,000	2500.0%	5,356	156	3.0%
504217 Photo Supp/Process	234	-	(234)	-100.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	999	1,500	501	50.2%	1,500	-	0.0%	1,545	45	3.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>2,979</b>	<b>2,450</b>	<b>(529)</b>	<b>-17.8%</b>	<b>7,700</b>	<b>5,250</b>	<b>214.3%</b>	<b>7,931</b>	<b>231</b>	<b>3.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.a.21

3/17/2010

HR - 1400

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Human Resources - 1400

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	1,490	1,270	(220)	-14.8%	1,275	5	0.4%	1,313	38	3.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	14,553	49,765	35,212	242.0%	23,575	(26,190)	-52.6%	23,727	152	0.6%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	250	250	-	0.0%	250	-	0.0%	258	8	3.2%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>16,293</b>	<b>51,285</b>	<b>34,992</b>	<b>214.8%</b>	<b>25,100</b>	<b>(26,185)</b>	<b>-51.1%</b>	<b>25,298</b>	<b>198</b>	<b>0.8%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>559,836</b>	<b>607,166</b>	<b>47,330</b>	<b>8.5%</b>	<b>531,160</b>	<b>(76,006)</b>	<b>-12.5%</b>	<b>556,697</b>	<b>25,537</b>	<b>4.8%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>47,831</b>	<b>192,975</b>	<b>145,144</b>	<b>303.5%</b>	<b>94,200</b>	<b>(98,775)</b>	<b>-51.2%</b>	<b>145,295</b>	<b>51,095</b>	<b>54.2%</b>
<b>DEPARTMENT TOTALS</b>	<b>607,666</b>	<b>800,140</b>	<b>192,473</b>	<b>31.7%</b>	<b>625,359</b>	<b>(174,782)</b>	<b>-21.8%</b>	<b>701,991</b>	<b>76,631</b>	<b>12.3%</b>

10.022

3/17/2010

HR - 1400



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Information Technology - 1500

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	319,264	308,786	(10,478)	-3.3%	317,995	9,209	3.0%	327,475	9,480	3.0%
501023 Other OT	491	2,090	1,599	325.7%	1,399	(691)	-33.1%	1,441	42	3.0%
<b>Totals</b>	<b>319,755</b>	<b>310,876</b>	<b>(8,879)</b>	<b>-2.8%</b>	<b>319,394</b>	<b>8,518</b>	<b>2.7%</b>	<b>328,916</b>	<b>9,522</b>	<b>3.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	5,761	5,417	(345)	-6.0%	5,578	162	3.0%	5,745	166	3.0%
502021 Retirement	48,761	49,983	1,222	2.5%	51,875	1,893	3.8%	60,222	8,347	16.1%
502031 Medical Ins	53,266	60,858	7,592	14.3%	57,007	(3,851)	-6.3%	58,717	1,710	3.0%
502041 Dental Ins	6,041	6,350	309	5.1%	6,132	(218)	-3.4%	6,316	184	3.0%
502045 Vision Ins	1,316	1,340	24	1.8%	1,360	20	1.5%	1,400	41	3.0%
502051 Life Ins/AD&D	608	654	46	7.5%	629	(25)	-3.8%	648	19	3.0%
502060 State Disability Ins (SDI)	3,249	3,846	597	18.4%	3,776	(70)	-1.8%	3,889	113	3.0%
502061 Long Term Disability Ins	2,923	6,802	3,879	132.7%	4,446	(2,356)	-34.6%	4,579	133	3.0%
502071 State Unemployment Ins (SUI)	644	644	(0)	0.0%	644	-	0.0%	644	-	0.0%
502081 Worker's Comp Ins	3,164	12,465	9,301	294.0%	8,491	(3,974)	-31.9%	8,734	243	2.9%
502101 Holiday Pay	4,065	4,287	222	5.5%	4,416	129	3.0%	4,548	132	3.0%
502103 Floating Holiday	8,793	9,177	384	4.4%	9,451	274	3.0%	9,735	284	3.0%
502109 Sick Leave	17,871	17,149	(722)	-4.0%	17,664	515	3.0%	18,194	530	3.0%
502111 Annual Leave	41,518	31,486	(10,032)	-24.2%	32,433	947	3.0%	33,406	973	3.0%
502121 Other Paid Absence	2,714	2,680	(34)	-1.3%	2,760	80	3.0%	2,843	83	3.0%
502251 Phys. Exams	0	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	2,724	4,720	1,995	73.2%	4,029	(691)	-14.6%	4,032	4	0.1%
<b>Totals</b>	<b>203,420</b>	<b>217,857</b>	<b>14,437</b>	<b>7.1%</b>	<b>210,691</b>	<b>(7,166)</b>	<b>-3.3%</b>	<b>223,653</b>	<b>12,962</b>	<b>6.2%</b>

10.023

3/17/2010

IT - 1500

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Information Technology - 1500

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	15,300	52,143	36,843	240.8%	13,500	(38,643)	-74.1%	13,910	410	3.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	4,342	-	(4,342)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	55,223	100,507	45,284	82.0%	155,190	54,683	54.4%	159,970	4,780	3.1%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>74,865</b>	<b>152,650</b>	<b>77,785</b>	<b>103.9%</b>	<b>168,690</b>	<b>16,040</b>	<b>10.5%</b>	<b>173,880</b>	<b>5,190</b>	<b>3.1%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.024

3/17/2010

IT - 1500

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Information Technology - 1500

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	-	210	210	100.0%	50	(160)	-76.2%	50	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	24,602	26,300	1,698	6.9%	23,427	(2,873)	-10.9%	24,130	703	3.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>24,602</b>	<b>26,510</b>	<b>1,908</b>	<b>7.8%</b>	<b>23,477</b>	<b>(3,033)</b>	<b>-11.4%</b>	<b>24,180</b>	<b>703</b>	<b>3.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.025

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Information Technology - 1500

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	30	150	120	400.0%	100	(50)	-33.3%	100	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	6,000	8,300	2,300	38.3%	8,000	(300)	-3.6%	8,240	240	3.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>6,030</b>	<b>8,450</b>	<b>2,420</b>	<b>40.1%</b>	<b>8,100</b>	<b>(350)</b>	<b>-4.1%</b>	<b>8,340</b>	<b>240</b>	<b>3.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>523,175</b>	<b>528,732</b>	<b>5,558</b>	<b>1.1%</b>	<b>530,085</b>	<b>1,353</b>	<b>0.3%</b>	<b>552,569</b>	<b>22,484</b>	<b>4.2%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>105,497</b>	<b>187,610</b>	<b>82,113</b>	<b>77.8%</b>	<b>200,267</b>	<b>12,657</b>	<b>6.7%</b>	<b>206,400</b>	<b>6,133</b>	<b>3.1%</b>
<b>DEPARTMENT TOTALS</b>	<b>628,672</b>	<b>716,342</b>	<b>87,671</b>	<b>13.9%</b>	<b>730,352</b>	<b>14,010</b>	<b>2.0%</b>	<b>758,969</b>	<b>28,617</b>	<b>3.9%</b>

10.a.26

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

District Counsel - 1700

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	285,870	285,411	(459)	-0.2%	303,537	18,125	6.4%	312,614	9,077	3.0%
501023 Other OT	69	270	201	291.4%	-	(270)	-100.0%	-	-	0.0%
<b>Totals</b>	<b>285,939</b>	<b>285,682</b>	<b>(257)</b>	<b>-0.1%</b>	<b>303,537</b>	<b>17,855</b>	<b>6.2%</b>	<b>312,614</b>	<b>9,077</b>	<b>3.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	5,132	5,046	(86)	-1.7%	5,368	323	6.4%	5,529	161	3.0%
502021 Retirement	44,489	46,559	2,069	4.7%	49,920	3,361	7.2%	57,957	8,037	16.1%
502031 Medical Ins	35,936	38,860	2,924	8.1%	37,356	(1,504)	-3.9%	38,477	1,121	3.0%
502041 Dental Ins	3,787	4,479	692	18.3%	3,829	(650)	-14.5%	3,944	115	3.0%
502045 Vision Ins	1,316	1,340	24	1.8%	1,360	20	1.5%	1,400	41	3.0%
502051 Life Ins/AD&D	521	561	40	7.8%	533	(28)	-4.9%	549	16	3.0%
502060 State Disability Ins (SDI)	2,559	3,846	1,287	50.3%	3,091	(755)	-19.6%	3,183	92	3.0%
502061 Long Term Disability Ins	2,631	5,996	3,365	127.9%	4,237	(1,759)	-29.3%	4,364	127	3.0%
502071 State Unemployment Ins (SUI)	644	644	(0)	0.0%	644	-	0.0%	644	-	0.0%
502081 Worker's Comp Ins	2,874	12,465	9,591	333.7%	8,491	(3,974)	-31.9%	8,734	243	2.9%
502101 Holiday Pay	3,790	3,997	207	5.5%	4,254	257	6.4%	4,382	128	3.0%
502103 Floating Holiday	6,933	7,141	208	3.0%	7,723	583	8.2%	7,955	232	3.0%
502109 Sick Leave	15,464	15,988	524	3.4%	17,015	1,027	6.4%	17,526	511	3.0%
502111 Annual Leave	39,342	32,937	(6,405)	-16.3%	35,028	2,091	6.3%	36,080	1,053	3.0%
502121 Other Paid Absence	1,163	2,498	1,335	114.8%	2,659	160	6.4%	2,738	80	3.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	1,419	2,422	1,002	70.6%	2,079	(343)	-14.2%	2,082	4	0.2%
<b>Totals</b>	<b>168,000</b>	<b>184,778</b>	<b>16,778</b>	<b>10.0%</b>	<b>183,586</b>	<b>(1,192)</b>	<b>-0.6%</b>	<b>195,546</b>	<b>11,960</b>	<b>6.5%</b>

10.0.27

1/17/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
District Counsel - 1700

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	5,000	5,000	100.0%	5,000	-	0.0%	5,000	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	5,000	5,000	100.0%	5,000	-	0.0%	5,000	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.a.28

3/17/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

District Counsel - 1700

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	49	-	(49)	-100.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	1,128	800	(328)	-29.1%	900	100	12.5%	1,000	100	11.1%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>1,177</b>	<b>800</b>	<b>(377)</b>	<b>-32.0%</b>	<b>900</b>	<b>100</b>	<b>12.5%</b>	<b>1,000</b>	<b>100</b>	<b>11.1%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.029

3/17/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

District Counsel - 1700

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	9,888	7,500	(2,388)	-24.2%	8,000	500	6.7%	9,000	1,000	12.5%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	2,382	5,000	2,618	109.9%	4,000	(1,000)	-20.0%	4,000	-	0.0%
509123 Travel	1,043	2,000	957	91.8%	2,000	-	0.0%	2,000	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>13,313</b>	<b>14,500</b>	<b>1,187</b>	<b>8.9%</b>	<b>14,000</b>	<b>(500)</b>	<b>-3.4%</b>	<b>15,000</b>	<b>1,000</b>	<b>7.1%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>453,939</b>	<b>470,459</b>	<b>16,520</b>	<b>3.6%</b>	<b>487,123</b>	<b>16,663</b>	<b>3.5%</b>	<b>508,159</b>	<b>21,037</b>	<b>4.3%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>14,490</b>	<b>20,300</b>	<b>5,810</b>	<b>40.1%</b>	<b>19,900</b>	<b>(400)</b>	<b>-2.0%</b>	<b>21,000</b>	<b>1,100</b>	<b>5.5%</b>
<b>DEPARTMENT TOTALS</b>	<b>468,429</b>	<b>490,759</b>	<b>22,330</b>	<b>4.8%</b>	<b>507,023</b>	<b>16,263</b>	<b>3.3%</b>	<b>529,159</b>	<b>22,137</b>	<b>4.4%</b>

10.a.30

3/17/2010

District Counsel - 1700



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Risk Management - 1800

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501023 Other OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502021 Retirement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502031 Medical Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502041 Dental Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502045 Vision Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502051 Life Ins/AD&D	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502101 Holiday Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502103 Floating Holiday	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502111 Annual Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502121 Other Paid Absence	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.a.31

3/17/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Risk Management - 1800**

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	4,855	50,000	45,145	929.9%	50,000	-	0.0%	50,000	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	1,473	50,000	48,527	3294.4%	50,000	-	0.0%	50,000	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>6,328</b>	<b>100,000</b>	<b>93,672</b>	<b>1480.3%</b>	<b>100,000</b>	<b>-</b>	<b>0.0%</b>	<b>100,000</b>	<b>-</b>	<b>0.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10-a32

3/17/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Risk Management - 1800**

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	20	-	(20)	-100.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>20</b>	<b>-</b>	<b>(20)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	162,577	150,000	(12,577)	-7.7%	150,000	-	0.0%	150,000	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>162,577</b>	<b>150,000</b>	<b>(12,577)</b>	<b>-7.7%</b>	<b>150,000</b>	<b>-</b>	<b>0.0%</b>	<b>150,000</b>	<b>-</b>	<b>0.0%</b>

10.a.33

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Risk Management - 1800

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>168,925</b>	<b>250,000</b>	<b>81,075</b>	<b>48.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>168,925</b>	<b>250,000</b>	<b>81,075</b>	<b>48.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>

10.034

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Facilities Maintenance - 2200

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	478,485	510,123	31,638	6.6%	497,611	(12,512)	-2.5%	517,429	19,818	4.0%
501023 Other OT	43,270	32,201	(11,069)	-25.6%	48,517	16,316	50.7%	50,449	1,932	4.0%
<b>Totals</b>	<b>521,755</b>	<b>542,324</b>	<b>20,569</b>	<b>3.9%</b>	<b>546,128</b>	<b>3,804</b>	<b>0.7%</b>	<b>567,878</b>	<b>21,750</b>	<b>4.0%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	7,418	9,013	1,595	21.5%	8,811	(202)	-2.2%	9,159	348	3.9%
502021 Retirement	80,413	83,168	2,755	3.4%	81,940	(1,228)	-1.5%	96,013	14,073	17.2%
502031 Medical Ins	171,150	211,171	40,021	23.4%	179,756	(31,415)	-14.9%	185,149	5,393	3.0%
502041 Dental Ins	19,859	20,359	500	2.5%	18,714	(1,645)	-8.1%	19,275	561	3.0%
502045 Vision Ins	4,086	4,354	268	6.5%	4,079	(275)	-6.3%	4,201	122	3.0%
502051 Life Ins/AD&D	1,358	1,521	163	12.0%	1,313	(208)	-13.7%	1,352	39	3.0%
502060 State Disability Ins (SDI)	6,143	12,500	6,357	103.5%	6,685	(5,815)	-46.5%	6,948	264	3.9%
502061 Long Term Disability Ins	6,625	7,235	610	9.2%	6,563	(672)	-9.3%	6,822	259	3.9%
502071 State Unemployment Ins (SUI)	2,254	2,093	(161)	-7.1%	1,932	(161)	-7.7%	1,932	-	0.0%
502081 Worker's Comp Ins	10,997	40,509	29,512	268.4%	27,597	(12,912)	-31.9%	28,385	788	2.9%
502101 Holiday Pay	8,622	7,172	(1,450)	-16.8%	7,012	(160)	-2.2%	7,288	277	3.9%
502103 Floating Holiday	2,995	-	(2,995)	-100.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	20,216	28,689	8,473	41.9%	28,047	(642)	-2.2%	29,154	1,107	3.9%
502111 Annual Leave	66,422	71,119	4,697	7.1%	70,631	(488)	-0.7%	73,237	2,605	3.7%
502121 Other Paid Absence	11,264	4,483	(6,781)	-60.2%	4,382	(100)	-2.2%	4,555	173	3.9%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	361	408	47	13.0%	386	(22)	-5.5%	397	12	3.0%
<b>Totals</b>	<b>420,181</b>	<b>503,793</b>	<b>83,611</b>	<b>19.9%</b>	<b>447,847</b>	<b>(55,946)</b>	<b>-11.1%</b>	<b>473,868</b>	<b>26,021</b>	<b>5.8%</b>

10.035

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Facilities Maintenance - 2200

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	14,761	17,800	3,039	20.6%	14,700	(3,100)	-17.4%	14,700	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	20,717	-	(20,717)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	68,499	66,100	(2,399)	-3.5%	50,000	(16,100)	-24.4%	50,000	-	0.0%
503162 Uniforms/Laundry	3,331	4,700	1,369	41.1%	3,000	(1,700)	-36.2%	3,000	-	0.0%
503171 Security Services	7,114	9,200	2,086	29.3%	8,000	(1,200)	-13.0%	8,000	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	73,337	91,500	18,163	24.8%	100,000	8,500	9.3%	100,000	-	0.0%
503352 Repair - Equipment	200,165	218,050	17,885	8.9%	320,000	101,950	46.8%	320,000	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposai	51,806	46,000	(5,806)	-11.2%	45,000	(1,000)	-2.2%	45,000	-	0.0%
<b>Totals</b>	<b>439,730</b>	<b>453,350</b>	<b>13,620</b>	<b>3.1%</b>	<b>540,700</b>	<b>87,350</b>	<b>19.3%</b>	<b>540,700</b>	<b>-</b>	<b>0.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.036

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Facilities Maintenance - 2200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	102	550	448	439.2%	-	(550)	-100.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	1,783	3,200	1,417	79.5%	1,500	(1,700)	-53.1%	1,500	-	0.0%
504315 Safety Supplies	4,479	6,200	1,721	38.4%	8,000	1,800	29.0%	8,000	-	0.0%
504317 Cleaning Supplies	26,191	33,100	6,909	26.4%	25,000	(8,100)	-24.5%	25,000	-	0.0%
504409 Repair/Maint Supplies	45,834	57,300	11,466	25.0%	40,000	(17,300)	-30.2%	40,000	-	0.0%
504421 Non-Inventory Parts	1,109	5,300	4,191	377.9%	4,000	(1,300)	-24.5%	4,000	-	0.0%
504511 Small Tools	35	3,600	3,565	10185.7%	2,000	(1,600)	-44.4%	2,000	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>79,533</b>	<b>109,250</b>	<b>29,717</b>	<b>37.4%</b>	<b>80,500</b>	<b>(28,750)</b>	<b>-26.3%</b>	<b>80,500</b>	<b>-</b>	<b>0.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	183,850	229,212	45,362	24.7%	211,000	(18,212)	-7.9%	211,000	-	0.0%
505021 Water & Garbage	131,072	128,171	(2,901)	-2.2%	143,800	15,629	12.2%	143,800	-	0.0%
505031 Telecommunications	70,318	55,157	(15,161)	-21.6%	85,000	29,843	54.1%	85,000	-	0.0%
<b>Totals</b>	<b>385,240</b>	<b>412,540</b>	<b>27,300</b>	<b>7.1%</b>	<b>439,800</b>	<b>27,260</b>	<b>6.6%</b>	<b>439,800</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	(495)	-	495	-100.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>(495)</b>	<b>-</b>	<b>495</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.037

3/17/2010

Fac Maint- 2200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Facilities Maintenance - 2200

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	10,930	13,000	2,070	18.9%	20,000	7,000	53.8%	20,000	-	0.0%
507999 Other Taxes	21,012	27,000	5,988	28.5%	30,000	3,000	11.1%	30,000	-	0.0%
<b>Totals</b>	<b>31,942</b>	<b>40,000</b>	<b>8,058</b>	<b>25.2%</b>	<b>50,000</b>	<b>10,000</b>	<b>25.0%</b>	<b>50,000</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	329	-	(329)	-100.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>329</b>	<b>-</b>	<b>(329)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	693,584	495,742	(197,842)	-28.5%	175,000	(320,742)	-64.7%	158,000	(17,000)	-9.7%
512061 Equipment Rental	9,592	11,540	1,948	20.3%	10,000	(1,540)	-13.3%	10,000	-	0.0%
<b>Totals</b>	<b>703,176</b>	<b>507,282</b>	<b>(195,894)</b>	<b>-27.9%</b>	<b>185,000</b>	<b>(322,282)</b>	<b>-63.5%</b>	<b>168,000</b>	<b>(17,000)</b>	<b>-9.2%</b>
<b>PERSONNEL TOTAL</b>	<b>941,936</b>	<b>1,046,117</b>	<b>104,180</b>	<b>11.1%</b>	<b>993,975</b>	<b>(52,141)</b>	<b>-5.0%</b>	<b>1,041,746</b>	<b>47,771</b>	<b>4.8%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>1,639,455</b>	<b>1,522,422</b>	<b>(117,033)</b>	<b>-7.1%</b>	<b>1,296,000</b>	<b>(226,422)</b>	<b>-14.9%</b>	<b>1,279,000</b>	<b>(17,000)</b>	<b>-1.3%</b>
<b>DEPARTMENT TOTALS</b>	<b>2,581,391</b>	<b>2,568,539</b>	<b>(12,853)</b>	<b>-0.5%</b>	<b>2,289,975</b>	<b>(278,563)</b>	<b>-10.8%</b>	<b>2,320,746</b>	<b>30,771</b>	<b>1.3%</b>

10.a.38



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Paratransit - 3100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	963,412	927,092	(36,321)	-3.8%	986,195	59,103	6.4%	1,048,099	61,905	6.3%
501013 Bus Operator OT	171,312	124,350	(46,962)	-27.4%	197,239	72,889	58.6%	209,620	12,381	6.3%
501021 Other Salaries	451,484	812,774	361,290	80.0%	779,396	(33,378)	-4.1%	821,106	41,710	5.4%
501023 Other OT	35,936	74,200	38,264	106.5%	74,978	778	1.0%	78,990	4,012	5.4%
<b>Totals</b>	<b>1,622,144</b>	<b>1,938,416</b>	<b>316,272</b>	<b>19.5%</b>	<b>2,037,807</b>	<b>99,392</b>	<b>5.1%</b>	<b>2,157,815</b>	<b>120,008</b>	<b>5.9%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	27,333	29,221	1,888	6.9%	29,653	432	1.5%	31,394	1,741	5.9%
502021 Retirement	224,059	269,637	45,578	20.3%	275,751	6,115	2.3%	329,096	53,344	19.3%
502031 Medical Ins	613,338	798,613	185,275	30.2%	723,545	(75,068)	-9.4%	745,251	21,706	3.0%
502041 Dental Ins	56,563	67,798	11,235	19.9%	65,892	(1,906)	-2.8%	67,869	1,977	3.0%
502045 Vision Ins	16,728	18,755	2,027	12.1%	18,015	(740)	-3.9%	18,555	540	3.0%
502051 Life Ins/AD&D	5,759	6,738	979	17.0%	5,893	(845)	-12.5%	6,070	177	3.0%
502060 State Disability Ins (SDI)	18,095	53,850	35,755	197.6%	22,495	(31,355)	-58.2%	23,816	1,321	5.9%
502061 Long Term Disability Ins	21,518	33,761	12,243	56.9%	22,040	(11,721)	-34.7%	23,354	1,314	6.0%
502071 State Unemployment Ins (SUI)	9,052	9,016	(36)	-0.4%	8,533	(483)	-5.4%	8,533	-	0.0%
502081 Worker's Comp Ins	120,642	174,499	53,857	44.6%	118,878	(55,621)	-31.9%	122,274	3,397	2.9%
502101 Holiday Pay	36,901	56,230	19,328	52.4%	56,899	670	1.2%	60,285	3,385	5.9%
502103 Floating Holiday	5,514	5,805	291	5.3%	6,450	645	11.1%	6,976	526	8.2%
502109 Sick Leave	56,308	95,491	39,182	69.6%	96,928	1,438	1.5%	102,694	5,766	5.9%
502111 Annual Leave	157,951	103,470	(54,481)	-34.5%	104,583	1,113	1.1%	110,503	5,920	5.7%
502121 Other Paid Absence	15,148	14,360	(789)	-5.2%	14,575	215	1.5%	15,440	866	5.9%
502251 Phys. Exams	1,060	3,000	1,940	183.0%	3,090	90	3.0%	3,183	93	3.0%
502253 Driver Lic Renewal	68	1,000	932	1370.6%	1,030	30	3.0%	1,061	31	3.0%
502999 Other Fringe Benefits	4,104	6,363	2,260	55.1%	5,603	(760)	-11.9%	5,654	51	0.9%
<b>Totals</b>	<b>1,390,140</b>	<b>1,747,606</b>	<b>357,465</b>	<b>25.7%</b>	<b>1,579,854</b>	<b>(167,751)</b>	<b>-9.6%</b>	<b>1,682,009</b>	<b>102,155</b>	<b>6.5%</b>

10.039

3/17/2010

Paratransit - 3100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Paratransit - 3100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	16,667	8,000	(8,667)	-52.0%	8,000	-	0.0%	8,000	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	2,394	3,600	1,206	50.4%	3,600	-	0.0%	3,600	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	2,963	8,000	5,037	170.0%	5,000	(3,000)	-37.5%	5,000	-	0.0%
503353 Repair - Rev Vehicle	168,852	180,000	11,148	6.6%	150,000	(30,000)	-16.7%	150,000	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>190,876</b>	<b>199,600</b>	<b>8,724</b>	<b>4.6%</b>	<b>166,600</b>	<b>(33,000)</b>	<b>-16.5%</b>	<b>166,600</b>	<b>-</b>	<b>0.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	1,100	1,100	100.0%	1,100	-	0.0%	1,100	-	0.0%
504012 Fuels & Lubricants - Rev Veh	149,746	250,000	100,254	66.9%	320,000	70,000	28.0%	360,000	40,000	12.5%
504021 Tires & Tubes	21,078	26,000	4,922	23.4%	26,000	-	0.0%	30,000	4,000	15.4%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	48,596	95,000	46,404	95.5%	50,000	(45,000)	-47.4%	60,000	10,000	20.0%
<b>Totals</b>	<b>219,420</b>	<b>372,100</b>	<b>152,680</b>	<b>69.6%</b>	<b>397,100</b>	<b>25,000</b>	<b>6.7%</b>	<b>451,100</b>	<b>54,000</b>	<b>13.6%</b>

10.940

3/17/2010

Paratransit - 3100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Paratransit - 3100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	302	5,500	5,198	1721.2%	5,500	-	0.0%	5,500	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	1,607	7,000	5,393	335.6%	7,000	-	0.0%	7,000	-	0.0%
504217 Photo Supp/Process	269	1,600	1,331	494.8%	300	(1,300)	-81.3%	300	-	0.0%
504311 Office Supplies	3,215	12,500	9,285	288.8%	10,000	(2,500)	-20.0%	10,000	-	0.0%
504315 Safety Supplies	439	1,300	861	196.1%	1,300	-	0.0%	1,300	-	0.0%
504317 Cleaning Supplies	30	1,100	1,070	3566.7%	1,100	-	0.0%	1,100	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	1,100	1,100	100.0%	1,000	(100)	-9.1%	1,000	-	0.0%
504511 Small Tools	979	1,700	721	73.6%	1,700	-	0.0%	1,700	-	0.0%
504515 Employee Tool Replacement	552	1,000	448	81.2%	1,000	-	0.0%	1,000	-	0.0%
<b>Totals</b>	<b>7,393</b>	<b>32,800</b>	<b>25,407</b>	<b>343.7%</b>	<b>28,900</b>	<b>(3,900)</b>	<b>-11.9%</b>	<b>28,900</b>	<b>-</b>	<b>0.0%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	14,000	14,000	100.0%	14,000	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	6,200	6,200	100.0%	6,200	-	0.0%
505031 Telecommunications	19,383	37,000	17,617	90.9%	32,000	(5,000)	-13.5%	32,000	-	0.0%
<b>Totals</b>	<b>19,383</b>	<b>37,000</b>	<b>17,617</b>	<b>90.9%</b>	<b>52,200</b>	<b>15,200</b>	<b>41.1%</b>	<b>52,200</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

170.01

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Paratransit - 3100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	800	800	100.0%	500	(300)	-37.5%	500	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>800</b>	<b>800</b>	<b>100.0%</b>	<b>500</b>	<b>(300)</b>	<b>-37.5%</b>	<b>500</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	176,002	250,000	73,998	42.0%	250,000	-	0.0%	250,000	-	0.0%
<b>Totals</b>	<b>176,002</b>	<b>250,000</b>	<b>73,998</b>	<b>42.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>	<b>250,000</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	150	150	100.0%	150	-	0.0%	150	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>100.0%</b>	<b>150</b>	<b>-</b>	<b>0.0%</b>	<b>150</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	154,000	154,000	100.0%	158,000	4,000	2.6%
512061 Equipment Rental	799	800	1	0.1%	5,200	4,400	550.0%	5,200	-	0.0%
<b>Totals</b>	<b>799</b>	<b>800</b>	<b>1</b>	<b>0.1%</b>	<b>159,200</b>	<b>158,400</b>	<b>19800.0%</b>	<b>163,200</b>	<b>4,000</b>	<b>2.5%</b>
<b>PERSONNEL TOTAL</b>	<b>3,012,285</b>	<b>3,686,022</b>	<b>673,737</b>	<b>22.4%</b>	<b>3,617,662</b>	<b>(68,360)</b>	<b>-1.9%</b>	<b>3,839,824</b>	<b>222,162</b>	<b>6.1%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>613,873</b>	<b>893,250</b>	<b>279,377</b>	<b>45.5%</b>	<b>1,054,650</b>	<b>161,400</b>	<b>18.1%</b>	<b>1,112,650</b>	<b>58,000</b>	<b>5.5%</b>
<b>DEPARTMENT TOTALS</b>	<b>3,626,158</b>	<b>4,579,272</b>	<b>953,114</b>	<b>26.3%</b>	<b>4,672,312</b>	<b>93,040</b>	<b>2.0%</b>	<b>4,952,474</b>	<b>280,162</b>	<b>6.0%</b>

10.042

3/17/2010

Paratransit - 3100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Operations - 3200

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	1,092,997	1,110,162	17,165	1.6%	1,162,982	52,820	4.8%	1,204,208	41,227	3.5%
501023 Other OT	102,694	100,217	(2,477)	-2.4%	160,259	60,042	59.9%	165,940	5,681	3.5%
<b>Totals</b>	<b>1,195,691</b>	<b>1,210,378</b>	<b>14,688</b>	<b>1.2%</b>	<b>1,323,241</b>	<b>112,862</b>	<b>9.3%</b>	<b>1,370,148</b>	<b>46,908</b>	<b>3.5%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	13,286	19,766	6,480	48.8%	20,702	936	4.7%	21,432	730	3.5%
502021 Retirement	177,668	182,396	4,728	2.7%	192,514	10,118	5.5%	224,661	32,147	16.7%
502031 Medical Ins	223,232	266,791	43,559	19.5%	261,181	(5,610)	-2.1%	269,016	7,835	3.0%
502041 Dental Ins	21,458	25,482	4,024	18.8%	25,425	(57)	-0.2%	26,187	763	3.0%
502045 Vision Ins	5,951	6,363	412	6.9%	6,458	95	1.5%	6,652	194	3.0%
502051 Life Ins/AD&D	2,138	2,409	271	12.7%	2,270	(139)	-5.8%	2,338	68	3.0%
502060 State Disability Ins (SDI)	13,214	18,269	5,055	38.3%	15,257	(3,012)	-16.5%	15,797	540	3.5%
502061 Long Term Disability Ins	12,434	18,318	5,884	47.3%	15,680	(2,638)	-14.4%	16,233	553	3.5%
502071 State Unemployment Ins (SUI)	3,215	3,059	(156)	-4.8%	3,059	-	0.0%	3,059	-	0.0%
502081 Worker's Comp Ins	35,519	59,204	23,685	66.7%	40,334	(18,870)	-31.9%	41,486	1,152	2.9%
502101 Holiday Pay	14,348	15,668	1,320	9.2%	16,412	745	4.8%	16,993	581	3.5%
502103 Floating Holiday	15,190	9,136	(6,054)	-39.9%	9,618	481	5.3%	9,906	289	3.0%
502109 Sick Leave	43,373	62,671	19,298	44.5%	65,649	2,978	4.8%	67,971	2,322	3.5%
502111 Annual Leave	170,250	155,769	(14,481)	-8.5%	162,805	7,036	4.5%	168,335	5,531	3.4%
502121 Other Paid Absence	13,241	9,792	(3,449)	-26.0%	10,258	465	4.8%	10,621	363	3.5%
502251 Phys. Exams	450	500	50	11.1%	515	15	3.0%	530	15	3.0%
502253 Driver Lic Renewal	122	-	(122)	-100.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	3,237	5,189	1,952	60.3%	4,511	(679)	-13.1%	4,529	18	0.4%
<b>Totals</b>	<b>768,327</b>	<b>860,783</b>	<b>92,456</b>	<b>12.0%</b>	<b>852,647</b>	<b>(8,136)</b>	<b>-0.9%</b>	<b>905,747</b>	<b>53,100</b>	<b>6.2%</b>

10.043

3/17/2010

Operations - 3200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Operations - 3200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	28,740	30,900	2,160	7.5%	32,000	1,100	3.6%	32,000	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	72,852	-	(72,852)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	841	565	(276)	-32.8%	500	(65)	-11.5%	500	-	0.0%
503171 Security Services	351,093	397,168	46,075	13.1%	385,000	(12,168)	-3.1%	390,000	5,000	1.3%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	3,086	4,000	914	29.6%	2,500	(1,500)	-37.5%	2,500	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>456,612</b>	<b>432,633</b>	<b>(23,979)</b>	<b>-5.3%</b>	<b>420,000</b>	<b>(12,633)</b>	<b>-2.9%</b>	<b>425,000</b>	<b>5,000</b>	<b>1.2%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.044

3/17/2010

Operations - 3200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Operations - 3200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	92	900	808	878.3%	300	(600)	-66.7%	300	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	7,978	15,000	7,022	88.0%	12,800	(2,200)	-14.7%	11,500	(1,300)	-10.2%
504217 Photo Supp/Process	1,530	3,500	1,970	128.8%	600	(2,900)	-82.9%	500	(100)	-16.7%
504311 Office Supplies	11,722	15,200	3,478	29.7%	12,000	(3,200)	-21.1%	12,000	-	0.0%
504315 Safety Supplies	105	-	(105)	-100.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>21,427</b>	<b>34,600</b>	<b>13,173</b>	<b>61.5%</b>	<b>25,700</b>	<b>(8,900)</b>	<b>-25.7%</b>	<b>24,300</b>	<b>(1,400)</b>	<b>-5.4%</b>
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	26,727	33,500	6,773	25.3%	30,000	(3,500)	-10.4%	31,000	1,000	3.3%
<b>Totals</b>	<b>26,727</b>	<b>33,500</b>	<b>6,773</b>	<b>25.3%</b>	<b>30,000</b>	<b>(3,500)</b>	<b>-10.4%</b>	<b>31,000</b>	<b>1,000</b>	<b>3.3%</b>
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.045

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Operations - 3200

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	34,766	26,615	(8,151)	-23.4%	30,000	3,385	12.7%	30,300	300	1.0%
512061 Equipment Rental	2,687	5,000	2,313	86.1%	3,000	(2,000)	-40.0%	3,000	-	0.0%
Totals	37,453	31,615	(5,838)	-15.6%	33,000	1,385	4.4%	33,300	300	0.9%
PERSONNEL TOTAL	1,964,018	2,071,161	107,143	5.5%	2,175,888	104,727	5.1%	2,275,896	100,008	4.6%
NON-PERSONNEL TOTAL	542,219	532,348	(9,871)	-1.8%	508,700	(23,648)	-4.4%	513,600	4,900	1.0%
DEPARTMENT TOTALS	2,506,237	2,603,509	97,272	3.9%	2,684,588	81,079	3.1%	2,789,496	104,908	3.9%

10.046

3/17/2010

Operations - 3200



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Bus Operators - 3300

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	6,608,481	7,212,418	603,937	9.1%	6,946,660	(265,758)	-3.7%	7,061,116	114,456	1.6%
501013 Bus Operator OT	1,327,349	1,216,442	(110,908)	-8.4%	1,458,799	242,357	19.9%	1,482,834	24,036	1.6%
501021 Other Salaries	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501023 Other OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>7,935,831</b>	<b>8,428,860</b>	<b>493,029</b>	<b>6.2%</b>	<b>8,405,459</b>	<b>(23,401)</b>	<b>-0.3%</b>	<b>8,543,951</b>	<b>138,492</b>	<b>1.6%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	107,291	124,296	17,006	15.9%	118,906	(5,391)	-4.3%	120,810	1,904	1.6%
502021 Retirement	1,049,352	1,146,955	97,603	9.3%	1,105,742	(41,213)	-3.6%	1,266,420	160,678	14.5%
502031 Medical Ins	1,763,004	2,087,421	324,417	18.4%	1,720,441	(366,980)	-17.6%	1,772,055	51,613	3.0%
502041 Dental Ins	184,403	208,879	24,476	13.3%	176,577	(32,302)	-15.5%	181,874	5,297	3.0%
502045 Vision Ins	50,713	53,920	3,207	6.3%	48,946	(4,974)	-9.2%	50,414	1,468	3.0%
502051 Life Ins/AD&D	16,561	18,837	2,276	13.7%	15,752	(3,085)	-16.4%	16,224	473	3.0%
502060 State Disability Ins (SDI)	89,791	154,807	65,016	72.4%	90,204	(64,603)	-41.7%	91,649	1,444	1.6%
502061 Long Term Disability Ins	122,655	135,972	13,317	10.9%	125,423	(10,549)	-7.8%	127,445	2,022	1.6%
502071 State Unemployment Ins (SUI)	23,731	25,921	2,190	9.2%	23,184	(2,737)	-10.6%	23,184	-	0.0%
502081 Worker's Comp Ins	454,078	501,683	47,605	10.5%	341,774	(159,909)	-31.9%	351,539	9,765	2.9%
502101 Holiday Pay	200,519	263,759	63,240	31.5%	253,862	(9,896)	-3.8%	258,066	4,203	1.7%
502103 Floating Holiday	0	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	334,408	412,123	77,716	23.2%	396,660	(15,463)	-3.8%	403,228	6,568	1.7%
502111 Annual Leave	789,819	690,684	(99,134)	-12.6%	651,048	(39,636)	-5.7%	661,448	10,400	1.6%
502121 Other Paid Absence	66,274	61,818	(4,455)	-6.7%	59,499	(2,319)	-3.8%	60,484	985	1.7%
502251 Phys. Exams	4,180	8,000	3,820	91.4%	8,240	240	3.0%	8,487	247	3.0%
502253 Driver Lic Renewal	1,190	3,000	1,810	152.1%	3,090	90	3.0%	3,183	93	3.0%
502999 Other Fringe Benefits	11,254	13,732	2,478	22.0%	9,428	(4,304)	-31.3%	9,428	-	0.0%
<b>Totals</b>	<b>5,269,221</b>	<b>5,911,808</b>	<b>642,587</b>	<b>12.2%</b>	<b>5,148,776</b>	<b>(763,032)</b>	<b>-12.9%</b>	<b>5,405,937</b>	<b>257,162</b>	<b>5.0%</b>

10.047

17/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Bus Operators - 3300

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	851	4,150	3,299	387.7%	1,500	(2,650)	-63.9%	2,000	500	33.3%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>851</b>	<b>4,150</b>	<b>3,299</b>	<b>387.7%</b>	<b>1,500</b>	<b>(2,650)</b>	<b>-63.9%</b>	<b>2,000</b>	<b>500</b>	<b>33.3%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.048

11/17/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Bus Operators - 3300

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.049

3/17/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Bus Operators - 3300**

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	3,313	3,500	187	5.6%	3,500	-	0.0%	3,500	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>3,313</b>	<b>3,500</b>	<b>187</b>	<b>5.6%</b>	<b>3,500</b>	<b>-</b>	<b>0.0%</b>	<b>3,500</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>13,205,051</b>	<b>14,340,668</b>	<b>1,135,617</b>	<b>8.6%</b>	<b>13,554,235</b>	<b>(786,433)</b>	<b>-5.5%</b>	<b>13,949,888</b>	<b>395,654</b>	<b>2.9%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>4,164</b>	<b>7,650</b>	<b>3,486</b>	<b>83.7%</b>	<b>5,000</b>	<b>(2,650)</b>	<b>-34.6%</b>	<b>5,500</b>	<b>500</b>	<b>10.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>13,209,215</b>	<b>14,348,318</b>	<b>1,139,103</b>	<b>8.6%</b>	<b>13,559,235</b>	<b>(789,083)</b>	<b>-5.5%</b>	<b>13,955,388</b>	<b>396,154</b>	<b>2.9%</b>

10.050

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Fleet Maintenance - 4100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	2,022,085	2,072,437	50,353	2.5%	1,810,521	(261,916)	-12.6%	1,888,287	77,766	4.3%
501023 Other OT	87,795	94,031	6,237	7.1%	69,705	(24,326)	-25.9%	72,699	2,994	4.3%
<b>Totals</b>	<b>2,109,879</b>	<b>2,166,469</b>	<b>56,590</b>	<b>2.7%</b>	<b>1,880,226</b>	<b>(286,243)</b>	<b>-13.2%</b>	<b>1,960,986</b>	<b>80,760</b>	<b>4.3%</b>
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	27,393	36,532	9,140	33.4%	31,906	(4,627)	-12.7%	33,044	1,139	3.6%
502021 Retirement	338,270	337,103	(1,166)	-0.3%	296,700	(40,404)	-12.0%	346,395	49,695	16.7%
502031 Medical Ins	538,040	604,278	66,238	12.3%	500,537	(103,741)	-17.2%	515,553	15,016	3.0%
502041 Dental Ins	56,005	61,514	5,509	9.8%	47,776	(13,738)	-22.3%	49,210	1,433	3.0%
502045 Vision Ins	14,505	14,736	231	1.6%	12,576	(2,160)	-14.7%	12,954	377	3.0%
502051 Life Ins/AD&D	4,707	5,241	534	11.3%	4,143	(1,098)	-20.9%	4,267	124	3.0%
502060 State Disability Ins (SDI)	24,604	42,308	17,704	72.0%	24,049	(18,259)	-43.2%	24,847	798	3.3%
502061 Long Term Disability Ins	27,625	30,480	2,855	10.3%	23,915	(6,566)	-21.5%	24,775	860	3.6%
502071 State Unemployment Ins (SUI)	7,060	7,084	24	0.3%	5,957	(1,127)	-15.9%	5,957	-	0.0%
502081 Worker's Comp Ins	73,041	137,106	64,065	87.7%	93,404	(43,702)	-31.9%	96,073	2,669	2.9%
502101 Holiday Pay	25,492	29,071	3,579	14.0%	25,389	(3,682)	-12.7%	26,295	906	3.6%
502103 Floating Holiday	10,932	4,204	(6,728)	-61.5%	4,546	343	8.2%	4,917	371	8.2%
502109 Sick Leave	97,704	116,283	18,579	19.0%	101,556	(14,727)	-12.7%	105,181	3,624	3.6%
502111 Annual Leave	272,722	279,295	6,572	2.4%	242,503	(36,791)	-13.2%	237,798	(4,705)	-1.9%
502121 Other Paid Absence	23,354	18,169	(5,185)	-22.2%	15,868	(2,301)	-12.7%	16,434	566	3.6%
502251 Phys. Exams	1,050	1,800	750	71.4%	1,854	54	3.0%	1,910	56	3.0%
502253 Driver Lic Renewal	-	400	400	100.0%	412	12	3.0%	424	12	3.0%
502999 Other Fringe Benefits	3,028	4,882	1,854	61.2%	3,139	(1,743)	-35.7%	3,175	36	1.1%
<b>Totals</b>	<b>1,545,532</b>	<b>1,730,486</b>	<b>184,954</b>	<b>12.0%</b>	<b>1,436,230</b>	<b>(294,256)</b>	<b>-17.0%</b>	<b>1,509,208</b>	<b>72,978</b>	<b>5.1%</b>

10.051

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
*Fleet Maintenance - 4100*

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	1,524	3,200	1,676	110.0%	2,500	(700)	-21.9%	2,500	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	85	-	(85)	-100.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	4,764	-	(4,764)	-100.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	23,070	31,000	7,930	34.4%	25,000	(6,000)	-19.4%	25,000	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	2,588	200	(2,388)	-92.3%	-	(200)	-100.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	59,343	68,000	8,657	14.6%	80,000	12,000	17.6%	80,000	-	0.0%
503353 Repair - Rev Vehicle	207,503	257,300	49,797	24.0%	260,000	2,700	1.0%	260,000	-	0.0%
503354 Repair - Non Rev Vehicle	13,890	31,500	17,610	126.8%	25,000	(6,500)	-20.6%	25,000	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>312,767</b>	<b>391,200</b>	<b>78,433</b>	<b>25.1%</b>	<b>392,500</b>	<b>1,300</b>	<b>0.3%</b>	<b>392,500</b>	<b>-</b>	<b>0.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	138,057	206,300	68,243	49.4%	150,000	(56,300)	-27.3%	150,000	-	0.0%
504012 Fuels & Lubricants - Rev Veh	1,166,776	2,995,000	1,828,224	156.7%	2,375,000	(620,000)	-20.7%	2,375,000	-	0.0%
504021 Tires & Tubes	159,290	187,000	27,710	17.4%	217,000	30,000	16.0%	217,000	-	0.0%
504161 Other Mobile Supplies	6,580	10,300	3,720	56.5%	-	(10,300)	-100.0%	-	-	0.0%
504191 Rev Vehicle Parts	411,536	722,000	310,464	75.4%	575,000	(147,000)	-20.4%	575,000	-	0.0%
<b>Totals</b>	<b>1,882,239</b>	<b>4,120,600</b>	<b>2,238,361</b>	<b>118.9%</b>	<b>3,317,000</b>	<b>(803,600)</b>	<b>-19.5%</b>	<b>3,317,000</b>	<b>-</b>	<b>0.0%</b>

10.052

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Fleet Maintenance - 4100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	1,981	3,600	1,619	81.7%	2,500	(1,100)	-30.6%	2,500	-	0.0%
504211 Postage & Mailing	298	1,000	702	235.6%	500	(500)	-50.0%	500	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	280	800	520	185.7%	-	(800)	-100.0%	-	-	0.0%
504217 Photo Supp/Process	-	400	400	100.0%	-	(400)	-100.0%	-	-	0.0%
504311 Office Supplies	4,250	7,400	3,150	74.1%	4,500	(2,900)	-39.2%	4,500	-	0.0%
504315 Safety Supplies	7,061	26,000	18,939	268.2%	7,000	(19,000)	-73.1%	7,000	-	0.0%
504317 Cleaning Supplies	4,296	25,000	20,704	481.9%	7,000	(18,000)	-72.0%	7,000	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	44,962	47,150	2,188	4.9%	40,000	(7,150)	-15.2%	40,000	-	0.0%
504511 Small Tools	2,349	5,200	2,851	121.4%	5,000	(200)	-3.8%	5,000	-	0.0%
504515 Employee Tool Replacement	809	1,700	891	110.1%	2,000	300	17.6%	2,000	-	0.0%
Totals	66,286	118,250	51,964	78.4%	68,500	(49,750)	-42.1%	68,500	-	0.0%
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	21,921	21,921	100.0%	22,000	79	0.4%	22,000	-	0.0%
Totals	-	21,921	21,921	100.0%	22,000	79	0.4%	22,000	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	(30,249)	-	30,249	-100.0%	-	-	0.0%	-	-	0.0%
Totals	(30,249)	-	30,249	-100.0%	-	-	0.0%	-	-	0.0%

10.053

3/17/2010

Fleet Maint- 4100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 Fleet Maintenance - 4100

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	10,183	14,510	4,327	42.5%	14,000	(510)	-3.5%	14,000	-	0.0%
507201 Licenses & Permits	-	100	100	100.0%	-	(100)	-100.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>10,183</b>	<b>14,610</b>	<b>4,427</b>	<b>43.5%</b>	<b>14,000</b>	<b>(610)</b>	<b>-4.2%</b>	<b>14,000</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	771	1,300	529	68.6%	1,000	(300)	-23.1%	1,000	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>771</b>	<b>1,300</b>	<b>529</b>	<b>68.6%</b>	<b>1,000</b>	<b>(300)</b>	<b>-23.1%</b>	<b>1,000</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	1,710	10,300	8,590	502.2%	2,000	(8,300)	-80.6%	2,000	-	0.0%
<b>Totals</b>	<b>1,710</b>	<b>10,300</b>	<b>8,590</b>	<b>502.2%</b>	<b>2,000</b>	<b>(8,300)</b>	<b>-80.6%</b>	<b>2,000</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>3,655,411</b>	<b>3,896,955</b>	<b>241,543</b>	<b>6.6%</b>	<b>3,316,456</b>	<b>(580,499)</b>	<b>-14.9%</b>	<b>3,470,195</b>	<b>153,738</b>	<b>4.6%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>2,243,707</b>	<b>4,678,181</b>	<b>2,434,474</b>	<b>108.5%</b>	<b>3,817,000</b>	<b>(861,181)</b>	<b>-18.4%</b>	<b>3,817,000</b>	<b>-</b>	<b>0.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>5,899,119</b>	<b>8,575,136</b>	<b>2,676,017</b>	<b>45.4%</b>	<b>7,133,456</b>	<b>(1,441,680)</b>	<b>-16.8%</b>	<b>7,287,195</b>	<b>153,738</b>	<b>2.2%</b>

10.054

3/17/2010

Fleet Maint- 4100



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 COBRA Benefits - 9001

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501023 Other OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502021 Retirement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502031 Medical ins	0	-	(0)	-100.0%	-	-	0.0%	-	-	0.0%
502041 Dental Ins	2,699	-	(2,699)	-100.0%	-	-	0.0%	-	-	0.0%
502045 Vision Ins	17	-	(17)	-100.0%	-	-	0.0%	-	-	0.0%
502051 Life Ins/AD&D	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502101 Holiday Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502103 Floating Holiday	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502111 Annual Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502121 Other Paid Absence	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	2,716	-	(2,716)	-100.0%	-	-	0.0%	-	-	0.0%

10.055

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
COBRA Benefits - 9001**

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.056

3/17/2010

COBRA- 9001

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

COBRA Benefits - 9001

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.057

3/7/2010

COBRA- 9001

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 COBRA Benefits - 9001

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>2,716</b>	<b>-</b>	<b>(2,716)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>2,716</b>	<b>-</b>	<b>(2,716)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.058

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Retired Employee Benefits - 9005

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501023 Other OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502021 Retirement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502031 Medical Ins	1,396,698	1,899,556	502,858	36.0%	1,587,790	(311,766)	-16.4%	1,635,424	47,634	3.0%
502041 Dental Ins	90,190	122,850	32,660	36.2%	98,801	(24,049)	-19.6%	101,765	2,964	3.0%
502045 Vision Ins	29,835	33,826	3,991	13.4%	32,970	(856)	-2.5%	33,959	989	3.0%
502051 Life Ins/AD&D	8,099	11,817	3,718	45.9%	9,292	(2,525)	-21.4%	9,570	279	3.0%
502060 State Disability Ins (SDI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502101 Holiday Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502103 Floating Holiday	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502111 Annual Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502121 Other Paid Absence	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	32,504	92,400	59,896	184.3%	25,589	(66,811)	-72.3%	26,357	768	3.0%
Totals	1,557,326	2,160,449	603,123	38.7%	1,754,441	(406,008)	-18.8%	1,807,075	52,633	3.0%

10.059

3/17/2010

Retirees- 9005

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Retired Employee Benefits - 9005

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.060

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
Retired Employee Benefits - 9005**

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504211 Postage & Mailing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504311 Office Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.061

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET**

Retired Employee Benefits - 9005

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
PERSONNEL TOTAL	1,557,326	2,160,449	603,123	38.7%	1,754,441	(406,008)	-18.8%	1,807,075	52,633	3.0%
NON-PERSONNEL TOTAL	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
DEPARTMENT TOTALS	1,557,326	2,160,449	603,123	38.7%	1,754,441	(406,008)	-18.8%	1,807,075	52,633	3.0%

10.062

3/17/2010

Retirees- 9005



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
SCCIC/COPS - 700**

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>LABOR</b>										
501011 Bus Operator Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501013 Bus Operator OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501021 Other Salaries	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
501023 Other OT	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>FRINGE BENEFITS</b>										
502011 Medicare/Soc. Sec.	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502021 Retirement	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502031 Medical Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502041 Dental Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502045 Vision Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502051 Life Ins/AD&D	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502101 Holiday Pay	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502103 Floating Holiday	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502109 Sick Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502111 Annual Leave	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502121 Other Paid Absence	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502251 Phys. Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.063

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
SCCIC/COPS - 700**

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09 BUDG FY10	ACT FY09 BUDG FY10	BUDGET FY11	BUDG FY10 BUDG FY11	BUDG FY10 BUDG FY11	BUDGET FY12	BUDG FY11 BUDG FY12	BUDG FY11 BUDG FY12
<b>SERVICES</b>										
503011 Accting/Audit Fees	250	250	-	0.0%	-	(250)	-100.0%	-	-	0.0%
503012 Admin/Bank Fees	20	50	30	150.0%	-	(50)	-100.0%	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503032 Legislative Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503033 Legal Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503041 Temp Help	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503161 Custodial Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503171 Security Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503222 Legal Ads	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503225 Graphic Services	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503352 Repair - Equipment	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	270	300	30	11.1%	-	(300)	-100.0%	-	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>										
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504021 Tires & Tubes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
Totals	-	-	-	0.0%	-	-	0.0%	-	-	0.0%

10.064

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY11 & FY12 PRELIMINARY OPERATING BUDGET**  
 SCCIC/COPS - 700

ACCOUNT	ACTUAL	BUDGET	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE	PRELIMINARY	\$ CHANGE	% CHANGE
	FY09	FY10	ACT FY09	ACT FY09	BUDGET	BUDG FY10	BUDG FY10	BUDGET	BUDG FY11	BUDG FY11
			BUDG FY10	BUDG FY10	FY11	BUDG FY11	BUDG FY11	FY12	BUDG FY12	BUDG FY12
<b>OTHER MATERIALS &amp; SUPPLIES</b>										
504205 Freight Out	-	-	-	0.0%	-	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	0.0%	-	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	0.0%	-	-	-	-	-	0.0%
504215 Printing	-	-	-	0.0%	-	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	0.0%	-	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	0.0%	-	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	0.0%	-	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	0.0%	-	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	0.0%	-	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	0.0%	-	-	-	-	-	0.0%
504511 Small Tools	-	-	-	0.0%	-	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	0.0%	-	-	-	-	-	0.0%
Totals	-	-	-	0.0%	-	-	-	-	-	0.0%
<b>UTILITIES</b>										
505011 Gas & Electric	-	-	-	0.0%	-	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	0.0%	-	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	0.0%	-	-	-	-	-	0.0%
Totals	-	-	-	0.0%	-	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>										
506011 Insurance - Property	-	-	-	0.0%	-	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	0.0%	-	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	0.0%	-	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	0.0%	-	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	0.0%	-	-	-	-	-	0.0%
Totals	-	-	-	0.0%	-	-	-	-	-	0.0%

10.065

3/17/2010

SCCIC- 700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 & FY12 PRELIMINARY OPERATING BUDGET  
SCCIC/COPS - 700**

ACCOUNT	ACTUAL FY09	BUDGET FY10	\$ CHANGE ACT FY09 BUDG FY10	% CHANGE ACT FY09 BUDG FY10	PRELIMINARY BUDGET FY11	\$ CHANGE BUDG FY10 BUDG FY11	% CHANGE BUDG FY10 BUDG FY11	PRELIMINARY BUDGET FY12	\$ CHANGE BUDG FY11 BUDG FY12	% CHANGE BUDG FY11 BUDG FY12
<b>TAXES</b>										
507051 Fuel Tax	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507201 Licenses & Permits	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
507999 Other Taxes	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>										
503406 Contract/Paratransit	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>										
509011 Dues/Subscriptions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509101 Employee Incentive Program	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509121 Employee Training	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509123 Travel	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509125 Local Meeting Expense	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509127 Board Director Fees	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509150 Contributions	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
509198 Cash Over/Short	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>LEASES &amp; RENTALS</b>										
512011 Facility Lease	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
512061 Equipment Rental	-	-	-	0.0%	-	-	0.0%	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>270</b>	<b>300</b>	<b>30</b>	<b>11.1%</b>	<b>-</b>	<b>(300)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>DEPARTMENT TOTALS</b>	<b>270</b>	<b>300</b>	<b>30</b>	<b>11.1%</b>	<b>-</b>	<b>(300)</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.066

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 PRELIMINARY CAPITAL BUDGET**

PROJECT/ACTIVITY	FEDERAL FUNDS	STATE FUNDS	STATE TRANSIT ASSIST. (STA)	LOCAL FUNDS	TOTAL
<b>Grant-Funded Projects</b>					
MetroBase Maintenance Facility	\$ 1,108,062	\$ 891,938	\$ -	\$ -	\$ 2,000,000
MetroBase Operations Facility	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase Smartcard Farebox System (ARRA)	\$ 2,267,000	\$ -	\$ -	\$ -	\$ 2,267,000
Purchase of 425 Front Street (TCRP)	\$ 1,457,667	\$ 617,333	\$ -	\$ -	\$ 2,075,000
Purchase 27 ParaCruz Vehicles (ARRA)	\$ 1,750,000	\$ -	\$ -	\$ -	\$ 1,750,000
Transit Mgmt. Info. Technology (ARRA)	\$ 1,213,108	\$ -	\$ -	\$ -	\$ 1,213,108
Facilities Video Surveillance Project (OHS-1B)		\$ 47,678	\$ -	\$ -	\$ 47,678
Fleet - Land Mobile Radio Project (OHS-1B)		\$ 59,798	\$ -	\$ -	\$ 59,798
Trapeze Pass Interactive Voice Response System	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000
Subtotal	\$ 7,841,837	\$ 1,616,747	\$ -	\$ -	\$ 9,458,584
<b>IT Projects</b>					
Replace Fleet & Facilities Maintenance Software		\$ -	\$ 415,000		\$ 415,000
HR Software Upgrade		\$ -	\$ 230,000		\$ 230,000
Upgrade District Phone System		\$ -	\$ 41,000		\$ 41,000
Trapeze Pass Customer Certification Software		\$ -	\$ 35,000		\$ 35,000
Automated Purchasing System Software		\$ -	\$ 85,000		\$ 85,000
Subtotal		\$ -	\$ 806,000	\$ -	\$ 806,000

10.61

Attachment B

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 PRELIMINARY CAPITAL BUDGET**

PROJECT/ACTIVITY	FEDERAL FUNDS	STATE FUNDS	STATE TRANSIT ASSIST. (STA)	LOCAL FUNDS	TOTAL
<b><u>Facilities Repair &amp; Improvements</u></b>					
MTC Lane Four Shelter Replacement		\$ -	\$ 75,000		\$ 75,000
Repair, Reseal, Restripe (Sinkholes) - Operations		\$ -	\$ 4,000		\$ 4,000
Subtotal		\$ -	\$ 79,000	\$ -	\$ 79,000
<b><u>Revenue Vehicle Replacement</u></b>					
Highway 17 Buses (4) - VTA - (Measure A)		\$ 2,500,000	\$ -		\$ 2,500,000
Subtotal		\$ 2,500,000	\$ -	\$ -	\$ 2,500,000
<b><u>Non-Revenue Vehicle Replacement</u></b>					
NONE		\$ -	\$ -		\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -
<b><u>Maint Equipment</u></b>					
NONE		\$ -	\$ -		\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -
<b><u>Office Equipment</u></b>					
NONE		\$ -	\$ -		\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -
<b><u>Misc.</u></b>					
NONE		\$ -	\$ -		\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$ 7,841,837</b>	<b>\$ 4,116,747</b>	<b>\$ 885,000</b>	<b>\$ -</b>	<b>\$ 12,843,584</b>

10.62

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY11 PRELIMINARY CAPITAL BUDGET**

PROJECT/ACTIVITY	FEDERAL FUNDS	STATE FUNDS	STATE TRANSIT ASSIST. (STA)	LOCAL FUNDS	TOTAL
<b>CAPITAL PROGRAM FUNDING</b>					
Federal Grants	\$ 7,841,837				\$ 7,841,837
<u>State Funds - Detail</u>					
Measure A - (VTA)		\$ 2,500,000			\$ 2,500,000
PTMISEA (1B)		\$ 891,938			\$ 891,938
State Security Bond Funds (1B)		\$ 107,476			\$ 107,476
Traffic Congestion Relief Program - (TCRP)		\$ 617,333			\$ 617,333
State Transit Assistance (STA) (Carryover)-Prior Years			\$ 885,000		\$ 885,000
<u>Local Funds - Detail</u>					
Local Reserves (Lawsuit & Sakata Proceeds)				\$ -	\$ -
<b>TOTAL CAPITAL FUNDING</b>	<b>\$ 7,841,837</b>	<b>\$ 4,116,747</b>	<b>\$ 885,000</b>	<b>\$ -</b>	<b>\$ 12,843,584</b>

10.63

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010  
**TO:** Board of Directors  
**FROM:** Ciro Aguirre, Operations Manager  
**SUBJECT: CONSIDERATION OF AWARD OF CONTRACT WITH CREATIVE BUS SALES, INC. FOR PURCHASE OF TWENTY-TWO RAISED TOP PARATRANSIT VANS FOR AN AMOUNT NOT TO EXCEED \$1,150,000.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Creative Bus Sales, Inc. for the purchase of twenty-two raised top Paratransit vans for an amount not to exceed \$1,150,000.**

## II. SUMMARY OF ISSUES

- A competitive procurement was conducted to solicit bids from qualified firms.
- Three firms submitted four bids for Santa Cruz METRO's review.
- Staff has reviewed all submitted bids.

## III. DISCUSSION

The fleet of mini-vans currently in operation for ParaCruz is approaching the end of its useful life and in need of replacement. Santa Cruz METRO has reviewed possible replacement vehicles and has decided to replace twenty-two (22) minivans with twenty-two (22) raised-top Paratransit vans. American Reinvestment Recovery Act (ARRA) funds will be used for this procurement.

On February 16, 2010, Santa Cruz METRO Invitation for Bid No. 10-22 was: mailed to twenty-eight (28) paratransit vehicle firms; was legally advertised; and a notice was posted on Santa Cruz METRO's web site. On March 16, 2010, four (4) bids were received and opened from three (3) firms. A summary of the bids received are provided in Attachment A. Staff has reviewed all submitted bids. The low bid, Versa Shuttle manufactured by El Dorado National, will meet all specifications and requirements. The purchase will include options for: aluminum wheels; Q'straint slide and click tie down system with two (2) full length tracks; and a five (5) year/100,000 mile extended warranty.

Staff recommends that the Board of Directors authorize the General Manager to sign a contract with Creative Bus Sales, Inc. for the purchase of twenty-two (22) raised top Paratransit vans for an amount not to exceed \$1,150,000 on behalf of Santa Cruz METRO.

11.1



#### **IV. FINANCIAL CONSIDERATIONS**

American Reinvestment Recovery Act Funds to support this contract are included in the FY10 Capital budget under Grant Funded Projects.

#### **V. ATTACHMENTS**

**Attachment A:** Summary of Bids Received

**Attachment B:** Contract with Creative Bus Sales, Inc.

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 16, 2010

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

Bid Recap for IFB No. 10-22	Creative Bus Sales, Inc. of Chino, California	Creative Bus Sales, Inc. of Chino, California	Hansel Ford Lincoln Mercury of Santa Rosa, California	A-Z Bus Sales, Inc. of Sacramento, California
1. 22 Each Raised Top Paratransit Vans - Unit Price	\$ 43,500.00	\$ 43,950.00	\$ 49,995.00	\$ 51,010.00
2. Option: Aluminum Wheels	\$ 1,000.00	N/A	\$ 300.00	\$ 735.00
3. Option: Automatic Door Opener	N/A	\$ 700.00	\$ 475.00	N/A
4. Option: Q'straint system	(250) +750 = \$545	N/A	\$ 500.00	\$ 475.00
5. Option: Interior Ad Rack	N/A	N/A	N/A	\$ 650.00
6. Option: Video Drive CAM/Passenger CAM System	\$ 3,150.00	N/A	\$ 5,000.00	\$ 2,750.00
7. Option: LED Brake and Turn Signal	N/A	N/A	\$ 1,250.00	\$ 250.00
8. Option: Extended Warranty Offer	\$ 3,600.00	\$ 3,600.00	N/A	N/A
9. Total Base Bid w/o Options	\$ 1,014,997.50	\$ 1,025,838.00	\$ 1,204,379.60	\$ 1,198,557.36
Manufacturer/Model	El Dorado National Versa Shuttle	Braun	Ford E350/Braun	New England Wheels
Delivery 180 Calendar Days ARO Yes or No	Yes	No	No	No
Details of Extended Warranty Offer:	\$100 deductible 5 yr or 100K miles	\$100 deductible 5 yr or 100K miles	Yes	None
Exceptions Noted				

11.01

Approved A

**CONTRACT FOR PROCUREMENT OF PURCHASE OF TWENTY-TWO EACH  
RAISED TOP PARATRANSIT VANS (10-22)**

THIS CONTRACT is made effective on April 5, 2010 between SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO "), and CREATIVE BUS SALES, INC. ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

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

1.02 Santa Cruz METRO's Need for Purchase of Twenty-Two Each Raised Top Paratransit Vans

Santa Cruz METRO requires the purchase of Purchase of Twenty-Two Each Raised Top Paratransit Vans to be used for standard purposes. In order to obtain said Purchase of Twenty-Two Each Raised Top Paratransit Vans, Santa Cruz METRO issued an Invitation for Bids, dated February 16, 2010 setting forth specifications for such Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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 Purchase of Twenty-Two Each Raised Top Paratransit Vans desired by Santa Cruz METRO and whose principal place of business is 13501 Benson Avenue, Chino, CA. Pursuant to the Invitation for Bids by Santa Cruz METRO, Contractor submitted a bid for Provision of said Purchase of Twenty-Two Each Raised Top Paratransit Vans, which is attached hereto and incorporated herein by reference as Exhibit B.

1.04 Selection of Contractor and Intent of Contract

On March 26, 2010, Santa Cruz METRO selected Contractor as the lowest responsive, responsible bidder to provide said Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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.

Santa Cruz METRO 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 February 16, 2010.

b) Exhibit B (Bid Form)

Contractor's Bid Form to Santa Cruz METRO for Purchase of Twenty-Two Each Raised Top Paratransit Vans, signed by Contractor and dated March 16, 2010.

## 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 one (1) year period thereafter. At the option of Santa Cruz METRO, this contract may be renewed for four (4) additional one (1) year terms under the same conditions and prices. Santa Cruz METRO 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, Santa Cruz METRO agrees to pay Contractor as identified in the Bid Form, Exhibit B, not to exceed amount of \$1,135,000, 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 \$1,135,000 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 Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the contract. 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 Santa Cruz METRO (or any grantor of Santa Cruz METRO, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the contract. Under penalty of law, Contractor represents that all amounts billed to Santa Cruz METRO are (1) actually incurred; (2) reasonable in amount; (3) related to this contract; and (4) necessary for performance of the services. No expenses shall be paid by Santa Cruz METRO 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.

Santa Cruz METRO

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

Attention: General Manager

CONTRACTOR

Creative Bus Sales, Inc.  
13501 Benson Avenue  
Chino, CA 91710-5232

Attention: Dan Williams

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 \_\_\_\_\_

SANTA CRUZ METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR – CREATIVE BUS SALES, INC.

By \_\_\_\_\_  
Anthony Matijevich  
President

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

**EXHIBIT - A**  
**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each Raised Top  
Paratransit Vans**

**Santa Cruz METRO IFB No. 10-22**

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**Date Issued: February 16, 2010**

**Bid Deadline: 2:00 p.m., March 16, 2010**

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**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
Attachment A	Striping and Decal Diagram
Attachment B	Seating and Wheelchair Restraint Diagrams
Attachment C	FTA Bus Testing Certification of Compliance form

**PART I**

**BID FORM**

The undersigned ("Bidder"), upon acceptance by Santa Cruz METRO, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids entitled Purchase of Twenty-Two Each Raised Top Paratransit Vans dated February 16, 2010 at the following prices. The unit bid prices should NOT INCLUDE SALES, USE, EXCISE OR ANY OTHER TAX, they are to be shown in the second column if applicable.

<b>Item No.</b>	<b>Item Description</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Tax (9.5 %)</b>	<b>Extended Price</b>
1	Raised Top Paratransit Vans	22 Each	\$	\$	\$
2	OPTION: Aluminum Wheels (Part III, item 2.7)	Per Vehicle	\$		
3	OPTION: Automatic Door Operator (Part III, item 2.21)	Per Vehicle	\$		
4	OPTION: Q'straint® systems, Q5007-T and Q56410 with Q'straint® model Q5-6000-F8K flanged track or equal. (Part III, item 2.26)	Per Vehicle	\$		
5	OPTION: Interior Ad Racks (Part III, item 2.36)	Per each rack installed	\$		
6	OPTION: Video Drive CAM/Passenger CAM System (Part III, item 2.36)	Per Vehicle	\$		
7	OPTION: LED Brake and Turn Signal (Part III, item 2.36)	Per Vehicle	\$		
8	OPTION: Extended Warranty Offer	Per Vehicle	\$		
9	<b>Total of Base Bid Without Options</b>	22 Each			\$

Manufacturer/Model \_\_\_\_\_

Delivery: 180 calendar days after receipt of order. Bidder can meet this schedule ( ) YES or ( ) No

Details of Extended Warranty Offer: \_\_\_\_\_

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. METRO reserves the right to award bid items separately or as a package. METRO may accept or reject the bid items at its discretion. Award of the bid will be based on totals provided for the Base Items, Options shall not be used in the determination of low bid. 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 METRO 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 Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to Santa Cruz METRO executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of Santa Cruz METRO 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 Santa Cruz METRO Board of Directors to accept or reject any or all bids received for any reason. Santa Cruz METRO 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. Santa Cruz METRO reserves the right to award to other than the lowest bidder if Santa Cruz METRO finds that the lowest bidder is not responsible.

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. Manufacturer's specifications, description, promotional material describing the item bid.
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, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

**IFB No. 10-22**

**"Bid for Purchase of Twenty-Two Each Raised Top Paratransit Vans"**

**Bid Opening 2:00 p.m., March 16, 2010**

# GENERAL INFORMATION FORM

## Purchase of Twenty-Two Each Raised Top Paratransit Vans IFB No. 10-22

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Legal Name of Firm

---

Date

---

Firm's Address

---

Telephone Number

---

FAX Number

---

Type of Organization (Partnership, Corporation, etc.)

---

Tax ID Number

Bidder understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Invitation for Bids package, including the General Conditions section of the Invitation for Bids. Bidder understands that this bid constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of bids. If awarded the contract, bidder agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award if applicable.

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Signature of Authorized Principal

---

Name of Authorized Principal and Title

---

Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

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Addresses Where Correspondence Should Be Sent

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Areas of Responsibility of Prime Contractor

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

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

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

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

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

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

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

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

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

\_\_\_\_\_  
Signature and Title of Authorized Official

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

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

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

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

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

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

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

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

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

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

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

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

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

**BUY AMERICA CERTIFICATE**

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

# 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 CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

This information must be submitted during the initial negotiations with Santa Cruz METRO. By submitting a proposal, offeror certifies that he/she is in compliance with Santa Cruz METRO'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	
				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 Santa Cruz METRO at 110 Vernon Street, 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:** Santa Cruz METRO 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 Santa Cruz METRO'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 Santa Cruz METRO 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 9.5 % of the total bid price. Federal Excise Tax, from which Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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:** Santa Cruz METRO 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 Santa Cruz METRO. The right is reserved to reject any or all bids and to waive technical defects, as the interest of Santa Cruz METRO may require. Santa Cruz METRO 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 Santa Cruz METRO within five (5) days of Santa Cruz METRO's demand, a detailed cost proposal. Santa Cruz METRO 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 Santa Cruz METRO in compiling and submitting detailed information for the cost and price analysis.
12. **EXPERIENCE AND QUALIFICATIONS:** The Bidder may be required upon request of Santa Cruz METRO to prove to Santa Cruz METRO's satisfaction that the Bidder is responsible. Criteria used by Santa Cruz METRO 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 Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO may award the Contract to the next lowest responsive, responsible Bidder or solicit new bids.
15. EXECUTION OF CONTRACT: The Contract shall be provided by Santa Cruz METRO in substantially the same form as provided in Part VI and shall be executed by the successful Bidder and returned to Santa Cruz METRO Purchasing Office (110 Vernon Street, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 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 Santa Cruz METRO 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.
20. PREVAILING WAGES: Pursuant to Section 1773 of the Labor Code, the general prevailing rate of wages for this project has been determined by the Director of the Department of Industrial Relations, and such prevailing rate of wages is listed in the State of California, Department of Industrial Relations publication entitled General Prevailing Wage Rates, current edition, available by going to the world wide web at the following address: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm> . No laborer employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Director of the Department of Industrial Relations.

21. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 et. seq.).
- B. The Bidder may label information as “Trade Secret”, “Confidential” or “Proprietary”. Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked “Trade Secret”, “Confidential”, or “Proprietary”. However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney’s fees, in connection with such actions.

## PART III

### SPECIFICATIONS FOR RAISED TOP PARATRANSIT VANS

#### 1. General Description

The following specifications are equal to the specifications submitted with Santa Cruz METRO IFB No. 10-15. Revisions to specifications will be noted with **underlined bold italics**. These specifications are intended to describe a van-type transit vehicle whose chassis is manufactured by a North American company. This vehicle shall provide seating for up to 8 passengers plus the driver and have 3 wheelchair passenger positions. All furnished units shall meet or exceed the specifications stated herein. Used, shopworn, prototype, or school bus type vehicles will not be acceptable.

The manufacturer/converter of this conversion must be ISO 9001: 2000 registered, and maintain a “fully meets” status within the Ford Truck Quality Program (Adaptive Mobility modifications). **Santa Cruz METRO’s Ford Fleet number is OH633.**

The specifications described below set forth the minimum requirements for the quantity and quality of work to be provided hereunder. The Contractor shall meet or exceed the specifications attached hereto. As used herein, the term "work" refers to the articles, equipment, materials, supplies and labor as specified, designated or otherwise required by the Invitation for Bids (IFB). Additional terms, conditions and requirements pertaining to the methods and manner of performing the work are described elsewhere in the IFB.

Except where specified to the contrary herein, all work shall be new and shall be supplied with the equipment and accessories indicated as standard equipment in manufacturer's published descriptions, owner's manuals, and other literature for said work. No advantage shall be taken by the bidder in omitting any unspecified minor article that goes into making the unit complete. Brand Names described below are used to indicate levels of quality. Approved equals requests must be made fourteen (14) days in advance of the bid date.

#### 2. Specifications

OEM CHASSIS SPECIFICATIONS – Based on **2010** Ford E350 Passenger Van Chassis

**2.1 Dimensions:** Shall have a minimum wheelbase of 138 inches. Shall have a minimum overall length of 236 inches. Shall have a minimum overall width of 79 inches.

**2.2 Engine:** Shall have a minimum cylinder displacement of 5.4 liters. Shall be gasoline powered. Shall have heavy-duty cooling.

**2.3 Transmission and Drive Line:** Shall be a 4-speed automatic with auxiliary cooling. Shall be equipped with a final drive axle ratio of 3.73. Shall be equipped with a drive shaft guard that completely encircles the drive shaft, thus preventing it from touching the ground in case of shaft failure. (Required on front and rear)

**2.4 Gross Vehicle Weight Rating, (GVWR):** Shall be a minimum of 9500 pounds. Shall have a front axle capacity of 3550 pounds. Shall have a rear axle capacity of 6084 pounds.

**2.5 Fuel Tank:** The minimum capacity should be 35 gallons. No after market fuel tanks shall be allowed. A locking fuel door shall be installed on the vehicle. **If a locking fuel door is not available a locking fuel cap is acceptable.**

**2.6 Steering / Brakes:** The steering system shall be power assisted with a tilt feature. The braking system shall consist of front discs / rear drums and 4 wheel anti-lock system (ABS).

**2.7 Wheels and Tires:** The tires shall be LT245/75R16 load range E or greater. The wheels shall be 16 inch x 7-inch steel with hubcap. Shall have a full-sized spare tire with jack and wrench kit. Upgrade option for Aluminum wheels shall be included.

**2.8 Electrical:** A dual 12-volt battery, rated at a minimum of 650 cold cranking amps, shall supply the power. The battery shall be of maintenance free design. The alternator shall be rated at 190 amps or greater. A battery switch will be installed at the base of the driver seat to cut off electrical power and to save the battery from draw down. This switch shall be installed prior to the ignition switch.

**2.9 Heating / Air Conditioning System:** The vehicle shall be equipped with an OEM installed front heating and air conditioning system with dashboard-mounted controls that can be easily accessible to the driver. An OEM fan with a minimum of 3 speeds shall be used to distribute the dashboard air. The OEM defroster shall be capable of clearing any moisture in any form from the windshield as well as the glass on the 2 front doors.

**2.10 Windshield and Side Glass:** The windshield shall be tinted. The side glass shall be tinted with side venting on passenger entry doors and opposite glass on left side. No after market tinting film shall be accepted. 3 speed and intermittent windshield wiper control shall be equipped with integrated washer.

**2.11 Safety Features and Amenities Shall Include:** Driver's side airbag. Day / Night rear view mirror. Dual 6 inch x 9-inch exterior mounted, side view power mirrors. AM/FM compact disc radio. Power operated driver window and power seat.

**2.12 Exterior Upgrade Package:** The Chrome factory exterior upgrade package will be applied (Factory option 18A).

**2.13 Exterior Color:** All painted exterior surfaces shall match the exterior paint color of the basic van - the exterior paint scheme is to be a solid color paint scheme in Oxford White. The extended roof is to be color matched to the primary exterior surface color unless otherwise specified.

**2.14 Stripping / Decals:** The vehicle will be stripped and decaled according to METRO Standards. Stripping to include 3 stripes to be installed as in attached diagram(Attachment A). Letters will be applied as in attached diagram – Lettering will be cut from 3M reflective black material. METRO shall provide METRO logo decals to be installed by the builder during the lettering process. A reflective 2" white stripe will be installed on the lower portion of the vehicle as shown in the stripping diagram. METRO reserves the right to make minor changes to this diagram before order is placed.

**2.15 Interior Color:** The interior color shall be color-keyed to the van's exterior color and shall harmonize with the color of the roof liner and any side paneling or other covering. All interior side panels and door panels shall be gray ABS plastic. All interior panels, materials and treatments shall be FMVSS 302 compliant and easily cleaned.

**2.16 Wiring:** All general-purpose wiring shall be copper. A wiring harness separate from the factory wiring harness shall be provided for all electrical items added during the conversion process. All wiring shall be properly grouped, numbered, and/or color-coded over its full length.

Grommets of elastomeric material shall be provided at points where wiring penetrates metal structure. Wiring supports shall be non-conductive. Precautions shall be taken to avoid damage from heat, water, solvents, or chaffing. Wiring length shall allow replacement of end terminals without pulling, stretching, or replacing the wire. Except for those on large wires, such as battery cables, terminals shall be crimped to the wiring and insulated. Terminals shall be full ring type or spade type and corrosion-resistant.

All fuses, circuit breakers, and relays added during the conversion process shall be placed in blocks, separate from the inside of the vehicle such that the driver can change fuses.

**2.17 Back-up Warning Device:** Each vehicle shall be equipped with a back-up warning device that is readily audible outside each vehicle when the transmission is in reverse. The warning device shall be mounted in the rear of each vehicle. The Warning device shall be at least 90db in volume when operating.

**2.18 Exterior Lighting:** Exterior lighting shall meet all federal and state of California regulations

**2.19 Raised Roof:** The standard roof shall be removed and replaced with a raised camper style fiberglass raised roof. The raised roof shall be completely joined and be an integral part of the basic chassis. The modification shall be of tubular steel frame construction and include reinforcement at the A, B, C, and D pillars with longitudinal reinforcement. All reinforcement member shall be welded to the vehicle body and to each adjacent reinforcement component to form an integrated safety zone. The roof shall be insulated to a minimum R-11 thermo barrier. Insulation shall be attached by contact cement. The new top must be completely sealed with an anti-fungus sealant and offer a 65" minimum center aisle height.

The roof conversion shall meet the Federal Motor Vehicle Safety Standard No. 220 (Part 571, Section 220-1, 41 Federal Register 3874, January 27, 1976). Certification of compliance with the requirements of FMVSS 220 of the vehicle roof shall be provided in writing, with the bid documents.

**2.20 Sub-floor/Floor:** Sub-flooring shall be a minimum ½" thick exterior marine grade plywood securely fastened to the under structure. All edges, cutouts, notches, etc. shall be properly sealed after cutting to prevent moisture from entering between plies. The floor covering shall be wall-to-wall, fire resistant, slip resistant, transit quality rubber securely bonded to the sub-floor with waterproof type adhesive. All joints shall be the butt-cut type and properly sealed. The floor and entranceway shall be coated Altro Translor anti-skid (or equal) 2.0 mm thick minimum. Floor coloring shall be black with step edges marked in yellow or white.

**2.21 Ambulatory passenger entry door (modified OEM door):** Front Entrance Door - The vehicle shall be equipped with a single front entrance door, located opposite the driver. This ambulatory passenger entry door shall consist of the OEM front-hinged door, modified for manual operation from the driver's position. As modified, the door shall offer a clear center opening width of at least 21 inches and a walk-in height of at least 64 inches. The raised portion of the door shall be tapered to match the contour of the raised roof. **The upper door extension shall be of a molded composite material and shall be affixed to the OEM doors with epoxy resin and rivets.**

Lowered Step-well - The front entrance door shall have a lowered step-well (minimum of 2 steps below floor level) constructed of corrosion resistant 11-gauge steel. The ground to the first step shall be no higher than 12", as measured from ground to top of entry step. There shall be a maximum 9" rise in the steps. Step tread depth shall be a minimum of 9" and each step shall offer a clear walk-in width of 21". These steps shall be fully recessed, enclosed, and protected from wind, rain, and weather. Each step shall be covered with a non-slip step covering (black) with either white or yellow step edging.

Door Operator - The passenger/ambulatory entry door shall be operated by the driver through the use of a manually operated over-center door operator. The operation of the door shall be such that the driver can complete this operation from the driver's seat, while not interfering in the path of the boarding and departing ambulatory passengers. The stand shall be mounted around the engine cover and must not interfere with the removal of the engine cover. If an automatic version of the door operator is available it shall be listed as a separate option.

Step Entrance Light – Step-well light shall provide at least 5 foot-candles of illumination measured on the step tread and shall have outside illumination of at least 1 foot-candle on street surface for a distance of 3 feet perpendicular to all points.

**2.22 Stanchions:** Padded vertical stanchions, a minimum 1-1/4" in diameter, shall be provided at 3 locations in vehicle: at the driver's seat, to the left of the ambulatory passenger entry door, and at the rear of the lift. The stanchions shall be mounted in both the floor and structural members of the raised roof. A padded, vinyl-covered modesty panel and horizontal stanchion shall be provided to the left of the ambulatory passenger entry door, and at the rear of the lift.

**2.23 Seating:** The OEM supplied driver seat shall be the fully padded, contoured bucket type of heavy-duty construction. The seat shall be easily adjusted forward and backward without the use of tools.

Passenger seating shall be fully padded construction with vinyl covering. The covering shall be of a heavy-duty transportation grade (DOT Docket 90) vinyl. Color of vinyl shall contrast to increase visibility for the visually impaired. Seating shall be compliant with FMVSS 208, providing 3-point restraint at each location.

All seated positions shall be a minimum of 17 inches wide and 16 inches deep.

At least 11 inches of knee room shall be provided from the edge of one seat to the back of the seat in front. Aisle between seats shall be maintained at a minimum of 10 inches. Seats shall offer spring suspension systems.

The seats shall be configured as shown in the Attachment B. This arrangement shall provide seating for 8 ambulatory passengers, or 3 passengers seated in mobility aids, excluding the driver.

**2.24 Heating and Cooling – Passenger Area:** The vehicle shall have a single auxiliary heating/ air conditioning unit mounted in the rear passenger area. The unit shall be mounted in a manner that it is easily accessible for maintenance. Controls for the unit shall be mounted in the driver area. The unit shall have a minimum performance of 24,00 BTU.

**2.25 Lift Access Doors (modified OEM side cargo doors) – No rear entry lifts allowed:** The lift access doors shall provide a minimum of 56 inches head clearance and shall be at least 40" wide. These doors shall be securely attached to the vehicle and shall not leak water. When in the full open position, the doors shall be equipped with a device to prevent doors from closing when the lift is in motion. The upper door extension shall be of a molded composite material and shall be affixed to the OEM doors with epoxy resin and rivets.

**2.26 Wheelchair Stations/Tie-downs (3):** The conversion shall be designed to accommodate up to three forward-facing wheelchair securement positions. No obstructions shall hinder a wheelchair from being rolled into place. All wheelchair securement locations shall have a clear floor area of 30" width and 48" in depth at a minimum.

Not more than 6" of required clear floor space may be accommodated for footrests under another seat provided there is a minimum of 9" from the floor to the lowest part of the seat overhanging the space.

Q'straint® systems, QRTMax 8300-A1-SC or equal, four point Slide N' Click tie-down system shall be provided at each wheelchair station to securely hold the wheelchair in a forward facing position. Securement systems and their attachments to the vehicles shall withstand a force in a forward longitudinal direction of 2,500 lbs. per securement leg and a minimum of 5,000 lbs. for each mobility aid. Movement of an occupied wheelchair or mobility aid shall be no more than 2 inches in any direction. Optional pricing shall include Q'straint® systems, Q5007-T and Q56410 with Q'straint® model Q5-6000-F8K flanged track or equal – to be mounted in 3 individual areas (as shown on Attachment B) or 2 full-length tracks (as shown on Attachment B).

A three-point restraint system consisting of a lap and shoulder belt combination shall be provided for each wheelchair station. Belt connection around wheelchair occupant shall be button release and comply with all federal and state motor vehicle safety standards and regulations. The shoulder attachment point shall be secured in a structural member of the sidewall. The lap belt shall be secured by inserting onto the floor-mounted retractor provided for the wheelchair securement system.

**2.27 Side Mounted Mobility Device Securement Area:** An area located on the passenger side vehicle interior wall shall have a securement area designed to safety secure walkers and other portable mobility devices so that they are not freely moving in the vehicle while the vehicle is in motion.

**2.28 ADA Decals:** Wheelchair Securement Location - Each vehicle shall contain signs, which indicate the location for wheelchair securement. Every wheelchair location requires a securement location decal.

**2.29 Lift:** Shall be a Ricon® model K2005-ADA or approved equal.

- A. Shall be powered by a 12-volt electro-hydraulic system.
- B. The usable platform width shall be a minimum of 32 inches.
- C. The usable platform length shall be a minimum of 51 inches.
- D. The clear entry width shall be a minimum of 31.4 inches.
- E. The platform height folded shall be a minimum of 30.5 inches.

- F. The lift must have an interlocking occupant safety belt.
- G. The lift must have a minimum rated load capacity of 800 pounds.
- H. The lift must be fully ADA compliant.
- I. The lift must be equipped with a manual back-up pump.

**2.30 Interlock System:** An interlock system shall be installed to insure that the vehicle cannot be moved when the lift is deployed and so that the lift cannot be deployed unless the interlock is engaged. The controls shall be interlocked with the vehicle transmission. The interlock shall be compliant to all ADA regulations stated in 49CFR 38.2.3 Para (B) (2). A complete wiring diagram of any devices used shall be provided.

**2.31 Two-way radio equipment:** Builder shall install 2 two way-radio antenna leads on the modified roof. Exact type will be determined prior to first vehicle in production. Antenna leads will be secured and run to provide dash mounted radio installation after delivery of vehicle.

**2.32 Safety Equipment:** Fire extinguisher – A fire extinguisher of the dry chemical ABC type with a minimum 5 pound capacity, shall be located and mounted in an easily accessible position to the driver, but remain out of the way of entering and exiting passengers.

First Aid Kit – A first aid kit (minimum 10 units) shall be furnished and accessibly located and mounted in the driver's area.

Reflector Kit – Three portable warning reflectors, mounted on stands shall be furnished and mounted in an accessible location.

Two (2) seat belt cutters shall be provided for each vehicle. One is to be mounted in the rear door area and the other is to be mounted in the front of the passenger area. Both shall be mounted in such a fashion that they can be quickly removed in case of emergency.

Reverse Sensing System – The factory optional reverse sensing system shall be installed.

Door Open Light and Buzzer – All doors shall be connected to a visual and audible warning device. The device shall be mounted on the front dash in plain view of the driver. This warning device shall activate when any door is not closed and secured, when the vehicle is placed into gear.

Driver Fan – A fan shall be mounted in the driver area to provide extra ventilation for the driver.

**2.33 Documentation / Manuals / Videos:** Bidder shall supply OEM chassis manual and other related chassis information as well as a list of servicing dealers in end-user's operating area. Converter's documentation shall include parts listing, maintenance schedule, trouble-shooting guide, training videos (vehicle use and lift use) and a list of operating instructions.

**2.34 Vehicle Delivery:** All vehicles will be delivered to the purchaser at the point of acceptance as designated by purchaser ready to go in service.

**2.35 Warranty:** The warranty shall be a minimum of 36 months or 36,000 miles which ever occurs first. 100% of parts and labor shall be covered under warranty as long as authorized manufacturer's representative using approved parts performs labor. All conversion repairs made during the effective period of the warranty at maintenance facilities outside the manufacturer's dealer network shall be pre-approved by manufacturer. All OEM chassis and component warranties shall apply. Bidder shall also indicate the cost and details of any extended warranty programs available.

**2.36 Options not listed above:** Please provide pricing for each option on a per unit basis:

- Interior ad racks (price per each rack installed)
- Video – Drive Cam / Passenger Cam system
- LED Brake and Turn Signals.



METRO does have a FORD Fleet number, this number will be provided upon request.

### **3. Vehicle Delivery**

Delivery of all vans will be required within 180 calendar days after receipt of order. Bidder will indicate on their bid response page if they can meet this delivery requirement. All vehicles will be delivered to METRO ParaCruz Operations at 2880 Research Park Drive, Soquel, CA.

Delivery will be in two phases:

1) Pilot Vehicle

A factory fresh Pilot Vehicle will be produced and delivered within 120 days from the issuance date of METRO's Notice to Proceed. The Pilot Vehicle will not be considered delivered until METRO's Representative signs an acknowledgement of delivery. Such an acknowledgement shall not constitute acceptance of the Pilot Vehicle.

2) Production Vehicles

The remaining vehicles provided to METRO under the contract shall be delivered within 60 days from the delivery of the acceptance of the Pilot Vehicle.

The Contractor shall prepay all costs of delivery of each vehicle, shall deliver all material at its own cost and expense to this designated location, and shall bear all risk of damage to or loss of the vehicle while in transit.

The Contractor shall not deliver more than two vehicles per day, unless other arrangements are previously approved in writing by the District.

During vehicle production, METRO will hire an independent inspector to observe and report progress and report any deficiencies during the production process.

### **4. Service**

Prior to delivery, each vehicle shall be completely serviced by the Contractor or by an authorized dealer of the manufacturer in a service shop within the state of California. Service shall include not less than the following: lubrication, wash, body condition and other checks and adjustments required for proper complete servicing of a new vehicle. Each vehicle shall be ready for placement in service upon delivery and acceptance.

The following items must be furnished by the successful bidder upon delivery of each vehicle:

- a) All warranty verification vouchers, certificates or coupons
- b) Operator's manual for vehicle and all add-on equipment
- c) Drawings showing wiring of auxiliary circuits, and/or modifications of standard vehicle wiring which would not be included in the standard vehicle maintenance manual
- d) Completely filled fuel tank(s)
- e) Vehicles(s) free of dealer signs.
- f) Assurance of compliance with manufacturer's pre-delivery service
- g) Any maintenance and inspection schedules for the basic vehicle and its subsystems and any add-on equipment
- h) All required documents, completely executed by the manufacturer/dealer, and ready for submission to the Department of Motor Vehicles (i.e. CA certified weight certificate, Vehicle Certificate of Origin)
- i) Complete printed version of the vehicle maintenance manual, including electrical schematics and parts manual—1 copy per bus

## **5. Inspection/Acceptance**

Upon delivery of each vehicle, METRO will acknowledge the receipt of the vehicle in writing and will undertake a 10 calendar day period for inspection and testing of the vehicle. METRO will notify the Contractor in writing within 10 calendar days following the inspection and testing period as to whether the vehicles have been accepted.

If METRO determines that the vehicles are not in conformity with the specification requirements, or that there are defects or deficiencies in the equipment, METRO shall notify the Contractor of such deficiencies or nonconformity in writing, within the aforementioned 10-day period. The Contractor shall commence to rectify any nonconformity and correct any defects or deficiencies in the vehicle within 48 hours of receipt of METRO's written notification. All defect or deficiency corrections must be completed within five business days from the time of correction commencement. METRO shall not accept the vehicle until all corrections which are addressed in METRO's written notice have been made by the Contractor. At such time as the Contractor has made all necessary corrections to the satisfaction of METRO, METRO shall issue the Contractor a written notice of final acceptance. Upon such final acceptance, Contractor may submit an invoice for payment as set forth in the Agreement.

## **6. Vehicle Registration**

The contractor shall provide all necessary documents to enable the purchasing agency to register the vehicle in the state of California. Registration and licensing fees shall not be included in the bid price, as those costs will be born by METRO.

## **7. Pre-Award And Post-Delivery Audit Requirements**

The Contractor agrees to comply with 49 U.S.C. § 5323(l) and FTA's implementing regulation at 49 C.F.R. Part 663 and to submit the following certifications:

(1) Buy America Requirements: The Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If the Bidder/Offeror certifies compliance with Buy America, it shall submit documentation which lists 1) component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and 2) the location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

(2) Solicitation Specification Requirements: The Contractor shall submit evidence that it will be capable of meeting the bid specifications.

(3) Federal Motor Vehicle Safety Standards (FMVSS): The Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the contracted buses will not be subject to FMVSS regulations.

## **8. Late Delivery Charges**

METRO will incur actual damages should the Contractor fail to perform the work as called out in the contract and specifications on the date set forth herein. Contractor shall agree to late delivery charges in the amount of \$35.00 per unit per workday. Workdays are Monday through Friday inclusive except METRO Holidays observed Monday through Friday.

The parties also agree that the amount specified is not unreasonable nor punitive in nature because both parties have carefully considered the amount specified and believe it to be a reasonable estimate, and not excessive at the time the purchase order is entered into.

It is agreed that the Contractor will pay METRO the sum indicated above per unit per workday for each workday the work remains uncompleted or unaccepted by METRO. The total late delivery charges assessed against Contractor shall in no event exceed 25% of the total value of the entire order.

## **9. Bus Testing**

The Contractor [Manufacturer] agrees to comply with 49 U.S.C. A 5323(c) and FTA's implementing regulation at 49 CFR Part 665 and shall perform the following:

- 1) A manufacturer of a new bus model or a bus produced with a major change in components or configuration shall provide a copy of the final test report to the recipient at a point in the procurement process specified by the recipient which will be prior to the recipient's final acceptance of the first vehicle.
- 2) A manufacturer who releases a report under paragraph 1 above shall provide notice to the operator of the testing facility that the report is available to the public.
- 3) If the manufacturer represents that the vehicle was previously tested, the vehicle being sold should have the identical configuration and major components as the vehicle in the test report, which must be provided to the recipient prior to recipient's final acceptance of the first vehicle. If the configuration or components are not identical, the manufacturer shall provide a description of the change and the manufacturer's basis for concluding that it is not a major change requiring additional testing.
- 4) If the manufacturer represents that the vehicle is "grand-fathered" (has been used in mass transit service in the United States before October 1, 1988, and is currently being produced without a major change in configuration or components), the manufacturer shall provide the name and address of the recipient of such a vehicle and the details of that vehicle's configuration and major components.

Certification of Compliance form must be submitted with bid (Attachment C).

## **PART IV**

### **GENERAL CONDITIONS TO THE CONTRACT**

#### **1. GENERAL PROVISIONS**

##### **1.01 Governing Law & Compliance with All Laws**

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

##### **1.02 Right to Modify Contract**

Santa Cruz METRO 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 Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, 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 Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO 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 Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO 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 Santa Cruz METRO; (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 Santa Cruz METRO, 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 Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO has or may acquire an interest.

## 2.02 Termination for Default

- 2.02.01 Santa Cruz METRO 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, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO 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 Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO'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 Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct 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 Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO 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 Santa Cruz METRO.

## 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 Santa Cruz METRO.
- (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 Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO 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, sub recipient 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 Santa Cruz METRO 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 Santa Cruz METRO'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

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO 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 Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO Liability

Santa Cruz METRO'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 Santa Cruz METRO premises or distribute same to Santa Cruz METRO employees.

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO'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 Santa Cruz METRO.

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

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO 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 Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

#### 13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO 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 Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO issued equipment within five days of the conclusion of the contract work Santa Cruz METRO 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 Santa Cruz METRO.

#### 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 Santa Cruz METRO 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 February 16, 2010.

#### **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 Santa Cruz METRO.

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 Santa Cruz METRO. It is, and will be impracticable and extremely difficult to ascertain and determine the actual damage which Santa Cruz METRO will sustain by reason of such delay; and it is therefore agreed that the Contractor shall pay to Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO'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 Santa Cruz METRO the sum of \$100 per day as liquidated damages while such work disruption, slowdown or work stoppage is underway. As an independent and further remedy, Santa Cruz METRO 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 Santa Cruz METRO's opinion, within a reasonable period of time, Santa Cruz METRO 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 Santa Cruz METRO 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 PROCUREMENT OF PURCHASE OF TWENTY-TWO EACH RAISED TOP PARATRANSIT VANS (10-22)

THIS CONTRACT is made effective on \_\_\_\_\_, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("Contractor").

#### 1. RECITALS

##### 1.01 Santa Cruz METRO 's Primary Objective

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

##### 1.02 Santa Cruz METRO 's Need for Purchase of Twenty-Two Each Raised Top Paratransit Vans

Santa Cruz METRO requires the purchase of Purchase of Twenty-Two Each Raised Top Paratransit Vans to be used for standard purposes. In order to obtain said Purchase of Twenty-Two Each Raised Top Paratransit Vans, Santa Cruz METRO issued an Invitation for Bids, dated February 16, 2010 setting forth specifications for such Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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 Purchase of Twenty-Two Each Raised Top Paratransit Vans desired by Santa Cruz METRO and whose principal place of business is \_\_\_\_\_ Pursuant to the Invitation for Bids by Santa Cruz METRO, Contractor submitted a bid for Provision of said Purchase of Twenty-Two Each Raised Top Paratransit Vans, which is attached hereto and incorporated herein by reference as Exhibit B.

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the lowest responsive, responsible bidder to provide said Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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.

Santa Cruz METRO 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 February 16, 2010.

b) Exhibit B (Bid Form)

Contractor's Bid Form to Santa Cruz METRO for Purchase of Twenty-Two Each Raised Top Paratransit Vans, signed by Contractor and dated March 16, 2010.

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 one (1) year period thereafter. At the option of Santa Cruz METRO, this contract may be renewed for four (4) additional one (1) year terms under the same conditions and prices. Santa Cruz METRO 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, Santa Cruz METRO 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 purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the contract. 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 Santa Cruz



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

Santa Cruz METRO

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

Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

SAMPLE  
CONTRACT

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 \_\_\_\_\_

SANTA CRUZ METRO--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR-- \_\_\_\_\_

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## **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 Santa Cruz METRO 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 Santa Cruz METRO, 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, 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 Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO 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

Santa Cruz METRO 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, Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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. Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO.

#### 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

Santa Cruz METRO 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 Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO (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 Santa Cruz METRO, 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. Santa Cruz METRO 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, Santa Cruz METRO 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.

Santa Cruz METRO 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.

Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO 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

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

**"Common Grant Rules"** refers to the Department of Transportation regulations "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

**"Interested Party"** means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an "interested party".

**"Protest"** means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See "Types of Protests" below.

**"Protester"** means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an "interested party".

**"Types of Protests"**: There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.

**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmtd.com](mailto:financemanager@scmtd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO's administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO's Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager's Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors' decision shall constitute Santa Cruz METRO's final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO's Board of Directors' final administrative determination, he/she 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 the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO's Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO's failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO's protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726

**Santa Cruz METRO RESPONSIBILITIES TO FTA**

Santa Cruz METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO's Finance Manager will provide the following information to FTA:

- a. **Subjects:** A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. **Details:** The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. **When and Where:** Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. **FTA Officials to Notify:** When Santa Cruz METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

# **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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**ATTACHMENT – A**

**STRIPING AND DECAL DIAGRAM**

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FORD VS ELEV

Not to Scale - Subject to Change at Pre Production Meeting

Vehicle Number as Assigned

3 stripes Royal Blue, Gold, Light Blue

Reflective Black



Metro ParaCruz

425-4664

Reflective White Stripe



# **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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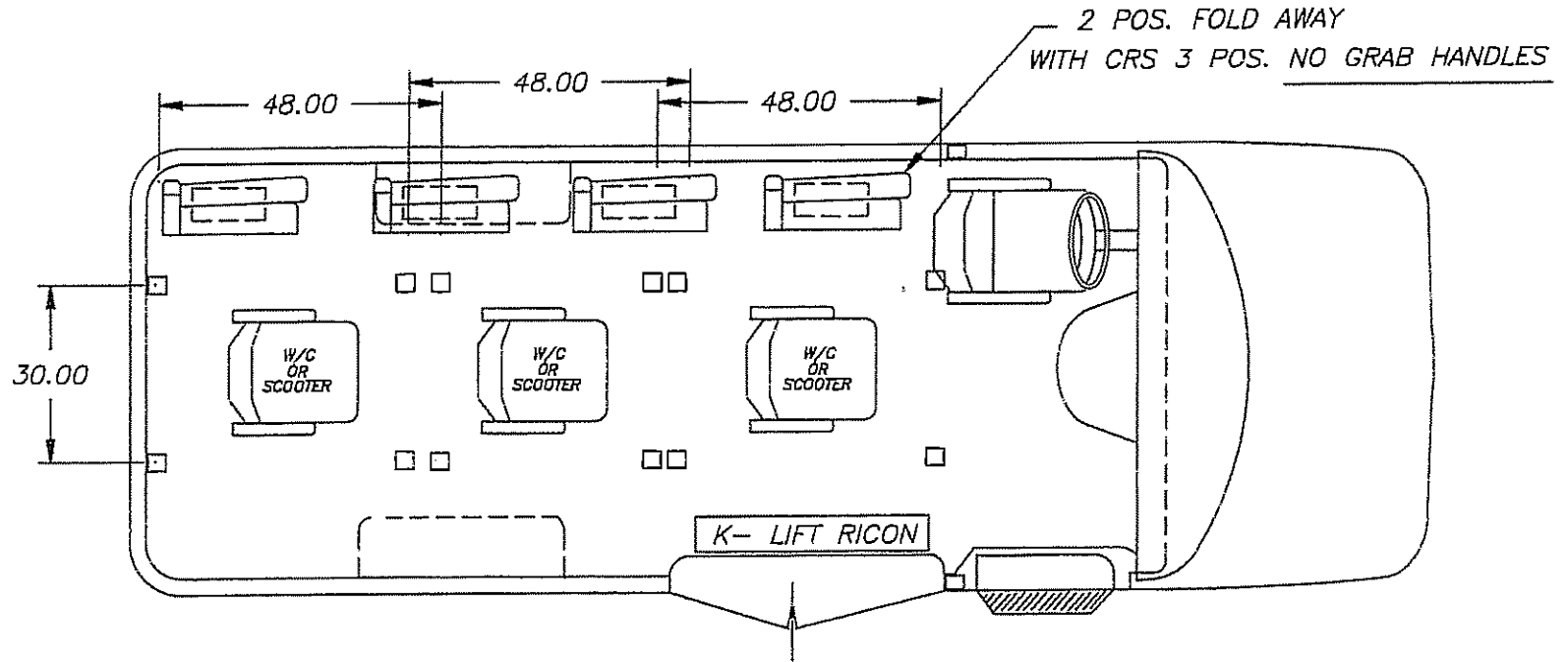
**ATTACHMENT – B**

**SEATING AND WHEELCHAIR RESTRAINT DIAGRAMS**

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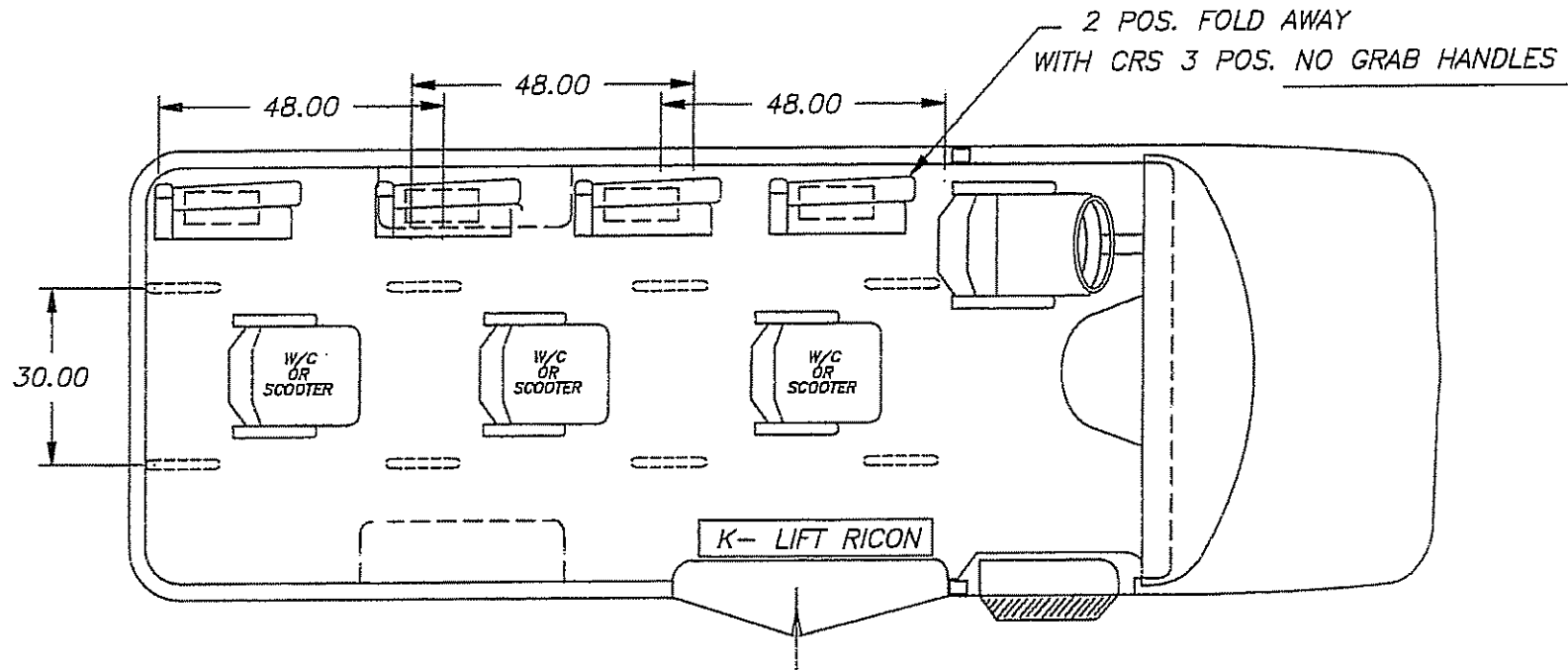


3 WC-3 POSITIONS

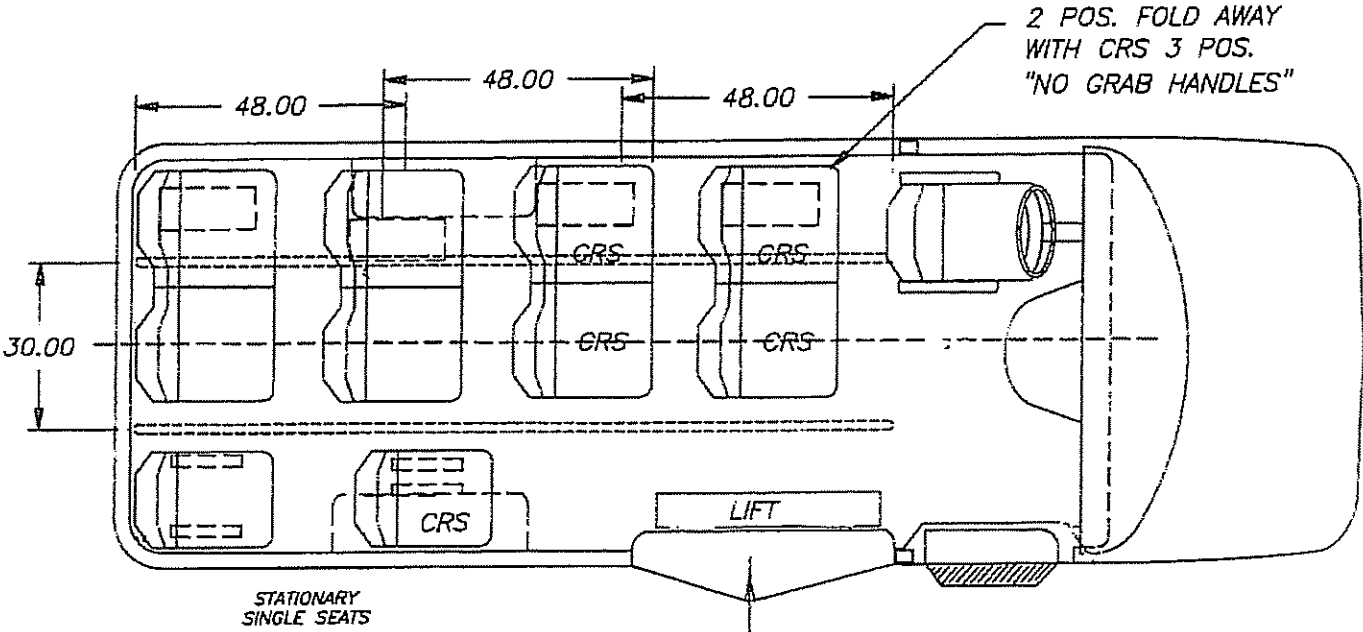


□ POCKET REQ. 6 EA. SIDE / 12 TOTAL

3 WC-2 POSITIONS

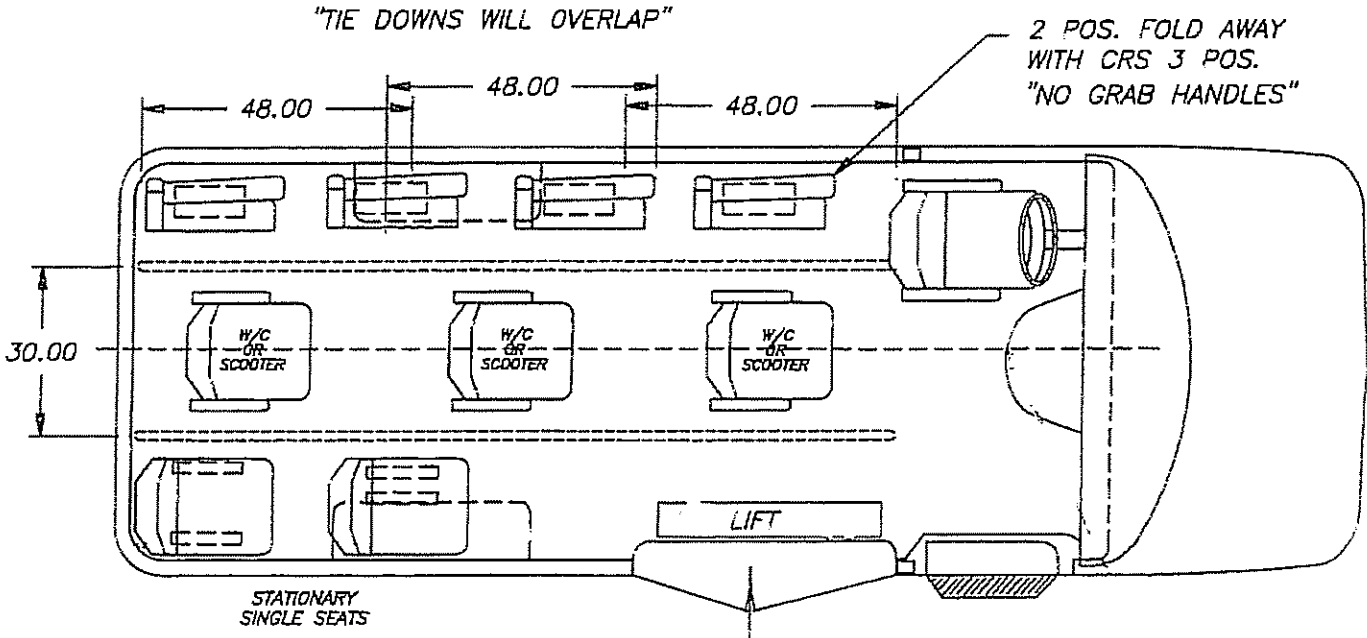


# Santa Cruz METRO IFB No. 10-22



Floor plan showing track layout

3 WC-11 PASS.



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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**ATTACHMENT – C**

**FTA BUS TESTING**

**CERTIFICATION OF COMPLIANCE FORM**

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**Certification of Compliance with FTA's Bus Testing Requirements**

The undersigned certifies that the vehicle to be manufactured in response to this bid complies with 49 U.S.C. A5323(c) and FTA's implementing regulation at 49 CFR, Part 655. I further certify that a copy of the bus testing report will be provided to the bidder prior to the delivery of the first unit, excepted in the case with no major changes in configuration or components.

The undersigned understands that misrepresenting the testing status of a vehicle acquired with Federal financial assistance may subject the undersigned to civil penalties as outlined in the Department of Transportation's regulation on Program Fraud Remedies, 49 CFR Part 31. In addition the undersigned understands that FTA may suspend or debar a manufacturer under the procedures in 49 CFR Part 29.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_  
(printed)

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Federal Motor Vehicle Safety Standard Certification**

I, \_\_\_\_\_ certify on behalf of \_\_\_\_\_ that the vehicles to be manufactured comply with the relevant Federal Motor Vehicle Safety Standards in effect as of the date signed.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_  
(printed)

Company Name: \_\_\_\_\_

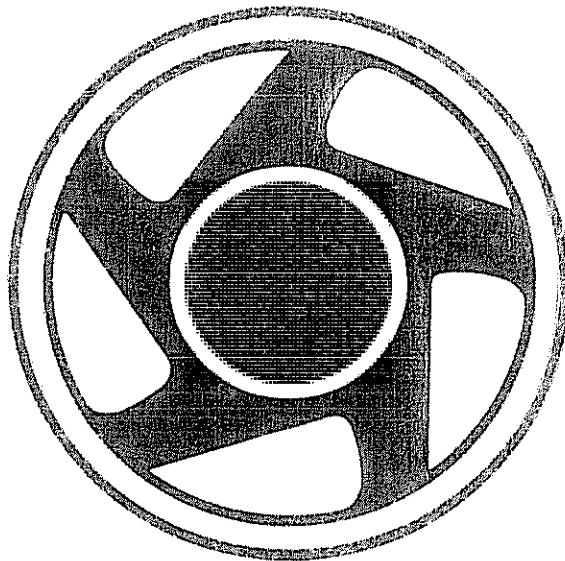
Title: \_\_\_\_\_

## EXHIBIT - B

# Santa Cruz Metropolitan Transit District Invitation for Bids (IFB) No. 10-22 For the Purchase of Twenty-Two Raised Top Paratransit Vans

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El Dorado National



**Bid Deadline: 2:00 p.m., March 16<sup>th</sup>, 2010**

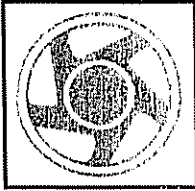
Prepared by:

Dan Williams  
El Dorado Bus Sales

1	Letter of Submittal
2	Bid Specifications/Pricing/Options
3	ISO
4	Warranty
5	Manufacturer Specification Floor Plans/Roof Cage Drawing
6	Promotional Material
7	Lobbying Certification
8	Buy America Certification
9	Debarment
10	DBE Information
11	FMUSS 220/217/TVM Certification ADA Certification
12	Altoona Test
13	BLANK
14	BLANK
15	BLANK







# El Dorado Bus Sales

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03/08/2010

Lloyd Longnecker  
Purchasing Agent  
Santa Cruz Metropolitan Transit  
110 Vernon Street  
Santa Cruz, Ca 95060

Reference:

Invitation for Bid No. 10-22 for Purchase of Twenty-Two Raised Top Vans

Enclosed you will find all technical data, product literature and other support information as required relative to the vehicles proposed under the IFB No. 10-15.

We offer the El Dorado National Raised Top Paratransit Van in compliance with your solicitation (see exceptions taken in bid submittal) as published and/or amended.

We have enclosed certain items such as promotional literature and vehicle specifications. This information is intended to be general in nature and will reflect standard production configuration only. These documents may or may not have been modified to reflect the vehicle configuration and equipment exactly as proposed under this IFB. Be advised that the vehicles being proposed are in compliance (see exceptions taken in bid submittals) with your IFB.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Williams", written in a cursive style.

Dan Williams  
Transit Sales  
El Dorado Bus Sales

*Santa Cruz Metropolitan  
Transit District*

February 16, 2010



Attached you will find Santa Cruz Metropolitan Transit District's (Santa Cruz METRO) Invitation for Bid (IFB) No 10-22 for purchase of twenty-two (22) each Raised Top Paratransit Vans. This is a re-bid of Santa Cruz METRO's IFB No 10-15 with changes to specifications.

**Last day to submit a bid will be 2:00 p.m. on March 16, 2010 at the Santa Cruz METRO's Administration Office, 110 Vernon Street, Santa Cruz, CA 95060.**

Please submit a fully executed copy of Part I the Bid Form (the yellow sheets in your bid package), along with information identified in the specification section of the IFB. A contract will be executed for the procurement of goods or services requested and will be in substantially the same form as the Contract in Section VI.

Disadvantaged Business Enterprises (DBE) as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of the contract with Santa Cruz METRO, and all bidders shall take all necessary and reasonable steps to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts and subcontracts.

In connection with the execution of any contract with Santa Cruz METRO, the successful contractor shall not discriminate against any employee or application for employment because of race, color, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability.

Santa Cruz METRO, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit an offer in response to this invitation for bid and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

If you have any questions, please contact the Purchasing Office at (831) 426-0199 or email address: [llongnecker@scmttd.com](mailto:llongnecker@scmttd.com). Please note that all changes to the IFB will be made only by written addenda issued to all offerors; oral changes are not binding. Please request a written addendum for any proposed change.

Sincerely,

Lloyd Longnecker  
Purchasing Agent

*110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117  
METRO online at <http://www.scmttd.com>*

# **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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## **Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each Raised Top  
Paratransit Vans**

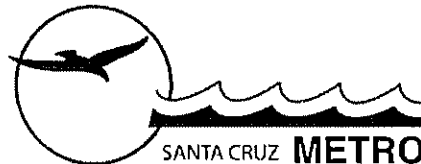
**Santa Cruz METRO IFB No. 10-22**

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**Date Issued: February 16, 2010**

**Bid Deadline: 2:00 p.m., March 16, 2010**

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### **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
Attachment A	Striping and Decal Diagram
Attachment B	Seating and Wheelchair Restraint Diagrams
Attachment C	FTA Bus Testing Certification of Compliance form

**PART I**

**BID FORM**

The undersigned ("Bidder"), upon acceptance by METRO, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Invitation for Bids entitled Purchase of Twenty-Two Each Raised Top Paratransit Vans dated November 25, 2009 at the following prices. The unit bid prices should NOT INCLUDE SALES, USE, EXCISE OR ANY OTHER TAX, they are to be shown in the second column if applicable.

Item No.	Item Description	Quantity	Unit Price	Tax (9.5 %)	Extended Price
1	Raised Top Paratransit Vans	22 Each	\$ 43,500.00	\$ 2,636.25	\$ 46,136.25
2	OPTION: Aluminum Wheels (Part III, item 2.7)	Per Vehicle	\$ 1,000.00		
3	OPTION: Automatic Door Operator (Part III, item 2.21)	Per Vehicle	\$ N/A		
4	OPTION: Q'straint® systems, Q5007-T and Q56410 with Q'straint® model Q5-6000-F8K flanged track or equal. (Part III, item 2.26)	Per Vehicle	\$(205.00) \$750.00		
5	OPTION: Interior Ad Racks (Part III, item 2.36)	Per each rack installed	\$ N/A		
6	OPTION: Video Drive CAM/Passenger CAM System (Part III, item 2.36)	Per Vehicle	\$ 3,150.00		
7	OPTION: LED Brake and Turn Signal (Part III, item 2.36)	Per Vehicle	\$ N/A		
8	OPTION: Extended Warranty Offer	Per Vehicle	\$ 3,600.00		
9	<b>Total of Base Bid Without Options</b>	22 Each			<b>\$1,014,997.50</b>

Manufacturer/Model Eldorado National Versa Shuttle

Delivery: 180 calendar days after receipt of order. Bidder can meet this schedule ( YES or ( ) No

Details of Extended Warranty Offer: \$100.00 Deductable 5 year 100,000 miles  
whichever comes first. ENC will mirror Ford extended Warranty.

The successful bidder obligates him/herself to provide any or all of the bid items at the bid price. METRO reserves the right to award bid items separately or as a package. METRO may accept or reject the bid items at its discretion. Award of the bid will be based on totals provided for the Base Items, Options shall not be used in the determination of low bid. 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 METRO 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.

\*Tax based on ADA non-taxable amount of \$15,750.00

Bidder understands that this bid constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of bid opening. If awarded the contract, bidder agrees to deliver to Santa Cruz METRO executed copies of the final contract and required insurance certificates within ten (10) calendar days of the date of Santa Cruz METRO 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 Santa Cruz METRO Board of Directors to accept or reject any or all bids received for any reason. Santa Cruz METRO 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. Santa Cruz METRO reserves the right to award to other than the lowest bidder if Santa Cruz METRO finds that the lowest bidder is not responsible.

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           NONE          

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. Manufacturer's specifications, description, promotional material describing the item bid.
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, Santa Cruz, California, 95060 prior to the time of bid opening. Bids postmarked before bid opening but delivered afterward shall be rejected.

**IFB No. 10-22**

**"Bid for Purchase of Twenty-Two Each Raised Top Paratransit Vans"**

**Bid Opening 2:00 p.m., March 16, 2010**



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

(Contractor) Creative Bus Sales, Inc. 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;

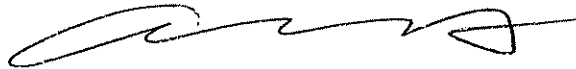
Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

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.

Creative Bus

(Contractor) Sales, Inc., 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  
President

**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 Creative Bus Sales Inc.

Signature of Authorized Official 

Name and Title of Authorized Official Anthony Matijevich, President

Date 03/08/2010



**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.

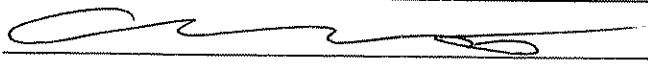
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

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: 03/08/2010  
Signature:   
Company Name: Creative Bus Sales, Inc.  
Title: President

OR

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

Date: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# SEE SECTION 12 FOR DBE INFORMATION

## 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 CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

This information must be submitted during the initial negotiations with METRO. By submitting a proposal, offeror certifies that he/she is in compliance with METRO'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
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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.

(For Additional Listings Use Next Page)

### 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 \$ \_\_\_\_\_ %

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## 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 Santa Cruz METRO at 110 Vernon Street, 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:** Santa Cruz METRO 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 Santa Cruz METRO'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 Santa Cruz METRO 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 9.5 % of the total bid price. Federal Excise Tax, from which Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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:** Santa Cruz METRO 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 Santa Cruz METRO. The right is reserved to reject any or all bids and to waive technical defects, as the interest of Santa Cruz METRO may require. Santa Cruz METRO 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 Santa Cruz METRO within five (5) days of Santa Cruz METRO's demand, a detailed cost proposal. Santa Cruz METRO 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 Santa Cruz METRO in compiling and submitting detailed information for the cost and price analysis.
12. **EXPERIENCE AND QUALIFICATIONS:** The Bidder may be required upon request of Santa Cruz METRO to prove to Santa Cruz METRO's satisfaction that the Bidder is responsible. Criteria used by Santa Cruz METRO 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 Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO may award the Contract to the next lowest responsive, responsible Bidder or solicit new bids.
15. EXECUTION OF CONTRACT: The Contract shall be provided by Santa Cruz METRO in substantially the same form as provided in Part VI and shall be executed by the successful Bidder and returned to Santa Cruz METRO Purchasing Office (110 Vernon Street, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 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 Santa Cruz METRO 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.
20. PREVAILING WAGES: Pursuant to Section 1773 of the Labor Code, the general prevailing rate of wages for this project has been determined by the Director of the Department of Industrial Relations, and such prevailing rate of wages is listed in the State of California, Department of Industrial Relations publication entitled General Prevailing Wage Rates, current edition, available by going to the world wide web at the following address: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm> . No laborer employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Director of the Department of Industrial Relations.

21. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 *et. seq.*).
- B. The Bidder may label information as "Trade Secret", "Confidential" or "Proprietary". Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked "Trade Secret", "Confidential", or "Proprietary". However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney's fees, in connection with such actions.

## PART III

### SPECIFICATIONS FOR RAISED TOP PARATRANSIT VANS

#### 1. General Description

The following specifications are equal to the specifications submitted with Santa Cruz METRO IFB No. 10-15. Revisions to specifications will be noted with **underlined bold italics**. These specifications are intended to describe a van-type transit vehicle whose chassis is manufactured by a North American company. This vehicle shall provide seating for up to 8 passengers plus the driver and have 3 wheelchair passenger positions. All furnished units shall meet or exceed the specifications stated herein. Used, shopworn, prototype, or school bus type vehicles will not be acceptable.

The manufacturer/converter of this conversion must be ISO 9001: 2000 registered, and maintain a "fully meets" status within the Ford Truck Quality Program (Adaptive Mobility modifications). **Santa Cruz METRO's Ford Fleet number is OH633.**

The specifications described below set forth the minimum requirements for the quantity and quality of work to be provided hereunder. The Contractor shall meet or exceed the specifications attached hereto. As used herein, the term "work" refers to the articles, equipment, materials, supplies and labor as specified, designated or otherwise required by the Invitation for Bids (IFB). Additional terms, conditions and requirements pertaining to the methods and manner of performing the work are described elsewhere in the IFB.

Except where specified to the contrary herein, all work shall be new and shall be supplied with the equipment and accessories indicated as standard equipment in manufacturer's published descriptions, owner's manuals, and other literature for said work. No advantage shall be taken by the bidder in omitting any unspecified minor article that goes into making the unit complete. Brand Names described below are used to indicate levels of quality. Approved equals requests must be made fourteen (14) days in advance of the bid date.

#### 2. Specifications

OEM CHASSIS SPECIFICATIONS – Based on **2010** Ford E350 Passenger Van Chassis

**2.1 Dimensions:** Shall have a minimum wheelbase of 138 inches. Shall have a minimum overall length of 236 inches. Shall have a minimum overall width of 79 inches.

**2.2 Engine:** Shall have a minimum cylinder displacement of 5.4 liters. Shall be gasoline powered. Shall have heavy-duty cooling.

**2.3 Transmission and Drive Line:** Shall be a 4-speed automatic with auxiliary cooling. Shall be equipped with a final drive axle ratio of 3.73. Shall be equipped with a drive shaft guard that completely encircles the drive shaft, thus preventing it from touching the ground in case of shaft failure. (Required on front and rear)

**2.4 Gross Vehicle Weight Rating, (GVWR):** Shall be a minimum of 9500 pounds. Shall have a front axle capacity of 3550 pounds. Shall have a rear axle capacity of 6084 pounds.

**2.5 Fuel Tank:** The minimum capacity should be 35 gallons. No after market fuel tanks shall be allowed. A locking fuel door shall be installed on the vehicle. **If a locking fuel door is not available a locking fuel cap is acceptable.**

**2.6 Steering / Brakes:** The steering system shall be power assisted with a tilt feature. The braking system shall consist of front discs / rear drums and 4 wheel anti-lock system (ABS).



**2.7 Wheels and Tires:** The tires shall be LT245/75R16 load range E or greater. The wheels shall be 16 inch x 7-inch steel with hubcap. Shall have a full-sized spare tire with jack and wrench kit. Upgrade option for Aluminum wheels shall be included.

**2.8 Electrical:** A dual 12-volt battery, rated at a minimum of 650 cold cranking amps, shall supply the power. The battery shall be of maintenance free design. The alternator shall be rated at 190 amps or greater. A battery switch will be installed at the base of the driver seat to cut off electrical power and to save the battery from draw down. This switch shall be installed prior to the ignition switch.

**2.9 Heating / Air Conditioning System:** The vehicle shall be equipped with an OEM installed front heating and air conditioning system with dashboard-mounted controls that can be easily accessible to the driver. An OEM fan with a minimum of 3 speeds shall be used to distribute the dashboard air. The OEM defroster shall be capable of clearing any moisture in any form from the windshield as well as the glass on the 2 front doors.

**2.10 Windshield and Side Glass:** The windshield shall be tinted. The side glass shall be tinted with side venting on passenger entry doors and opposite glass on left side. No after market tinting film shall be accepted. 3 speed and intermittent windshield wiper control shall be equipped with integrated washer.

**2.11 Safety Features and Amenities Shall Include:** Driver's side airbag. Day / Night rear view mirror. Dual 6 inch x 9-inch exterior mounted, side view power mirrors. AM/FM compact disc radio. Power operated driver window and power seat.

**2.12 Exterior Upgrade Package:** The Chrome factory exterior upgrade package will be applied (Factory option 18A).

**2.13 Exterior Color:** All painted exterior surfaces shall match the exterior paint color of the basic van - the exterior paint scheme is to be a solid color paint scheme in Oxford White. The extended roof is to be color matched to the primary exterior surface color unless otherwise specified.

**2.14 Stripping / Decals:** The vehicle will be stripped and decaled according to METRO Standards. Stripping to include 3 stripes to be installed as in attached diagram(Attachment A). Letters will be applied as in attached diagram – Lettering will be cut from 3M reflective black material. METRO shall provide METRO logo decals to be installed by the builder during the lettering process. A reflective 2" white stripe will be installed on the lower portion of the vehicle as shown in the stripping diagram. METRO reserves the right to make minor changes to this diagram before order is placed.

**2.15 Interior Color:** The interior color shall be color-keyed to the van's exterior color and shall harmonize with the color of the roof liner and any side paneling or other covering. All interior side panels and door panels shall be gray ABS plastic. All interior panels, materials and treatments shall be FMVSS 302 compliant and easily cleaned.

**2.16 Wiring:** All general-purpose wiring shall be copper. A wiring harness separate from the factory wiring harness shall be provided for all electrical items added during the conversion process. All wiring shall be properly grouped, numbered, and/or color-coded over its full length.

Grommets of elastomeric material shall be provided at points where wiring penetrates metal structure. Wiring supports shall be non-conductive. Precautions shall be taken to avoid damage from heat, water, solvents, or chaffing. Wiring length shall allow replacement of end terminals without pulling, stretching, or replacing the wire. Except for those on large wires, such as battery cables, terminals shall be crimped to the wiring and insulated. Terminals shall be full ring type or spade type and corrosion-resistant.

All fuses, circuit breakers, and relays added during the conversion process shall be placed in blocks, separate from the inside of the vehicle such that the driver can change fuses.

**2.17 Back-up Warning Device:** Each vehicle shall be equipped with a back-up warning device that is readily audible outside each vehicle when the transmission is in reverse. The warning device shall be mounted in the rear of each vehicle. The Warning device shall be at least 90db in volume when operating.

**2.18 Exterior Lighting:** Exterior lighting shall meet all federal and state of California regulations

**2.19 Raised Roof:** The standard roof shall be removed and replaced with a raised camper style fiberglass raised roof. The raised roof shall be completely joined and be an integral part of the basic chassis. The modification shall be of tubular steel frame construction and include reinforcement at the A, B, C, and D pillars with longitudinal reinforcement. All reinforcement member shall be welded to the vehicle body and to each adjacent reinforcement component to form an integrated safety zone. The roof shall be insulated to a minimum R-11 thermo barrier. Insulation shall be attached by contact cement. The new top must be completely sealed with an anti-fungus sealant and offer a 65" minimum center aisle height.

The roof conversion shall meet the Federal Motor Vehicle Safety Standard No. 220 (Part 571, Section 220-1, 41 Federal Register 3874, January 27, 1976). Certification of compliance with the requirements of FMVSS 220 of the vehicle roof shall be provided in writing, with the bid documents.

**2.20 Sub-floor/Floor:** Sub-flooring shall be a minimum ½" thick exterior marine grade plywood securely fastened to the under structure. All edges, cutouts, notches, etc. shall be properly sealed after cutting to prevent moisture from entering between plies. The floor covering shall be wall-to-wall, fire resistant, slip resistant, transit quality rubber securely bonded to the sub-floor with waterproof type adhesive. All joints shall be the butt-cut type and properly sealed. The floor and entranceway shall be coated Altro Translor anti-skid (or equal) 2.0 mm thick minimum. Floor coloring shall be black with step edges marked in yellow or white.

**2.21 Ambulatory passenger entry door (modified OEM door):** Front Entrance Door - The vehicle shall be equipped with a single front entrance door, located opposite the driver. This ambulatory passenger entry door shall consist of the OEM front-hinged door, modified for manual operation from the driver's position. As modified, the door shall offer a clear center opening width of at least 21 inches and a walk-in height of at least 64 inches. The raised portion of the door shall be tapered to match the contour of the raised roof. *The upper door extension shall be of a molded composite material and shall be affixed to the OEM doors with epoxy resin and rivets.*

**Lowered Step-well -** The front entrance door shall have a lowered step-well (minimum of 2 steps below floor level) constructed of corrosion resistant 11-gauge steel. The ground to the first step shall be no higher than 12", as measured from ground to top of entry step. There shall be a maximum 9" rise in the steps. Step tread depth shall be a minimum of 9" and each step shall offer a clear walk-in width of 21". These steps shall be fully recessed, enclosed, and protected from wind, rain, and weather. Each step shall be covered with a non-slip step covering (black) with either white or yellow step edging.

**Door Operator -** The passenger/ambulatory entry door shall be operated by the driver through the use of a manually operated over-center door operator. The operation of the door shall be such that the driver can complete this operation from the driver's seat, while not interfering in the path of the boarding and departing ambulatory passengers. The stand shall be mounted around the engine cover and must not interfere with the removal of the engine cover. If an automatic version of the door operator is available it shall be listed as a separate option.

**Step Entrance Light –** Step-well light shall provide at least 5 foot-candles of illumination measured on the step tread and shall have outside illumination of at least 1 foot-candle on street surface for a distance of 3 feet perpendicular to all points.

**2.22 Stanchions:** Padded vertical stanchions, a minimum 1-1/4" in diameter, shall be provided at 3 locations in vehicle: at the driver's seat, to the left of the ambulatory passenger entry door, and at the rear of the lift. The stanchions shall be mounted in both the floor and structural members of the raised roof. A padded, vinyl-covered modesty panel and horizontal stanchion shall be provided to the left of the ambulatory passenger entry door, and at the rear of the lift.

**2.23 Seating:** The OEM supplied driver seat shall be the fully padded, contoured bucket type of heavy-duty construction. The seat shall be easily adjusted forward and backward without the use of tools.

Passenger seating shall be fully padded construction with vinyl covering. The covering shall be of a heavy-duty transportation grade (DOT Docket 90) vinyl. Color of vinyl shall contrast to increase visibility for the visually impaired. Seating shall be compliant with FMVSS 208, providing 3-point restraint at each location.

All seated positions shall be a minimum of 17 inches wide and 16 inches deep.

At least 11 inches of knee room shall be provided from the edge of one seat to the back of the seat in front. Aisle between seats shall be maintained at a minimum of 10 inches. Seats shall offer spring suspension systems.

The seats shall be configured as shown in the Attachment B. This arrangement shall provide seating for 8 ambulatory passengers, or 3 passengers seated in mobility aids, excluding the driver.

**2.24 Heating and Cooling – Passenger Area:** The vehicle shall have a single auxiliary heating/ air conditioning unit mounted in the rear passenger area. The unit shall be mounted in a manner that it is easily accessible for maintenance. Controls for the unit shall be mounted in the driver area. The unit shall have a minimum performance of 24,00 BTU.

**2.25 Lift Access Doors (modified OEM side cargo doors) – No rear entry lifts allowed:** The lift access doors shall provide a minimum of 56 inches head clearance and shall be at least 40" wide. These doors shall be securely attached to the vehicle and shall not leak water. When in the full open position, the doors shall be equipped with a device to prevent doors from closing when the lift is in motion. The upper door extension shall be of a molded composite material and shall be affixed to the OEM doors with epoxy resin and rivets.

**2.26 Wheelchair Stations/Tie-downs (3):** The conversion shall be designed to accommodate up to three forward-facing wheelchair securement positions. No obstructions shall hinder a wheelchair from being rolled into place. All wheelchair securement locations shall have a clear floor area of 30" width and 48" in depth at a minimum.

Not more than 6" of required clear floor space may be accommodated for footrests under another seat provided there is a minimum of 9" from the floor to the lowest part of the seat overhanging the space.

Q'straint® systems, QRTMax 8300-A1-SC or equal, four point Slide N' Click tie-down system shall be provided at each wheelchair station to securely hold the wheelchair in a forward facing position. Securement systems and their attachments to the vehicles shall withstand a force in a forward longitudinal direction of 2,500 lbs. per securement leg and a minimum of 5,000 lbs. for each mobility aid. Movement of an occupied wheelchair or mobility aid shall be no more than 2 inches in any direction. Optional pricing shall include Q'straint® systems, Q5007-T and Q56410 with Q'straint® model Q5-6000-F8K flanged track or equal – to be mounted in 3 individual areas (as shown on Attachment B) or 2 full-length tracks (as shown on Attachment B).

A three-point restraint system consisting of a lap and shoulder belt combination shall be provided for each wheelchair station. Belt connection around wheelchair occupant shall be button release and comply with all federal and state motor vehicle safety standards and regulations. The shoulder attachment point shall be secured in a structural member of the sidewall. The lap belt shall be secured by inserting onto the floor-mounted retractor provided for the wheelchair securement system.

**2.27 Side Mounted Mobility Device Securement Area:** An area located on the passenger side vehicle interior wall shall have a securement area designed to safety secure walkers and other portable mobility devices so that they are not freely moving in the vehicle while the vehicle is in motion.

**2.28 ADA Decals:** Wheelchair Securement Location - Each vehicle shall contain signs, which indicate the location for wheelchair securement. Every wheelchair location requires a securement location decal.

- 2.29 Lift:** Shall be a Ricon® model K2005-ADA or approved equal.
- A. Shall be powered by a 12-volt electro-hydraulic system.
  - B. The usable platform width shall be a minimum of 32 inches.
  - C. The usable platform length shall be a minimum of 51 inches.
  - D. The clear entry width shall be a minimum of 31.4 inches.
  - E. The platform height folded shall be a minimum of 30.5 inches.

- F. The lift must have an interlocking occupant safety belt.
- G. The lift must have a minimum rated load capacity of 800 pounds.
- H. The lift must be fully ADA compliant.
- I. The lift must be equipped with a manual back-up pump.

**2.30 Interlock System:** An interlock system shall be installed to insure that the vehicle cannot be moved when the lift is deployed and so that the lift cannot be deployed unless the interlock is engaged. The controls shall be interlocked with the vehicle transmission. The interlock shall be compliant to all ADA regulations stated in 49CFR 38.2.3 Para (B) (2). A complete wiring diagram of any devices used shall be provided.

**2.31 Two-way radio equipment:** Builder shall install 2 two way-radio antenna leads on the modified roof. Exact type will be determined prior to first vehicle in production. Antenna leads will be secured and run to provide dash mounted radio installation after delivery of vehicle.

**2.32 Safety Equipment:** Fire extinguisher – A fire extinguisher of the dry chemical ABC type with a minimum 5 pound capacity, shall be located and mounted in an easily accessible position to the driver, but remain out of the way of entering and exiting passengers.

First Aid Kit – A first aid kit (minimum 10 units) shall be furnished and accessibly located and mounted in the driver's area.

Reflector Kit – Three portable warning reflectors, mounted on stands shall be furnished and mounted in an accessible location.

Two (2) seat belt cutters shall be provided for each vehicle. One is to be mounted in the rear door area and the other is to be mounted in the front of the passenger area. Both shall be mounted in such a fashion that they can be quickly removed in case of emergency.

Reverse Sensing System – The factory optional reverse sensing system shall be installed.

Door Open Light and Buzzer – All doors shall be connected to a visual and audible warning device. The device shall be mounted on the front dash in plain view of the driver. This warning device shall activate when any door is not closed and secured, when the vehicle is placed into gear.

Driver Fan – A fan shall be mounted in the driver area to provide extra ventilation for the driver.

**2.33 Documentation / Manuals / Videos:** Bidder shall supply OEM chassis manual and other related chassis information as well as a list of servicing dealers in end-user's operating area. Converter's documentation shall include parts listing, maintenance schedule, trouble-shooting guide, training videos (vehicle use and lift use) and a list of operating instructions.

**2.34 Vehicle Delivery:** All vehicles will be delivered to the purchaser at the point of acceptance as designated by purchaser ready to go in service.

**2.35 Warranty:** The warranty shall be a minimum of 36 months or 36,000 miles which ever occurs first. 100% of parts and labor shall be covered under warranty as long as authorized manufacturer's representative using approved parts performs labor. All conversion repairs made during the effective period of the warranty at maintenance facilities outside the manufacturer's dealer network shall be pre-approved by manufacturer. All OEM chassis and component warranties shall apply. Bidder shall also indicate the cost and details of any extended warranty programs available.

**2.36 Options not listed above:** Please provide pricing for each option on a per unit basis:

- Interior ad racks (price per each rack installed)
- Video – Drive Cam / Passenger Cam system
- LED Brake and Turn Signals.

METRO does have a FORD Fleet number, this number will be provided upon request.

### **3. Vehicle Delivery**

Delivery of all vans will be required within 180 calendar days after receipt of order. Bidder will indicate on their bid response page if they can meet this delivery requirement. All vehicles will be delivered to METRO ParaCruz Operations at 2880 Research Park Drive, Soquel, CA.

Delivery will be in two phases:

#### **1) Pilot Vehicle**

A factory fresh Pilot Vehicle will be produced and delivered within 120 days from the issuance date of METRO's Notice to Proceed. The Pilot Vehicle will not be considered delivered until METRO's Representative signs an acknowledgement of delivery. Such an acknowledgement shall not constitute acceptance of the Pilot Vehicle.

#### **2) Production Vehicles**

The remaining vehicles provided to METRO under the contract shall be delivered within 60 days from the delivery of the acceptance of the Pilot Vehicle.

The Contractor shall prepay all costs of delivery of each vehicle, shall deliver all material at its own cost and expense to this designated location, and shall bear all risk of damage to or loss of the vehicle while in transit.

The Contractor shall not deliver more than two vehicles per day, unless other arrangements are previously approved in writing by the District.

During vehicle production, METRO will hire an independent inspector to observe and report progress and report any deficiencies during the production process.

### **4. Service**

Prior to delivery, each vehicle shall be completely serviced by the Contractor or by an authorized dealer of the manufacturer in a service shop within the state of California. Service shall include not less than the following: lubrication, wash, body condition and other checks and adjustments required for proper complete servicing of a new vehicle. Each vehicle shall be ready for placement in service upon delivery and acceptance.

The following items must be furnished by the successful bidder upon delivery of each vehicle:

- a) All warranty verification vouchers, certificates or coupons
- b) Operator's manual for vehicle and all add-on equipment
- c) Drawings showing wiring of auxiliary circuits, and/or modifications of standard vehicle wiring which would not be included in the standard vehicle maintenance manual
- d) Completely filled fuel tank(s)
- e) Vehicles(s) free of dealer signs.
- f) Assurance of compliance with manufacturer's pre-delivery service
- g) Any maintenance and inspection schedules for the basic vehicle and its subsystems and any add-on equipment
- h) All required documents, completely executed by the manufacturer/dealer, and ready for submission to the Department of Motor Vehicles (i.e. CA certified weight certificate, Vehicle Certificate of Origin)
- i) Complete printed version of the vehicle maintenance manual, including electrical schematics and parts manual—1 copy per bus

## **5. Inspection/Acceptance**

Upon delivery of each vehicle, METRO will acknowledge the receipt of the vehicle in writing and will undertake a 10 calendar day period for inspection and testing of the vehicle. METRO will notify the Contractor in writing within 10 calendar days following the inspection and testing period as to whether the vehicles have been accepted.

If METRO determines that the vehicles are not in conformity with the specification requirements, or that there are defects or deficiencies in the equipment, METRO shall notify the Contractor of such deficiencies or nonconformity in writing, within the aforementioned 10-day period. The Contractor shall commence to rectify any nonconformity and correct any defects or deficiencies in the vehicle within 48 hours of receipt of METRO's written notification. All defect or deficiency corrections must be completed within five business days from the time of correction commencement. METRO shall not accept the vehicle until all corrections which are addressed in METRO's written notice have been made by the Contractor. At such time as the Contractor has made all necessary corrections to the satisfaction of METRO, METRO shall issue the Contractor a written notice of final acceptance. Upon such final acceptance, Contractor may submit an invoice for payment as set forth in the Agreement.

## **6. Vehicle Registration**

The contractor shall provide all necessary documents to enable the purchasing agency to register the vehicle in the state of California. Registration and licensing fees shall not be included in the bid price, as those costs will be born by METRO.

## **7. Pre-Award And Post-Delivery Audit Requirements**

The Contractor agrees to comply with 49 U.S.C. § 5323(l) and FTA's implementing regulation at 49 C.F.R. Part 663 and to submit the following certifications:

(1) Buy America Requirements: The Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If the Bidder/Offeror certifies compliance with Buy America, it shall submit documentation which lists 1) component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and 2) the location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

(2) Solicitation Specification Requirements: The Contractor shall submit evidence that it will be capable of meeting the bid specifications.

(3) Federal Motor Vehicle Safety Standards (FMVSS): The Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the contracted buses will not be subject to FMVSS regulations.

## **8. Late Delivery Charges**

METRO will incur actual damages should the Contractor fail to perform the work as called out in the contract and specifications on the date set forth herein. Contractor shall agree to late delivery charges in the amount of \$35.00 per unit per workday. Workdays are Monday through Friday inclusive except METRO Holidays observed Monday through Friday.

The parties also agree that the amount specified is not unreasonable nor punitive in nature because both parties have carefully considered the amount specified and believe it to be a reasonable estimate, and not excessive at the time the purchase order is entered into.

It is agreed that the Contractor will pay METRO the sum indicated above per unit per workday for each workday the work remains uncompleted or unaccepted by METRO. The total late delivery charges assessed against Contractor shall in no event exceed 25% of the total value of the entire order.

## 9. Bus Testing

The Contractor [Manufacturer] agrees to comply with 49 U.S.C. A 5323(c) and FTA's implementing regulation at 49 CFR Part 665 and shall perform the following:

- 1) A manufacturer of a new bus model or a bus produced with a major change in components or configuration shall provide a copy of the final test report to the recipient at a point in the procurement process specified by the recipient which will be prior to the recipient's final acceptance of the first vehicle.
- 2) A manufacturer who releases a report under paragraph 1 above shall provide notice to the operator of the testing facility that the report is available to the public.
- 3) If the manufacturer represents that the vehicle was previously tested, the vehicle being sold should have the identical configuration and major components as the vehicle in the test report, which must be provided to the recipient prior to recipient's final acceptance of the first vehicle. If the configuration or components are not identical, the manufacturer shall provide a description of the change and the manufacturer's basis for concluding that it is not a major change requiring additional testing.
- 4) If the manufacturer represents that the vehicle is "grand-fathered" (has been used in mass transit service in the United States before October 1, 1988, and is currently being produced without a major change in configuration or components), the manufacturer shall provide the name and address of the recipient of such a vehicle and the details of that vehicle's configuration and major components.

Certification of Compliance form must be submitted with bid (Attachment C).

## PART IV

### GENERAL CONDITIONS TO THE CONTRACT

#### 1. GENERAL PROVISIONS

##### 1.01 Governing Law & Compliance with All Laws

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

##### 1.02 Right to Modify Contract

Santa Cruz METRO 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 Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, 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 Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO 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 Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO 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 Santa Cruz METRO; (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 Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO has or may acquire an interest.

## 2.02 Termination for Default

- 2.02.01 Santa Cruz METRO 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, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO 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 Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO'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 Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct 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 Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO 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 Santa Cruz METRO.

## 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 Santa Cruz METRO.
- (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 Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO 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, sub recipient 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 Santa Cruz METRO 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 Santa Cruz METRO'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

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO 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 Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO Liability

Santa Cruz METRO'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 Santa Cruz METRO premises or distribute same to Santa Cruz METRO employees.

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO'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 Santa Cruz METRO.

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

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO 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 Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

#### 13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO 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 Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO issued equipment within five days of the conclusion of the contract work Santa Cruz METRO 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 Santa Cruz METRO.

#### 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 Santa Cruz METRO 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 February 16, 2010.

#### 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 Santa Cruz METRO.

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 Santa Cruz METRO. It is, and will be impracticable and extremely difficult to ascertain and determine the actual damage which Santa Cruz METRO will sustain by reason of such delay; and it is therefore agreed that the Contractor shall pay to Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO'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 Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO's opinion, within a reasonable period of time, Santa Cruz METRO 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 Santa Cruz METRO 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 PROCUREMENT OF PURCHASE OF TWENTY-TWO EACH RAISED TOP PARATRANSIT VANS (10-22)

THIS CONTRACT is made effective on \_\_\_\_\_, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("Contractor").

#### 1. RECITALS

##### 1.01 Santa Cruz METRO 's Primary Objective

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

##### 1.02 Santa Cruz METRO 's Need for Purchase of Twenty-Two Each Raised Top Paratransit Vans

Santa Cruz METRO requires the purchase of Purchase of Twenty-Two Each Raised Top Paratransit Vans to be used for standard purposes. In order to obtain said Purchase of Twenty-Two Each Raised Top Paratransit Vans, Santa Cruz METRO issued an Invitation for Bids, dated February 16, 2010 setting forth specifications for such Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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 Purchase of Twenty-Two Each Raised Top Paratransit Vans desired by Santa Cruz METRO and whose principal place of business is \_\_\_\_\_.

Pursuant to the Invitation for Bids by Santa Cruz METRO, Contractor submitted a bid for Provision of said Purchase of Twenty-Two Each Raised Top Paratransit Vans, which is attached hereto and incorporated herein by reference as Exhibit B.

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the lowest responsive, responsible bidder to provide said Purchase of Twenty-Two Each Raised Top Paratransit Vans. 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.

Santa Cruz METRO 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 February 16, 2010.

b) Exhibit B (Bid Form)

Contractor's Bid Form to Santa Cruz METRO for Purchase of Twenty-Two Each Raised Top Paratransit Vans, signed by Contractor and dated March 16, 2010.

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 one (1) year period thereafter. At the option of Santa Cruz METRO, this contract may be renewed for four (4) additional one (1) year terms under the same conditions and prices. Santa Cruz METRO 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, Santa Cruz METRO 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 purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the contract. 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 Santa Cruz

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

Santa Cruz METRO

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

Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

SAMPLE  
CONTRACT

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 \_\_\_\_\_

SANTA CRUZ METRO--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR-- \_\_\_\_\_

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## 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 Santa Cruz METRO 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 Santa Cruz METRO, 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, 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 Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO 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

Santa Cruz METRO 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, Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO shall participate in selection, or in the award or 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. Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO.

#### 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

Santa Cruz METRO 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 Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO (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 Santa Cruz METRO, 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. Santa Cruz METRO 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, Santa Cruz METRO 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.

Santa Cruz METRO 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.

Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO 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

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

"**Common Grant Rules**" refers to the Department of Transportation regulations "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

"**Interested Party**" means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an "interested party".

"**Protest**" means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See "Types of Protests" below.

"**Protester**" means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an "interested party".

"**Types of Protests**": There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.



**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmttd.com](mailto:financemanager@scmttd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO's administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO's Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager's Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors' decision shall constitute Santa Cruz METRO's final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO's Board of Directors' final administrative determination, he/she 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 the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO's Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO's failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO's protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726

**Santa Cruz METRO RESPONSIBILITIES TO FTA**

Santa Cruz METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO's Finance Manager will provide the following information to FTA:

- a. **Subjects:** A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. **Details:** The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. **When and Where:** Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. **FTA Officials to Notify:** When Santa Cruz METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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**ATTACHMENT – A**

**STRIPING AND DECAL DIAGRAM**

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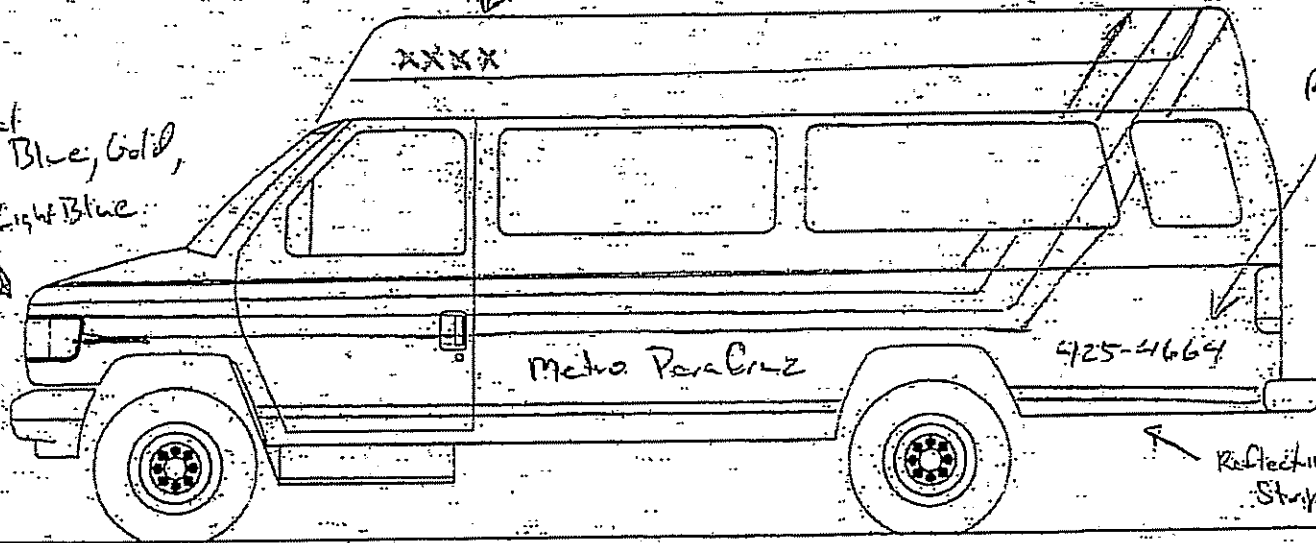
FORD VS ELEV

Not to Scale - Subject to Change at Pre Production Meeting

Vehicle Number as Assigned

3 stripes: Royal Blue, Gold, Light Blue

Reflective Black



11/25/09

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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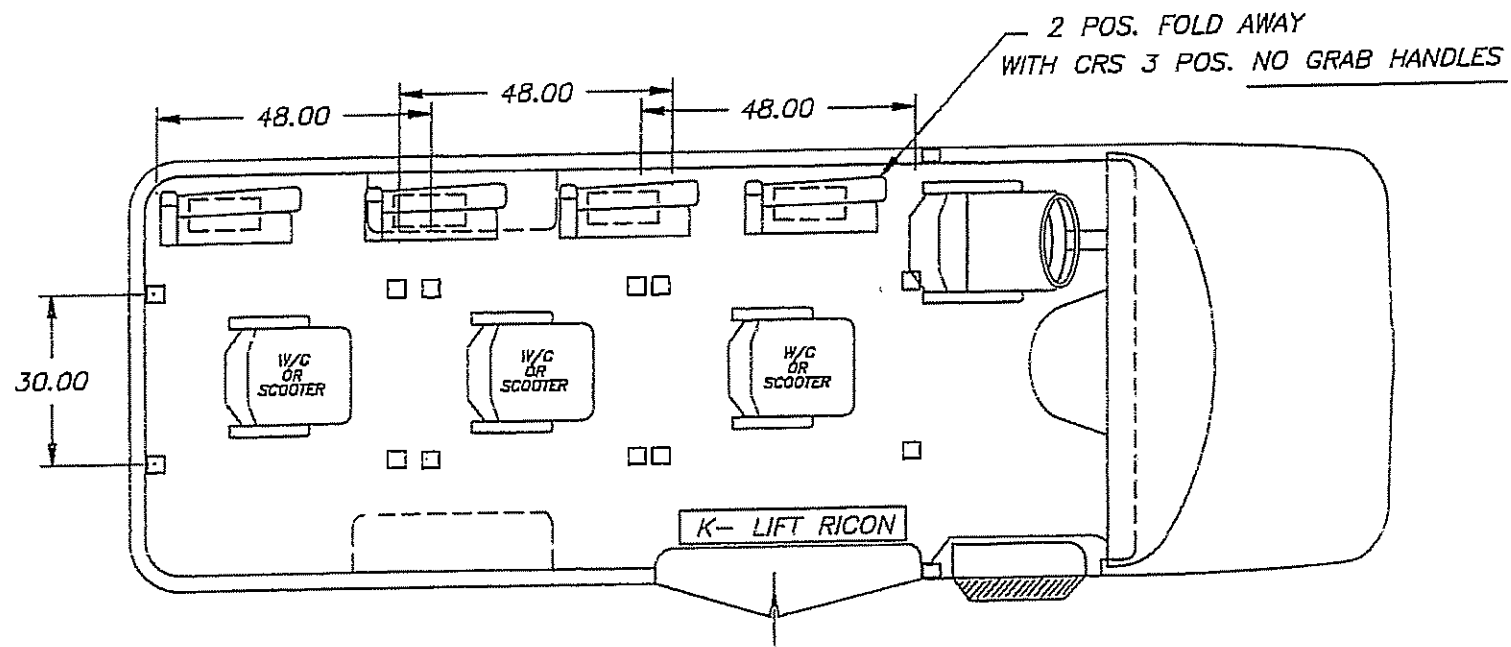
**ATTACHMENT – B**

**SEATING AND WHEELCHAIR RESTRAINT DIAGRAMS**

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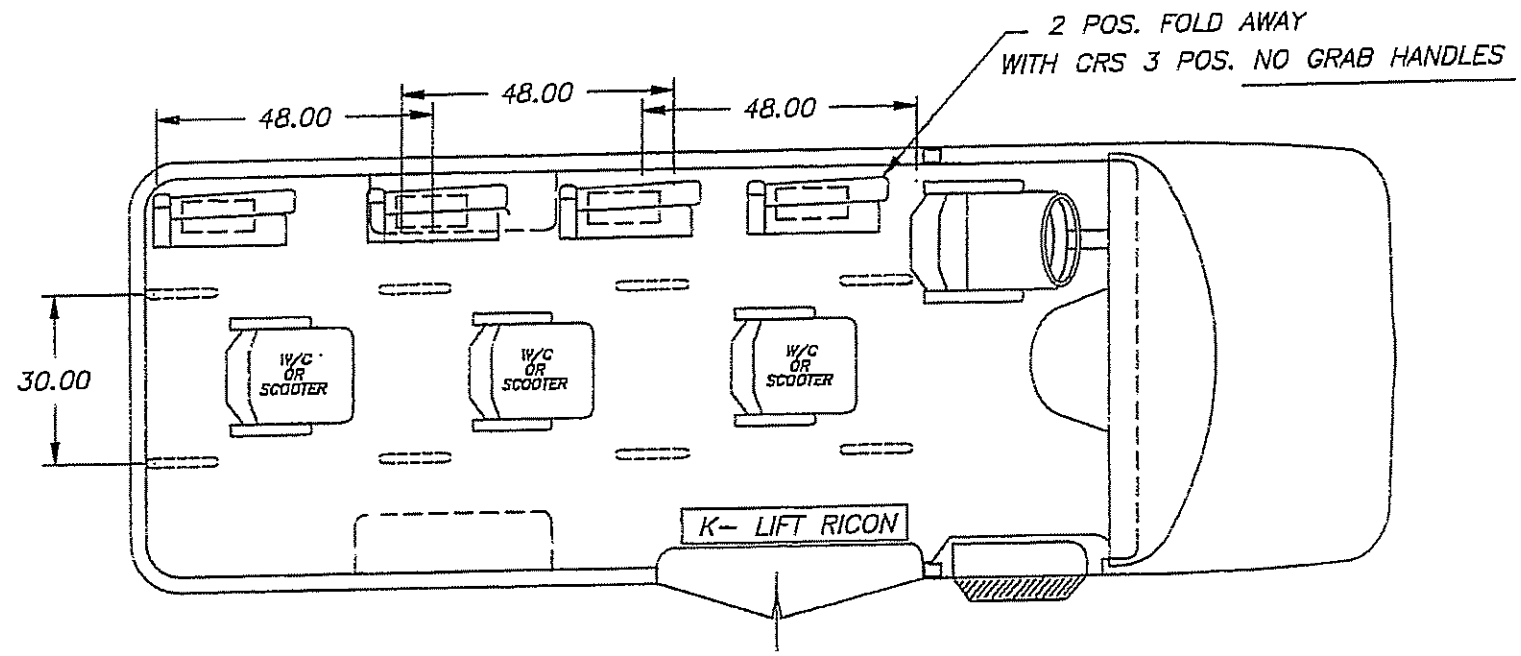


3 WC-3 POSITIONS

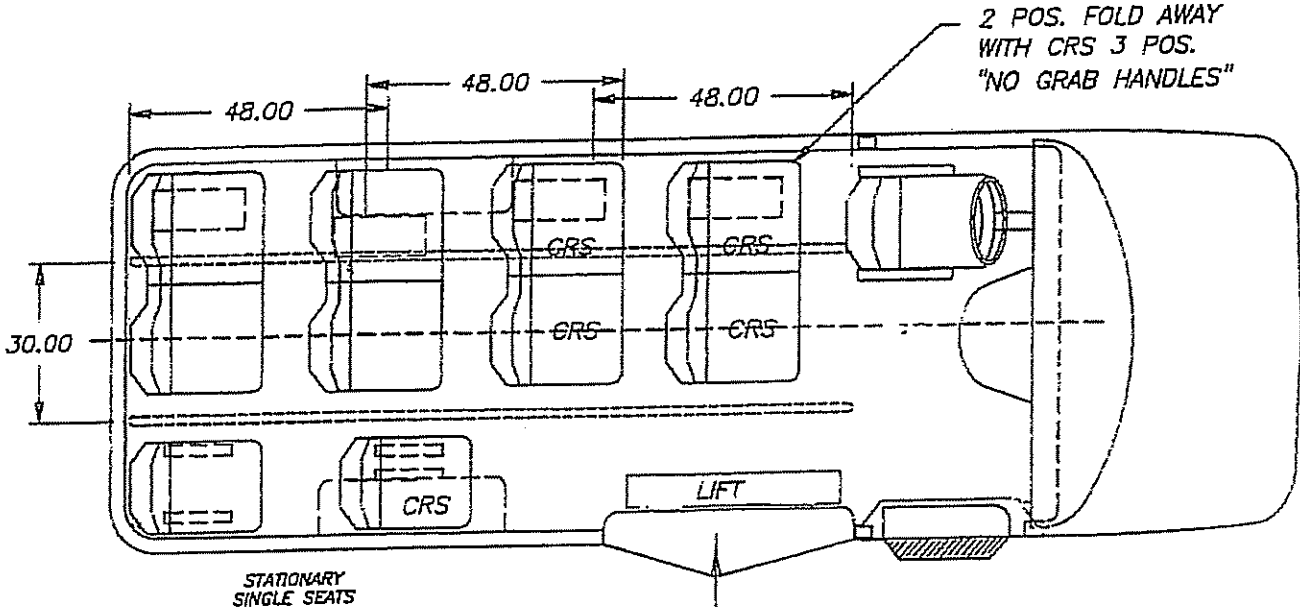


□ POCKET REQ. 6 EA. SIDE / 12 TOTAL

3 WC-2 POSITIONS

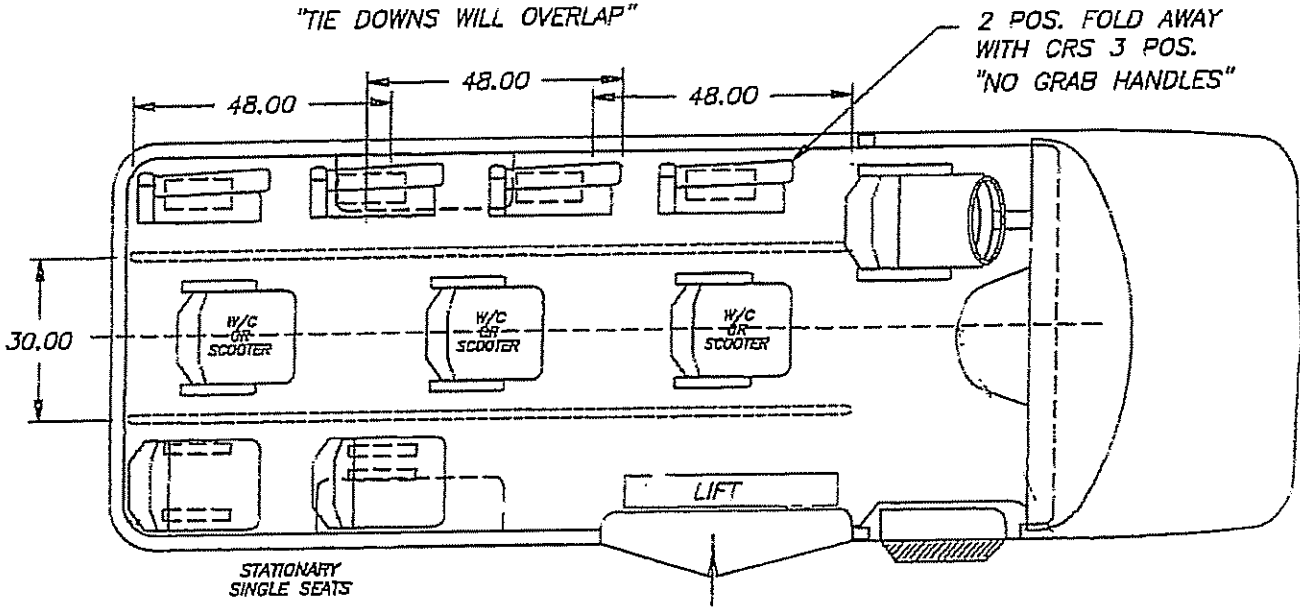


Santa Cruz METRO IFB No. 10-22



Floor plan showing track layout

3 WC-11 PASS.





**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Invitation for Bid (IFB)**

**For Purchase of Twenty-Two Each  
Raised Top Paratransit Vans**

**METRO IFB No. 10-21**

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**ATTACHMENT – C**

**FTA BUS TESTING**

**CERTIFICATION OF COMPLIANCE FORM**

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**Certification of Compliance with FTA's Bus Testing Requirements**

The undersigned certifies that the vehicle to be manufactured in response to this bid complies with 49 U.S.C. A5323(c) and FTA's implementing regulation at 49 CFR, Part 655. I further certify that a copy of the bus testing report will be provided to the bidder prior to the delivery of the first unit, excepted in the case with no major changes in configuration or components.

The undersigned understands that misrepresenting the testing status of a vehicle acquired with Federal financial assistance may subject the undersigned to civil penalties as outlined in the Department of Transportation's regulation on Program Fraud Remedies, 49 CFR Part 31. In addition the undersigned understands that FTA may suspend or debar a manufacturer under the procedures in 49 CFR Part 29.

Date: March 5th, 2010

Signature: Monte Boerman

Name: Monte Boerman  
(printed)

Company Name: El Dorado National - Kansas

Title: Senior Sales Coordinator

**Federal Motor Vehicle Safety Standard Certification**

I, Monte Boerman certify on behalf of El Dorado National - Kansas that the vehicles to be manufactured comply with the relevant Federal Motor Vehicle Safety Standards in effect as of the date signed.

Date: March 5th, 2010

Signature: Monte Boerman

Name: Monte Boerman  
(printed)

Company Name: El Dorado National - Kansas

Title: Senior Sales Coordinator



**Orion Registrar, Inc., USA  
Certificate of Registration**

*This is to certify the Quality Management System of:*

**EIDorado National (Kansas), Inc.  
1655 Wall Street  
Salina, Kansas 67401  
USA**

*Has been assessed by Orion Registrar and found to be in compliance with  
the following Quality Standard:*

**ISO 9001:2008**

*The Quality Management System is Applicable to*

**Design, Manufacture and Sale of Customized  
Buses and Multipurpose Passenger Vehicles**

*The Registration period is from October 30, 2009 to October 29, 2012.*

*This registration is subject to the company maintaining its system to the  
required standard, and applicable exceptions, which will be monitored by Orion.*

*Client ID 00342-00001 Certificate ID A0000205-7*

*EAC / NAICS / SIC Code(s): 22 / 336112 / 3713*



*Carl M. [Signature]*  
President

10/23/2009  
Date



Orion Registrar, Inc. ★ Arvada, Colorado ★ PO Box 745070 ★ 303-456-6010 ★ FAX 303-456-6681

To authenticate this certificate please visit [www.orion4value.com](http://www.orion4value.com)

## A. ELDORADO NATIONAL PRODUCT SUPPORT

Please contact EIDorado National Product Support at the following location with questions about this manual, or a need for copies:

**EIDorado National**  
1655 Wall Street  
Salina, KS 67401

**World Wide Website:**  
[www.enconline.com](http://www.enconline.com)

**Telephone:**  
outside (785) area code

(785) 827-1033  
(800) 955-9086

## B. VERSASHUTTLE WARRANTY

### EIDorado National VERSASHUTTLE LIMITED WARRANTY

*EIDorado National (ENC)* warrants to the original purchaser of this product that ENC will repair or replace, at its option, parts that fail by reason of defective material or workmanship as follows:

- Repair or replace for a period of 3-years from in-service date or 36,000 miles (58,000 km), whichever occurs first, all **VersaShuttle** components. Maintenance items and normal wear and tear excluded
- Labor costs for specified parts replaced under this warranty for a period of one year from date of purchase. An ENC rate schedule determines parts covered and labor allowed. Under normal circumstances, all warranty repair work must be performed by an ENC authorized service technician. In an emergency, and if service from an authorized service technician is not readily available, it is the owners responsibility to contact ENC for repair authorization prior to commencement of any work. EIDorado National reserves the right to limit the extent of those repairs. Unauthorized repair, or parts replacement, by someone other than an authorized service technician is not covered by this warranty. ENC also reserves the right to require that defective parts be returned for inspection prior to paying warranty claims. Diagnostic work or troubleshooting is not covered by this warranty.

This warranty is transferable upon sale of vehicle within warranty period only if ENC is notified in writing within 30 days of the sale, and acknowledges such notification. Notification to ENC shall include: date of original purchase, name and address of seller, name and address of buyer, date of sale, copies of "title transfer" and "odometer statement".

EIDorado National reserves the right to discontinue models or options, change specifications, materials, equipment, or design at any time without notice and without incurring obligation.

This warranty is in lieu of any other warranty, expressed or implied. This warranty covers only those parts installed by ENC, and supplements the vehicle manufacturers warranty. Refer to the vehicle manufacturer warranty for coverage of original vehicle equipment.

(continued)

## LIMITED WARRANTY (cont'd)

This warranty does not cover:

Damage caused by accident, road hazard, misuse, lack of proper maintenance, failure to follow operating instructions, or other towing and hoisting instructions

**NOTE:** ENC recommends that this product be inspected by an authorized service technician at least once every six months, or sooner if necessary. Any required maintenance should be performed at this time.

### WARNING!

THIS PRODUCT HAS BEEN DESIGNED AND MANUFACTURED TO EXACT SPECIFICATIONS;  
~ ANY MODIFICATION OF THIS PRODUCT CAN BE DANGEROUS ~

#### ***This Warranty is Void if:***

- The conversion has been maintained or repaired by someone other than an authorized service technician, or by a person not authorized by ENC to perform such maintenance or repair
- The conversion has been modified or altered in any respect from its original design without written authorization from ENC.

EIDorado National disclaims liability for any personal injury or property damage that results from operation of an ENC product that has been modified from the original ENC design. No person or company is authorized to change the design of this Ricon product without written authorization by ENC

***EIDorado National's obligation under this warranty is exclusively limited to the repair or exchange of parts that fail within the applicable warranty period.***

EIDorado National does not assume responsibility for expenses or damages, including incidental or consequential damages, however caused. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply

***Important: The warranty registration card must be completed and returned to ENC within 20 days after installation of this ENC product for the warranty to be valid.***

***The warranty gives specific legal rights, and there may be other rights that vary from state to state.***

### Reasons you need a service contract



- Maintains vehicle protection for key components after the New Vehicle Limited Warranty has expired
- Vehicles may be too complex for do-it-yourself owners
- Reduces the financial risk of vehicle ownership
- Provides transportation when vehicle is in for a covered repair
- May add resale value

### BaseCARE is the ideal Ford Extended Service Plan (ESP) for YOU:



- It's a comprehensive service plan from Ford that covers 84 major components and associated labor
- Gives you the assurance that your vehicle has the protection it needs
- At a great price! You could save the amount of the plan cost with just one covered repair!
- Helps provide protection against the cost of unexpected repair bills during and after your New Vehicle Limited Warranty
- Provides towing reimbursement
- Provides rental car reimbursement
- 24-hour roadside assistance is only a toll-free call away
- Road Hazard Tire Coverage may be added to eligible Ford, Lincoln and Mercury vehicles
- Provides factory-trained technicians and genuine Ford parts
- A proven winner with more than 30 million contracts sold

### Financing Options

In most cases Ford ESP may be included in your finance contract. Convenient interest-free installment payment plans are also available for 5, 11 or 17 months.

### Transferable

### Important things to know about Ford ESP BaseCARE:

- Failures of covered components due to normal wear resulting from defective material or workmanship are included, in addition to mechanical breakdowns
- Used Plans must be purchased at the time of vehicle sale
- For Used Plans on non-Ford vehicles and Ford, Lincoln and Mercury vehicles with no remaining New Vehicle Limited Warranty, coverage begins at the signature date and mileage on the vehicle at time of purchase
- If a pre-owned vehicle has a Ford New Vehicle Limited Warranty remaining, a used BaseCARE plan is a "tack-on" to the warranty. Ask your dealer for details

This brochure is intended to provide general information about Ford ESP. Prices and plans are subject to change without notice. Plan availability, benefits, coverage and provider may vary by state. See your dealer for details. See your dealer or your copy of the warranty for complete details on the New Vehicle Limited Warranty.

Florida dealers only: In Florida, Ford ESP is a Service Contract from The American Road Insurance Company, Dearborn, MI 48126. Certificate of Authority #09079.

Time/Mileage: \_\_\_\_\_

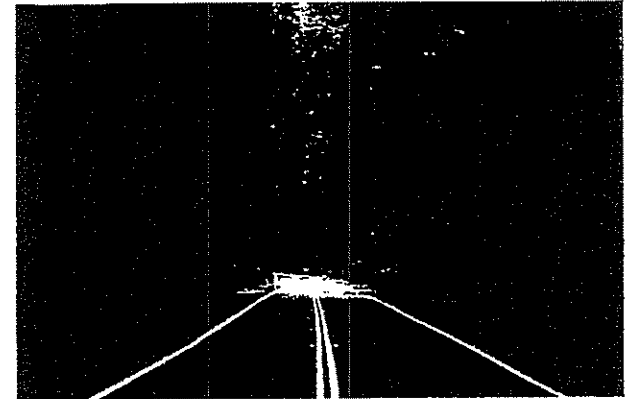
Price: \$ \_\_\_\_\_



WWW.FORD-ESP.COM

# BaseCARE

## 84 Major Components Covered



*"The plan designed with you in mind!"*

Ford Extended Service Plan for  
New and Pre-owned Vehicles

**Extended Service Plan from Ford**



GENUINE PARTS • GENUINE SERVICE  
GENUINE PEACE OF MIND



## ENGINE

- All Internal Lubricated Parts
- Cylinder Block
- Cylinder Heads
- Diesel Injector Pump
- Flywheel
- Gas Fuel Injectors and Fuel Lines
- Harmonic Balancer and Bolt
- Manifold (Exhaust and Intake)
- Manifold and Bolts
- Oil Pan
- Oil Pump
- Seals and Gaskets
- Thermostat
- Thermostat Housing
- Timing Chain Cover
- Timing Chain (Gears or Belt)
- Turbocharger/Supercharger Unit (Factory-Installed)
- Valve Covers
- Water Pump



## TRANSMISSION

- All Internal Parts
- Governor Assembly
- Seals and Gaskets
- Torque Converter
- Transfer Case (Including All Internal Parts)
- Transmission Case



## REAR-WHEEL DRIVE

- Axle Shafts
- Bearings (Front and Rear)
- Drive Axle Housing (And Front Axle Housing for 4x4) Including All Internal Parts
- Driveshaft
- Retainers
- Seals and Gaskets
- Universal and Constant Velocity Joints



## FRONT-WHEEL DRIVE

- Axle Shafts
- Bearings (Front and Rear)
- Final Drive Housing (And Rear Axle Housing for AWD) Including All Internal Parts
- Hubs, Automatic Front Locking (Four-wheel Drive)
- Locking Rings (Four-wheel Drive)
- Seals and Gaskets
- Universal and Constant Velocity Joints



## STEERING

- Column Lock (Tilt Wheel)
- Control Valve
- Cooler and Lines
- Idler Arm
- Linkages and Couplings
- Power Steering Pump
- Pulley Assembly, Power Steering Pump
- Seals and Gaskets
- Steering Gear Housing, Manual and Power (Including All Internal Parts)



## BRAKES

- Backing Plates
- Brake Booster (Power)
- Calipers
- Combination Valve
- Lines and Fittings
- Master Cylinder
- Parking Brake Linkage and Cables
- Retainers and Clips
- Self-adjusters
- Shaft (Brake Pedal)
- Springs
- Wheel Cylinders



## FRONT SUSPENSION

- Ball Joints (Upper and Lower)
- Control Arms (Upper and Lower)
- Control Arm Shafts and Bushings
- Kingpins and Bushings
- Linkage and Bushings
- MacPherson Struts (Front and Rear)
- Spindle and Spindle Supports
- Stabilizer Bar
- Tie Rods



## ELECTRICAL

- Alternator
- Electronic Ignition Module
- Fuel Pump
- Heated Backglass (Electrical Only – Not Glass Damage or Breakage)
- Ignition Switch
- Radiator Fan Relay
- Speedometer/Odometer (Electrical and Mechanical)
- Starter Motor
- Starter Motor Solenoid
- Switches (Manually Operated Electrical)
- Voltage Regulator
- Wiper Motors
- Wiring Harnesses (Excluding Spark Plug Wires)



## AIR CONDITIONING AND HEATING

- A/C Clutch
- A/C Clutch Bearings
- A/C Compressor
- A/C Compressor Clutch Switch
- A/C Compressor Head
- A/C Compressor Seals
- A/C Condenser
- Evaporator
- Field Coil
- Pulley

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# FORD

## VersaShuttle

*E-350 Super Duty Extended*

### *Proposed Vehicle Specifications*

*These specifications are intended to describe a van-type transit vehicle whose chassis is manufactured by a North American company. This vehicle shall provide seating for up to 11 passengers plus the driver and have 2 wheelchair passenger positions. All furnished units shall meet or exceed the specifications stated herein. Used, shopworn, prototype, or school bus type vehicles shall not be acceptable.*

#### ***Glossary of Terms***

***OEM= Original Equipment Manufacturer***

***GVWR= Gross Vehicle Weight Rating***

***WTOR= Wheelchair Tie-Down and Occupant Restraint System***

***CNG= Compressed Natural Gas***

***ABS= Antilock Brake System***

***SAE= Society of Automotive Engineers***

***FMVSS= Federal Motor Vehicle Safety Standards***

***ADA= Americans with Disabilities Act***

***January 20, 2008***

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## **I. OEM CHASSIS SPECIFICATIONS**

### **1. Dimensions:**

- A. *Shall have a minimum wheelbase of 138 inches.*
- B. *Shall have a minimum overall length of 231.9 inches.*
- C. *Shall have a minimum overall width of 79.3 inches.*

### **2. Engine:**

- A. *Shall have a minimum cylinder displacement of 5.4 liters.*
- B. *Shall be gasoline or OEM CNG powered as required by requesting agency.*
- C. *Shall have heavy-duty cooling.*

### **3. Transmission and Drive Line:**

- A. *Shall be a 4-speed automatic with auxiliary cooling.*
- B. *Shall be equipped with a final drive axle ratio of 3.55 or numerically higher.*

### **4. Gross Vehicle Weight Rating, (GVWR):**

- A. *Shall be a minimum of 9500 pounds.*
- B. *Shall have a front axle capacity of 3550 pounds.*
- C. *Shall have a rear axle capacity of 6084 pounds.*

### **5. Fuel Tank:**

- A. *The minimum capacity should be 35 gallons.*
- B. *No after market fuel tanks shall be allowed.*

### **6. Steering / Brakes:**

- A. *The steering system shall be power assisted with a tilt feature.*
- B. *The braking system shall consist of front discs / rear drums and rear anti-lock system, (ABS).*

### **7. Wheels and Tires:**

- A. *The tires shall be LT245/75R16 load range E or greater.*
- B. *The wheels shall be 16 inch x 7 inch steel.*
- C. *Shall have a full-sized spare tire with jack and wrench kit.*

### **8. Electrical:**

- A. *A single 12 volt battery, rated at a minimum of 650 cold cranking amps, shall supply the power.*
- B. *The battery shall be of maintenance free design.*
- C. *The alternator shall be rated at 130 amps or greater.*

**9. Heating / Air Conditioning System:**

- A. The vehicle shall be equipped with an OEM installed front heating and air conditioning system with dashboard mounted controls that can be easily accessible to the driver.
- B. An OEM fan with a minimum of 3 speeds shall be used to distribute the dashboard air.
- C. The OEM defroster shall be capable of clearing any moisture in any form from the windshield as well as the glass on the 2 front doors.

**10. Windshield and Side Glass:**

- A. The windshield shall be tinted.
- B. The side glass shall be tinted with side venting on passenger entry doors and opposite glass on left side.
- C. No after market tinting film shall be accepted.

**11. Safety Features and Amenities Shall Include:**

- A. Driver's side airbag.
- B. Day / Night rear view mirror.
- C. Dual 6 inch x 9 inch exterior mounted, side view mirrors.
- D. AM/FM cassette radio.
- E. 3 speed and intermittent windshield wiper control shall be equipped with integrated washer.

**II. CONVERSION SPECIFICATIONS**

**1. Dimensions:**

- A. The minimum interior height shall be 65 inches, (measured at the centerline with head liner in place).
- B. The minimum interior height at the point of entry shall be 65 inches, (measured at the centerline with the head liner in place).
- C. The interior width shall be a minimum of 68 inches, (measured at the floor).
- D. The minimum passenger area length shall be 135 inches, (measured from top of driver's seat back to rear door).
- E. The overall vehicle height shall not exceed 110 inches.
- F. The overall vehicle width shall not exceed 80 inches.

**2. Raised Roof:**

- A. Shall meet or exceed FMVSS, #220.
- B. Roof shall be constructed of reinforced fiberglass or approved equal.
- C. Roof shall be attached to vehicle with reverse mounting flange.

- D. *Roof shall be attached with high tensile adhesive, (275 LB PSI minimum), and sheet metal screws.*
- E. *As a minimum, the top shall be bolted to the four corners.*
- F. *No exterior fasteners or trim molding shall be permitted.*
- G. *The door frame for the extended passenger entry doors shall be an integral part of the extended roof.*
- H. *A collision avoidance light shall be integrated into the raised roof.*

**3. Roof Modifications:**

- A. *Shall be of tubular steel frame construction and include reinforcement at the A,B,C & D Pillars with longitudinal reinforcement on both sides of the passenger area.*
- B. *All reinforcement members shall be welded to the vehicle body and to each adjacent reinforcement component to form an integrated safety zone.*

**4. Extended Passenger Entry Door:**

- A. *Ambulatory entry height shall be a minimum of 65 inches.*
- B. *Shall be of molded composite material.*
- C. *Extensions shall be affixed to OEM doors with epoxy resin and rivets.*

**5. Flooring:**

- A. *Shall have a minimum of ½ inch thick marine grade plywood sub-floor.*
- B. *Shall be covered with gray Altro® Transflor anti-skid, (or equal), 2.0 mm thick minimum.*
- C. *Shall extend the entire width from the rear of the driver's seat base to the rear door threshold.*
- D. *Shall use an adhesive approved by the flooring manufacturer.*

**6. Insulation:**

- A. *Roof insulation shall be 3 inch fiberglass or equivalent to provide a minimum of an R-11 thermo barrier.*
- B. *Insulation shall be attached by means of contact cement.*

**7. Interior Side Panels:**

- A. *Shall be a waterproof composite for easy cleanup and maintenance.*

- B. All panels shall meet non-flammable codes set forth by FMVSS.

**8. Passenger Seating:**

- A. Shall be forward facing only.
- B. A single manufacturer shall supply all conversion seats.
- C. Cloth shall have a fire rating to comply with the FMVSS.
- D. Shall be spaced to allow a minimum of 11 inches of knee room between seat cushions to seat backs.
- E. All seats shall be installed to comply with the manufacturer's recommendations and meet all FMVSS standards.
- F. 2 passenger seats shall be Freedman Seating®
- G. Single passenger seats shall be Freedman Seating®.
- H. Shall be a minimum of 16 inches wide.

**9. Passenger Restraint:**

- A. All seated positions shall be equipped with self-locking lap belts anchored to the seat frame.
- B. Seating positions adjacent to the vehicle well shall include a self-adjusting shoulder belt integrated into the lap belt.
- C. All passenger restraint belts shall meet all applicable FMVSS standards.

**10. Wheelchair Tie Downs and Occupant:**

- A. The vehicle shall have provisions for (2) forward facing WTORS installed on the vehicle centerline, behind the driver in tandem.
- B. Shall be Q'straint® systems, Q5007-T and Q5-6410 or equal.
- C. Shall be able to comply with SAE standard J2249.
- D. Shall comply with SAE 30 MPH and 20G test.
- E. Floor anchoring shall be flush mounted, aircraft-type aluminum construction.
- F. Shall consist of Q'straint® model Q5-6000-F8K flanged track or equal.
- G. All floor attachment hardware shall be grade 5 or better.
- H. All WTORS shall meet all FMVSS standards governing restraint systems.

**11. Stanchions:**

- A. (2) Assist stanchions shall be provided, (1 on each side of the ambulatory entrance).
- B. Stanchions shall be made of stainless steel and be a minimum of 1.25 inches in diameter.

**12. Interior Lighting:**

- A. All interior lighting shall activate immediately upon opening of any door.
- B. Lighting above the step area shall provide a minimum of 5 foot candles of illumination.
- C. The interior lighting shall have a master on/off control mounted within easy reach of seated driver.
- D. Lighting in the passenger area shall be mounted in the alcove just above the side glass.
- E. All lighting fixtures shall be mounted reasonably flush with interior surfaces and not present a hazard to passengers.
- F. Lights shall be positioned to prevent glare on the windshield.

**13. Electrical:**

- A. All wiring other than OEM shall be GXL insulated or better and shall be color coded for positive identification.
- B. Precautions shall be taken to avoid damage from heat, moisture, chafing, and/or solvents due to improper routing, clamping, or grommet usage.
- C. Wiring harnesses shall be designed to resist abrasion by the use of slit-flex loom.
- D. All vehicles shall be wired identically.
- E. All wiring, circuits, and electrical components shall comply with standards set forth by FMVSS.

**14. Safety Equipment:**

- A. A 10 unit first aid kit shall be supplied and located within easy reach of the driver.
- B. A 2.5 pound, type BC, fire extinguisher shall be provided along with a storage container.
- C. 3 weighted, folding triangular reflectors shall be provided along with a storage container.
- D. A backup alarm shall be provided that produces a pulsing, audible tone and shall activate when the vehicle's transmission is shifted into reverse.
  - i. The alarm shall be a Lit-Minder 320 or equivalent, rated at 90dB.
  - ii. The alarm shall meet or exceed standard SAE J994B.

**15. Passenger Entry Door:**

- A. The right front passenger door shall be extended and include a lowered step for easy passenger entry and exit.

**16. Auxiliary Heating and Air Conditioning System:**

- A. *The Vehicle shall have a single auxiliary air conditioning / heating system for the passenger area.*
- B. *The unit shall be installed behind the rear passenger seat in such a manner that it is readily accessible for maintenance.*
- C. *Separate controls for this unit shall be located on the dashboard readily accessible to the seated driver.*
- D. *The unit shall be Pro Air Tech #50-000-368/378 or equal.*
- E. *The unit shall have a minimum performance rating of 24,000 BTU.*

**17. Wheelchair Lift:**

- A. *Shall be a Ricon® model K2005-ADA or approved equal.*
- B. *Shall be powered by a 12 volt electro-hydraulic system.*
- C. *The usable platform width shall be a minimum of 32 inches.*
- D. *The usable platform length shall be a minimum of 51 inches.*
- E. *The clear entry width shall be a minimum of 31.4 inches.*
- F. *The platform height folded shall be a minimum of 30.5 inches.*
- G. *The lift must have an interlocking occupant safety belt.*
- H. *The lift must have a minimum rated load capacity of 800 pounds.*
- I. *The lift must be fully ADA compliant.*
- J. *The lift must be equipped with a manual back-up pump.*

**18. Interlock System:**

- A. *An interlock system shall be installed to insure that the vehicle cannot be moved when the lift is deployed and so that the lift cannot be deployed unless the interlock is engaged.*
- B. *The controls shall be interlocked with the vehicle transmission.*
- C. *The interlock shall be compliant to all ADA regulations stated in 49CFR 38.2.3 Para (B) (2).*
- D. *A complete wiring diagram of any devices used shall be provided.*

**19. Signage and Painting:**

- A. *Exterior surfaces to be painted shall be thoroughly degreased, primed, and painted.*

- B. Any additional trim painting, alpha-numeric identifying markings, and striping shall be completed as called out on exterior view plans provided by requesting agency.*
- C. Signage shall include all OEM component informational and operational stickers.*

**20. Documentation / Manuals:**

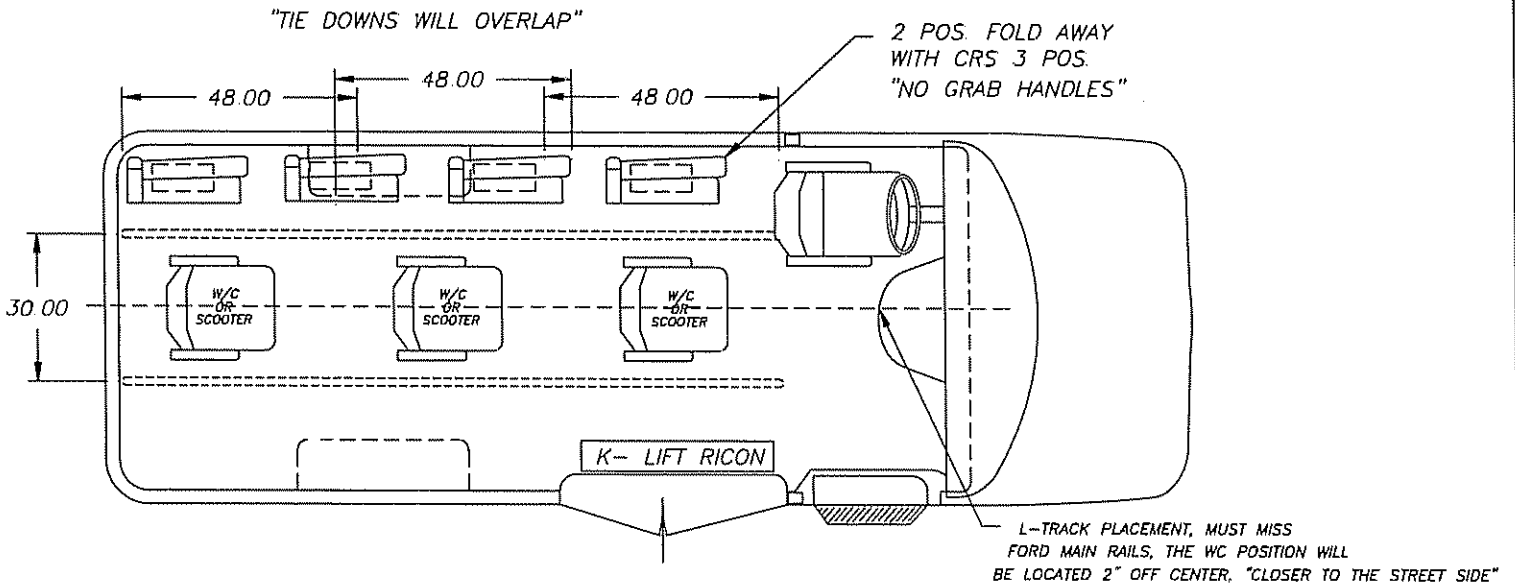
- A. Bidder shall supply OEM chassis manual and other related chassis information as well as a list of servicing dealers in end-user's operating area.*
- B. Converter's documentation shall include parts listing, maintenance schedule, trouble-shooting guide, and a list of operating instructions.*

**21. Warranty:**

- A. The warranty shall be 36 months or 36,000 miles which ever occurs first.*
- B. 100% of parts and labor shall be covered under warranty as long as authorized manufacturer's representative using approved parts performs labor.*
- C. All conversion repairs made during the effective period of the warranty at maintenance facilities outside the manufacturer's dealer network shall be pre-approved by manufacturer.*
- D. All OEM chassis and component warranties shall apply.*



3 WC-9 PASS



NOTE: L-TRACK BOLT LOCATIONS ARE DESIGNED TO MISS FORD MAIN STRUCTURE, IN THIS APPLICATION, WE MAY NEED TO LEAVE OUT 2 OR 3 BOLTS DUE TO STRUCTURAL INTERFERENCE BELOW FLOOR.



304 AVENUE B  
SO. INDUSTRIAL AREA  
SALINA, KS. 67401

ELDORADO NATIONAL CO. A THOR INDUSTRIES COMPANY

TITLE:  
FLOOR PLAN 3 WC 9 PASS  
FORD VERSASHUTTLE

NEXT ASSY.: NONE

SUPERCEDES: NONE

DO NOT SCALE DRAWING

MP 11/24/09 RELEASE TO PRODUCTION

MARK PART NUMBER AND REVISION ON ALL PARTS

REV.	BY	DATE	DESCRIPTION	ER NUMBER
-	MP	11/24/09	RELEASE TO PRODUCTION	

MAT'L SPEC.

THIS DRAWING IS THE PROPERTY OF ELDORADO NATIONAL COMPANY, A THOR INDUSTRIES COMPANY AND IS NOT TO BE DUPLICATED OR USED IN ANY WAY DETRIMENTAL TO THEIR BEST INTEREST.

TOLERANCE UNLESS SPECIFIED

DRAWING INFORMATION

FRACTIONS ± 1/16  
DECIMALS 00 ± .06  
ANGLES ± 1 DEG.

DRAWN: PERRY  
DATE: 11/24/09  
SCALE: 1/32

CKD.:  
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WT.:

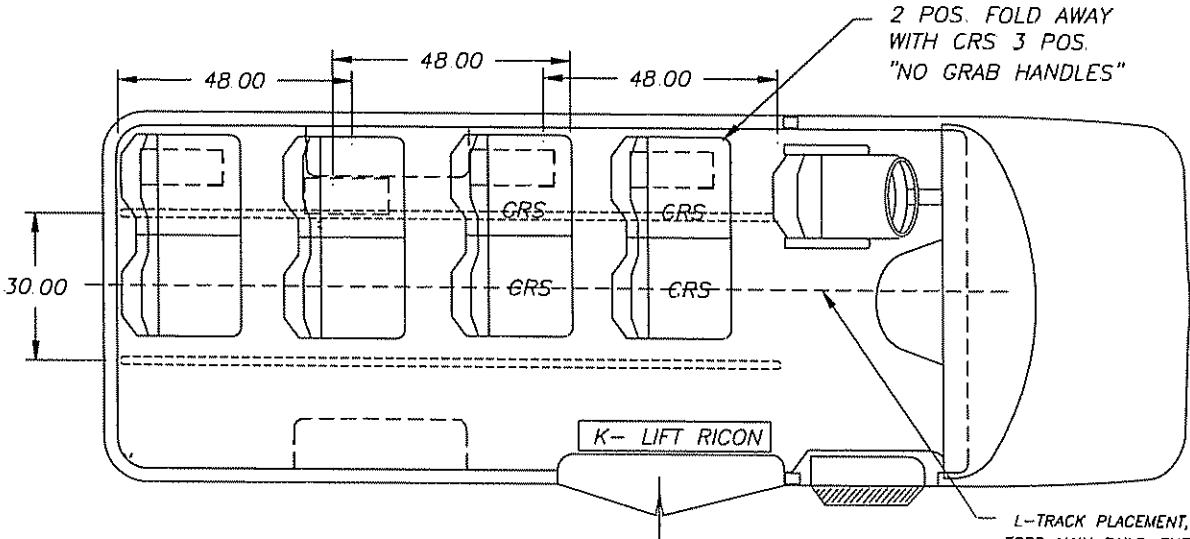
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FD VS 3 WC-9 PASS

PAGE

1 of 1

3 WC-POS. 9 PASS.



NOTE: L-TRACK BDLT LOCATIONS ARE DESIGNED TO MISS FORD MAIN STRUCTURE, IN THIS APPLICATION, WE MAY NEED TO LEAVE OUT 2 OR 3 BOLTS DUE TO STRUCTURAL INTERFERENCE BELOW FLOOR

L-TRACK PLACEMENT, MUST MISS FORD MAIN RAILS, THE WC POSITION WILL BE LOCATED .2" OFF CENTER. "CLOSER TO THE STREET SIDE"

NEXT ASSY.: NONE

SUPERCEDES: NONE

DO NOT SCALE DRAWING

MARK PART NUMBER AND REVISION ON ALL PARTS

REV.	BY	DATE	DESCRIPTION	ER NUMBER
-	MP	11/25/09	RELEASE TO PRODUCTION	



304 AVENUE B  
50. INDUSTRIAL AREA  
SALINA, KS 67401

ELDORADO NATIONAL CO. A THOR INDUSTRIES COMPANY

TITLE:  
FLOOR PLAN 3 WC 9 PASS  
FORD VERSASHUTTLE

MAT'L SPEC

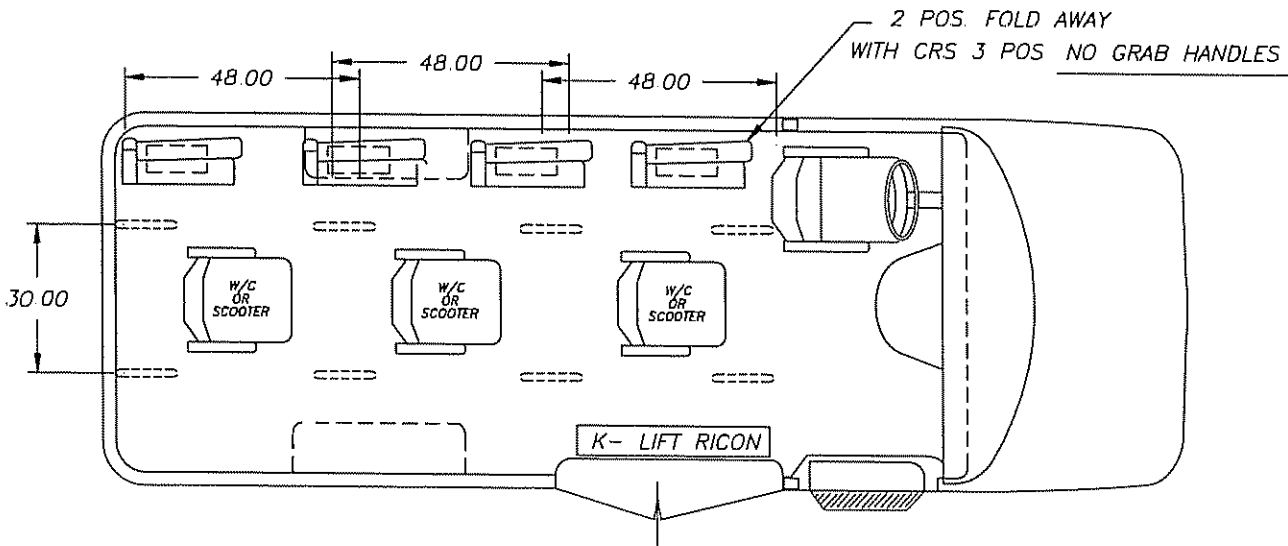
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TOLERANCE UNLESS SPECIFIED  
FRACTIONS ± 1/16  
DECIMALS 00 ± .06  
ANGLES ± 1 DEG.

DRAWING INFORMATION  
DRAWN: PERRY CKD.:  
DATE: 11/25/09 SIZE: A  
SCALE: 1/32 WT.:

PART NUMBER  
FD VS 3 WC-9 PASS  
PAGE  
1 of 1

3 WC-2 POSITIONS



NEXT ASSY.: NONE

SUPERCEDES: NONE

DO NOT SCALE DRAWING

MARK PART NUMBER AND REVISION ON ALL PARTS

THIS DRAWING IS THE PROPERTY OF ELDORADO NATIONAL COMPANY, A THOR INDUSTRIES COMPANY AND IS NOT TO BE DUPLICATED OR USED IN ANY WAY DETRIMENTAL TO THEIR BEST INTEREST.

REV.	BY	DATE	DESCRIPTION	ER NUMBER
-	MP	3/18/05	RELEASE TO PRODUCTION	

TOLERANCE UNLESS SPECIFIED	DRAWING INFORMATION
FRACTIONS ± 1/16	DRAWN: PERRY CKD.:
DECIMALS 00 ± .06	DATE: 3/18/05
ANGLES ± 1 DEG.	SCALE: 1/32
	WT.:



304 AVENUE B  
SO. INDUSTRIAL AREA  
SALINA, KS 67401

ELDORADO NATIONAL CO. A THOR INDUSTRIES COMPANY

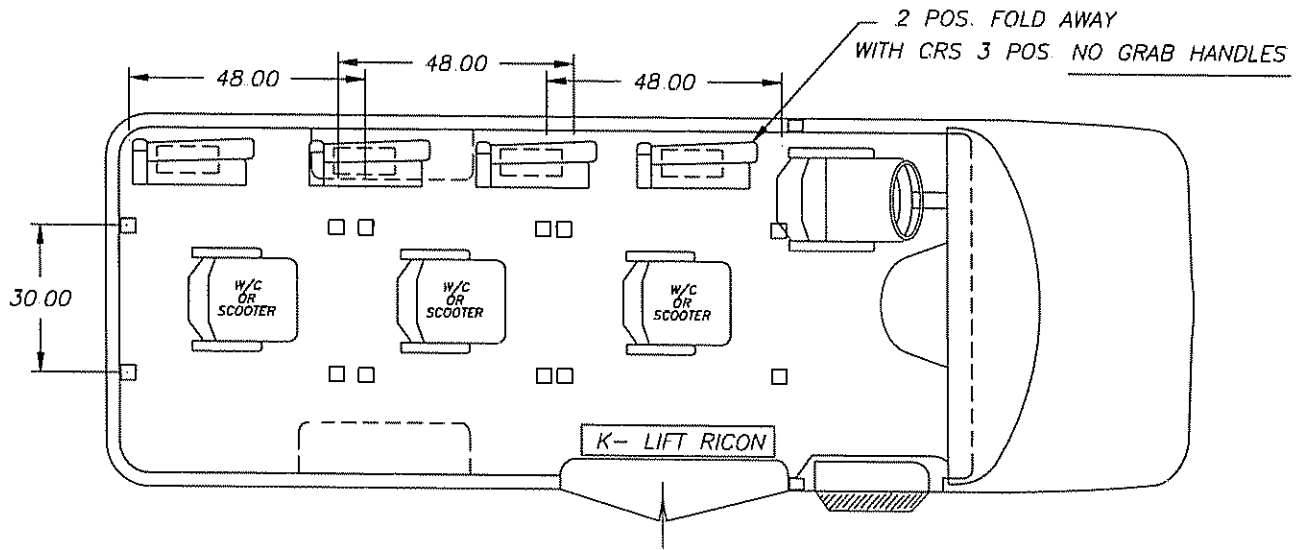
TITLE:  
FLOOR PLAN 3 WC 9 PASS  
FORD VERSASHUTTLE

MAT'L SPEC


PART NUMBER  
FORD VS, 3 WC-2

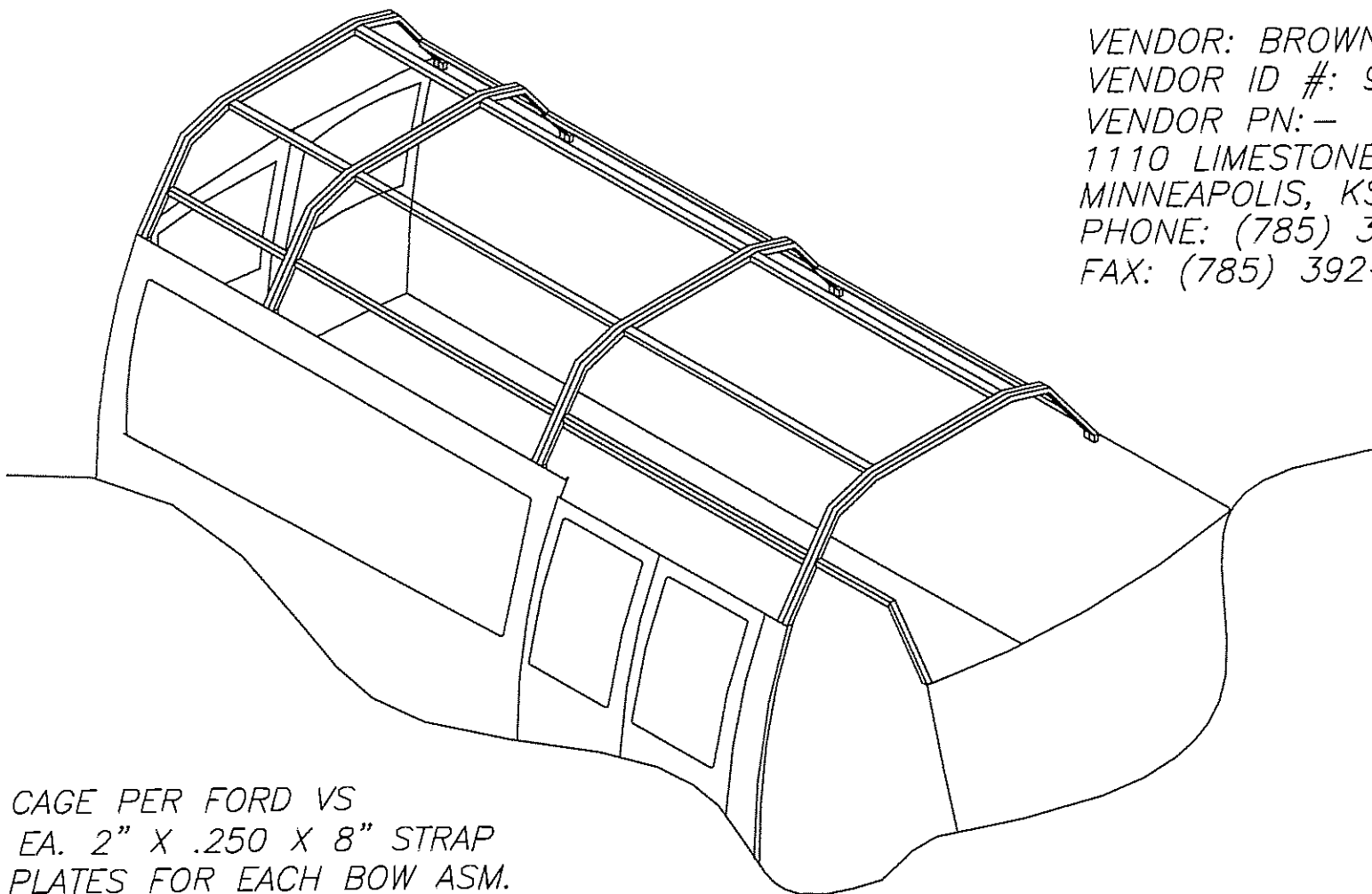
PAGE  
1 OF 1

3 WC-3 POSITIONS



□ POCKET REQ. 6 EA. SIDE / 12 TOTAL

				 304 AVENUE B SO. INDUSTRIAL AREA SALINA, KS. 67401	
NEXT ASSY.: NONE				ELDORADO NATIONAL CO. A THOR INDUSTRIES COMPANY	
SUPERCEDES: NONE				TITLE:	
DO NOT SCALE DRAWING				FLOOR PLAN 3 WC 9 PASS	
MARK PART NUMBER AND REVISION ON ALL PARTS				FORD VERSASHUTTLE	
REV.	BY	DATE	DESCRIPTION	ER NUMBER	MAT'L SPEC
-	MP	3/18/05	RELEASE TO PRODUCTION		
TOLERANCE UNLESS SPECIFIED			DRAWING INFORMATION		
FRACTIONS ± 1/16			DRAWN: PERRY	CKD.:	PART NUMBER
DECIMALS .00 ± .05			DATE: 3/18/05	SIZE: A	FORD VS, 3 WC-3
ANGLES ± 1 DEG.			SCALE: 1/32	WT.:	PAGE
					1 of 1

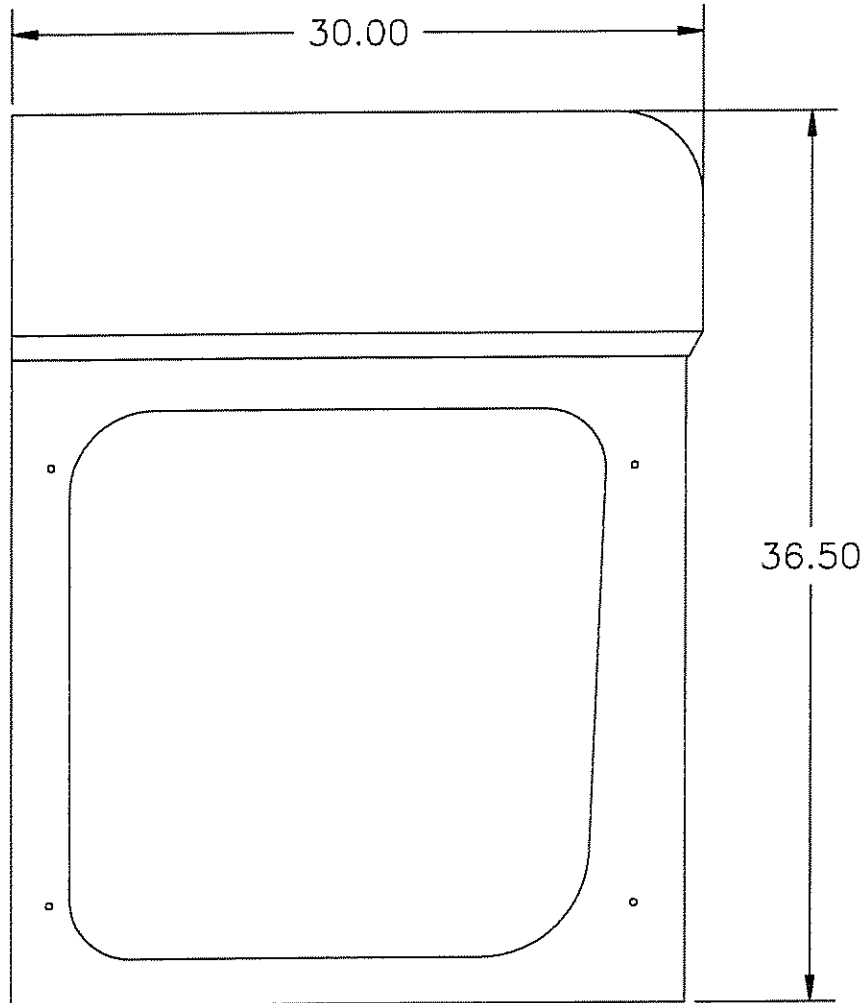


VENDOR: BROWN MACHINE  
 VENDOR ID #: 9A040  
 VENDOR PN: -  
 1110 LIMESTONE RD.  
 MINNEAPOLIS, KS 67467  
 PHONE: (785) 392-2828  
 FAX: (785) 392-6070

NOTE: 1 CAGE PER FORD VS  
 SEND 7 EA. 2" X .250 X 8" STRAP  
 BASE PLATES FOR EACH BOW ASM.

				<b>ENC</b>		304 AVENUE B SO. INDUSTRIAL AREA SALINA, KS. 67401						
NEXT ASSY.: NONE				B	AH	4/25/02	CHANGED LENGHT OF BASE PLATE FROM 5"	V1067	ELDORADO NATIONAL CO. A THOR INDUSTRIES COMPANY			
SUPERCEDES: NONE				A	MP	4/18/02	ADD BASE PLATE NOTE	V1066	TITLE: ROOF BOW ASM. FORD VS MAXI			
DO NOT SCALE DRAWING				-	AH	4/5/02	RELEASE TO PRODUCTION	V1062				
MARK PART NUMBER AND REVISION ON ALL PARTS				REV.	BY	DATE	DESCRIPTION	ER NUMBER	MAT'L SPEC. SEE BOM			
THIS DRAWING IS THE PROPERTY OF ELDORADO NATIONAL COMPANY, A THOR INDUSTRIES COMPANY AND IS NOT TO BE DUPLICATED OR USED IN ANY WAY DETRIMENTAL TO THEIR BEST INTEREST.				TOLERANCE UNLESS SPECIFIED			DRAWING INFORMATION			PART NUMBER		
				FRACTIONS ± 1/16			DRAWN: HENNING		CKD.:		V00143	
				DECIMALS .00 ± .06			DATE: 4/5/02		SIZE: A		PAGE	
				ANGLES ± 1 DEG.			SCALE: 1/32		WT.:			
									1 OF 1			

PART III Article 2.21



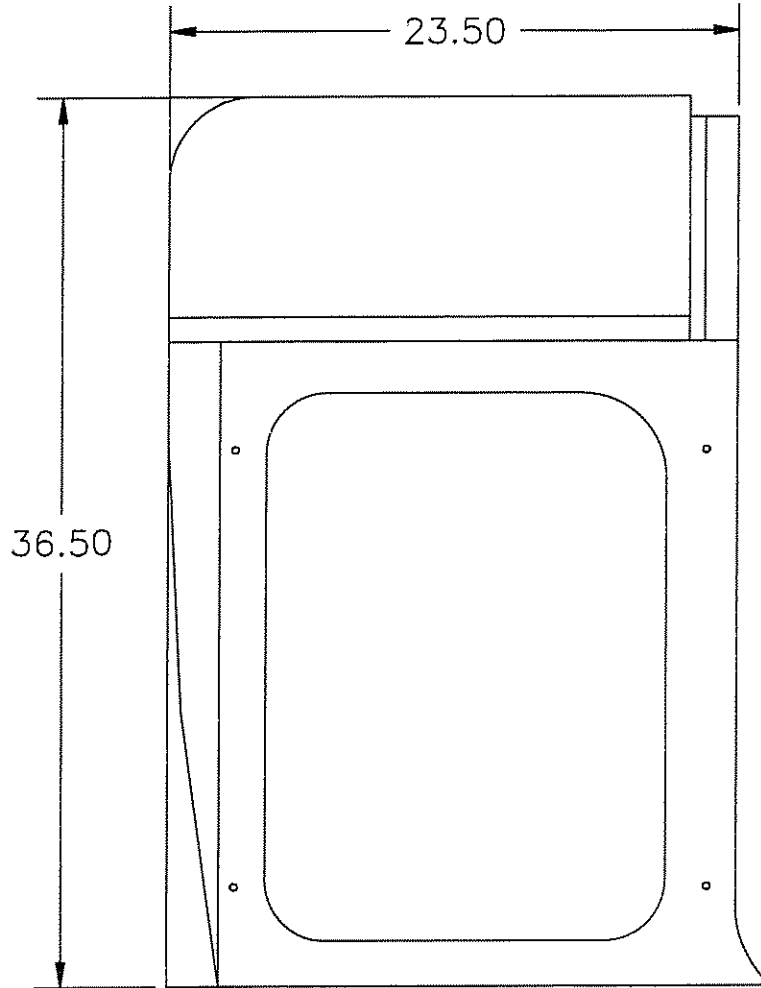
VENDOR: SUNRISE COMPOSITES, INC  
 VENDOR ID #: V1980  
 VENDOR PN: -  
 RR2 BOX 190A BLDG 8, SH11  
 HASTINGS, NE 68901  
 PHONE: (402) 462-4777  
 FAX: (402) 462-4777

NOTE: 1 PER FORD MAXI

**Eldorado National**   
 — a THOR company — 1655 WALL STREET  
 SALINA, KS. 67401

NEXT ASSEMBLY: NONE	DRAWING INFORMATION							
SUPERCEDES: NONE	DRAWN: HENNING	CKD:						TITLE: EXTENSION, FWD FD MAXI
DO NOT SCALE DRAWING	DATE: 3/6/02	SIZE: A						
MARK PART NUMBER AND REVISION ON ALL PARTS	SCALE: 1/8	WGT:						MATERIAL SPEC: .125" FIBERGLASS
THIS DRAWING IS THE PROPERTY OF ELDORADO NATIONAL COMPANY, A THOR INDUSTRIES COMPANY AND IS NOT TO BE DUPLICATED OR USED IN ANY WAY DETRIMENTAL TO THEIR BEST INTEREST.	TOLERANCE UNLESS SPECIFIED							
	FRACTIONS ± 1/16	-	AH	3/6/02	RELEASE TO PRODUCTION	V1056	PART NUMBER	PAGE
	DECIMALS .00 ± .06	REV.	BY	DATE	DESCRIPTION	RELEASE #	V00172	1 of 1
	ANGLES + 1 DEG.							

PART III Article 2.21



VENDOR: SUNRISE COMPOSITES, INC  
 VENDOR ID #: V1980  
 VENDOR PN: -  
 RR2 BOX 190A BLDG 8, SH11  
 HASTINGS, NE 68901  
 PHONE: (402) 462-4777  
 FAX: (402) 462-4777

NOTE: 1 PER FORD MAXI

**Eldorado National**   
 — a THOR company — 1655 WALL STREET  
 SALINA, KS. 67401

NEXT ASSEMBLY: NONE	DRAWING INFORMATION								
SUPERCEDES: NONE	DRAWN: HENNING	CKD:							TITLE: EXTENSION, RWD FD MAXI
DO NOT SCALE DRAWING	DATE: 3/6/02	SIZE: A							
MARK PART NUMBER AND REVISION ON ALL PARTS	SCALE: 1/8	WGT:							MATERIAL SPEC: .125" FIBERGLASS
THIS DRAWING IS THE PROPERTY OF ELDORADO NATIONAL COMPANY, A THOR INDUSTRIES COMPANY AND IS NOT TO BE DUPLICATED OR USED IN ANY WAY DETRIMENTAL TO THEIR BEST INTEREST.	TOLERANCE UNLESS SPECIFIED								
	FRACTIONS ± 1/16	DECIMALS .00 ± .06	ANGLES + 1 DEG.	REV.	BY	DATE	DESCRIPTION	RELEASE #	PAGE 1 of 1
			-	AH	3/6/02	RELEASE TO PRODUCTION	V1056	PART NUMBER V00173	



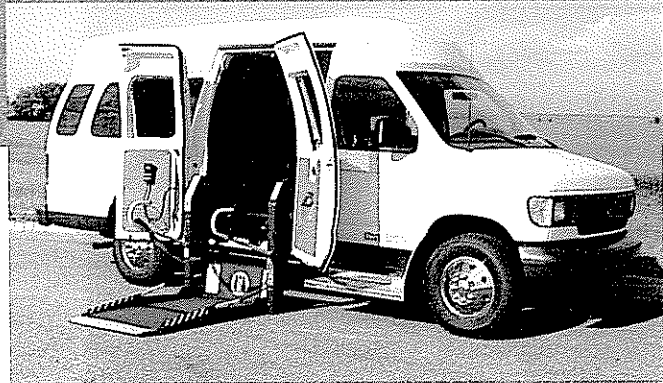




# VersaShuttle

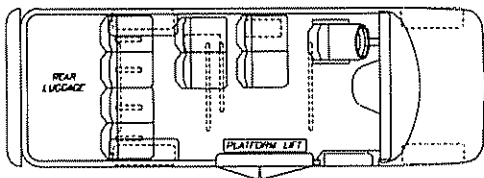


Heavy Duty Paratransit Vehicle

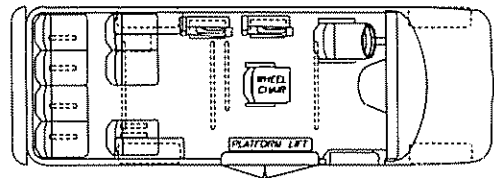


## VersaShuttle

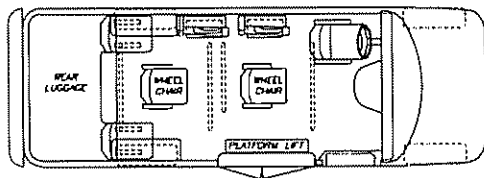
Gives you on-demand transportation for the elderly or physically challenged that offers easy access to the vehicle.



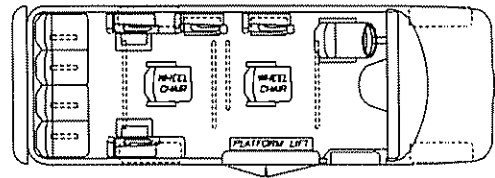
8 passenger, 2 wheelchair positions with rear luggage



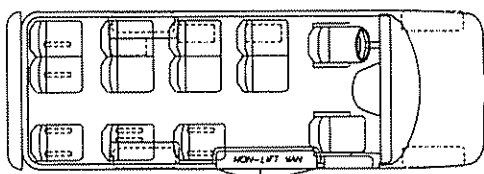
11 passenger, 2 wheelchair positions



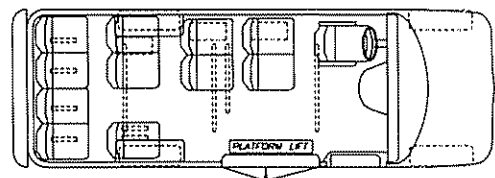
8 passenger, 2 wheelchair positions with rear luggage



11 passenger, 2 wheelchair positions



non-lift van



11 passenger, 2 wheelchair positions

## Standard Chassis Specifications

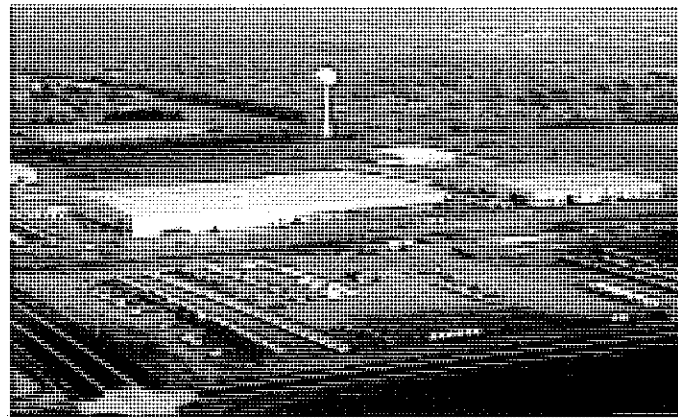
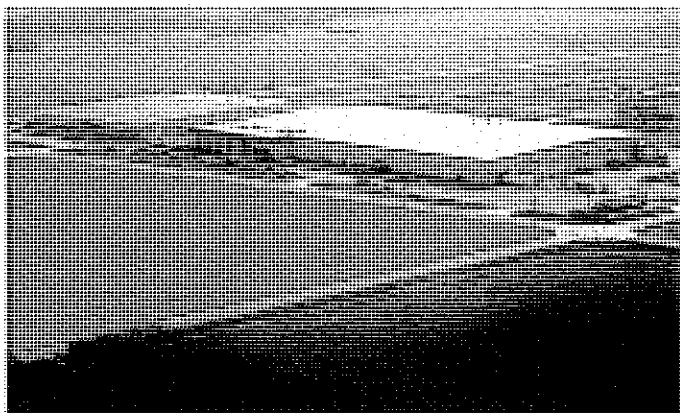
- 138" wheelbase E-350 extended superduty van
- 9400 lb. GVW
- Power 4-wheel anti-lock braking system (ABS)
- Front air conditioning and heat
- Power Steering
- Dual second generation front air bags
- Hinged side cargo door
- Instrument panel power point
- Tilt steering
- 4-speed automatic transmission w/aux. oil cooler
- 35-gal fuel tank
- Tires: 5 — LT245/75R16E BSW — all season
- 130 amp alternator

## Standard Conversion Equipment

- Ricon K-2004 clearview lift
- Raised fiberglass top. FMVSS 220 compliant
- Fiberglass headliner
- 64" side ambulatory entry
- Altro® transit flooring
- 1/2" plywood sub flooring
- Interior lighting package
- Integrated wheelchair shoulder belts
- High-capacity rear air conditioning/heating
- Parking brake, transmission and side-door interlock system
- Q'Straint® tie-down system
- Back-up alarm
- Fire extinguisher
- Triangle reflector kit
- First-aid kit
- Meets ADA and state specifications

## Optional Conversion Equipment

- Exterior custom graphics and signage – ask for quote.
- Rustproofing
- Optional floor plans – ask for quote



With our new 250,000 sq. ft. state-of-the-art facility, we are able to provide timely delivery in addition to the exceptional quality that sets the standard in our industry.

At EIDorado National, we constantly improve our product; as a result all specifications and dimensions are subject to change without notice



1655 Wall Street • Salina, KS 67401 • (866) 392-6300  
 9670 Galena Street • Riverside, CA 92509 • (800) 362-1287



# PARATRANSIT



INNOVATION IN MOBILITY™

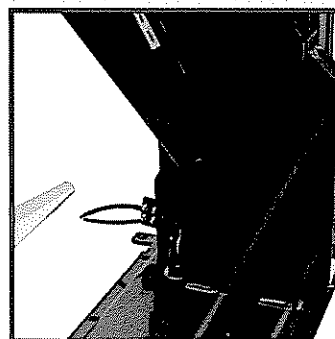
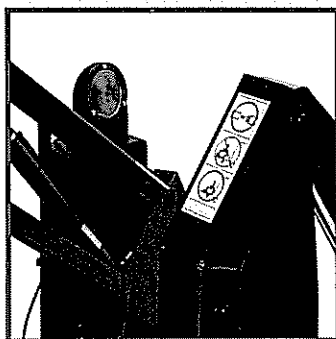
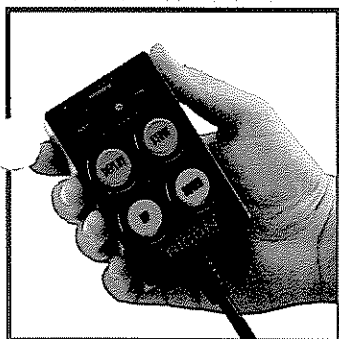
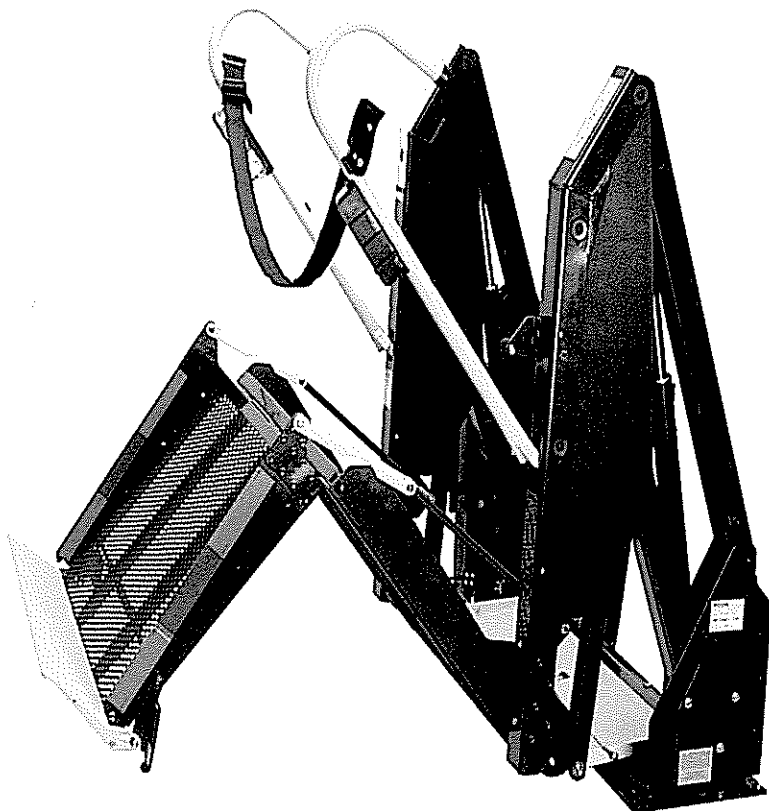
# ACCESSIBILITY

# SOLUTIONS

S-Series FMVSS  
KlearVue FMVSS

## WHEELCHAIR LIFT SOLUTIONS TO MEET YOUR SPECIFIC ACCESSIBILITY NEEDS

If you're searching for safe, reliable and innovative accessibility solutions, look no further. Ricon offers the products that have set the industry standard for wheelchair lifts for over 30 years. From the S-Series®, the lift that started everything, to the KlearVue, Ricon's paratransit solution for maximizing visibility, Ricon has just the lift to meet your specific paratransit accessibility needs. Plus, our paratransit lifts are all backed by Ricon's 5 year limited warranty. In an industry that's constantly on the move, Ricon will always be in the lead.



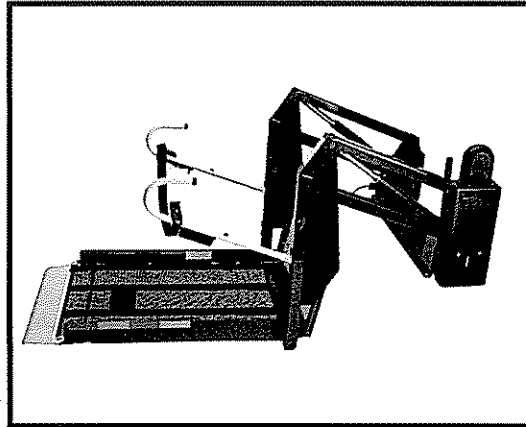
# WORLD CLASS PARATRANSIT ACCESSIBILITY SOLUTIONS

Whether you're transporting passengers across town or children to school, safety and dependability are the most important criteria when choosing a wheelchair lift. That said, Ricon is in a class by itself. Fully code compliant and manufactured in the USA, Ricon has been your partner in Accessibility for over 30 years.

- FMVSS & ADA compliant
- Easy to operate and maintain
- Lubrication-free bearings
- Five-year limited warranty

## S Series® FMVSS

Often imitated but never duplicated, the S-Series® is the affordably priced, lighter weight lift that has set the industry standard since 1986. Today, the S-Series comes standard with our patented Sto-Loc™ design that prevents lift drifting and a patented, interlocking occupant restraint belt for passenger safety and peace of mind, assuring that you have the highest value accessibility solution available today.



- Time proven technology that set the standard for safety and reliability
- Patented threshold warning system with audible/visual displays
- Lightweight, compact design with steel mesh platform
- Standee handrails with occupant restraint

## KlearVue™ FMVSS (K Series)

The pioneer of the unique "fold-in-half" design, the KlearVue™ provides an unobstructed view for the driver and passengers when stowed in a forward door application, minimizing hazardous blind spots. It also offers numerous safety features, including automatic inboard and outboard rollstops, a patented interlocked occupant restraint belt and Ricon's patented Sto-Loc™ technology, which prevents lift drifting. The KlearVue™ provides the ideal solution to your mobility needs.



- Unobstructed passenger and driver view from within the vehicle
- Easy access to door handles from the vehicle interior
- Stable, compact, and rattle-free when stowed
- Designed to be easily serviced and maintained

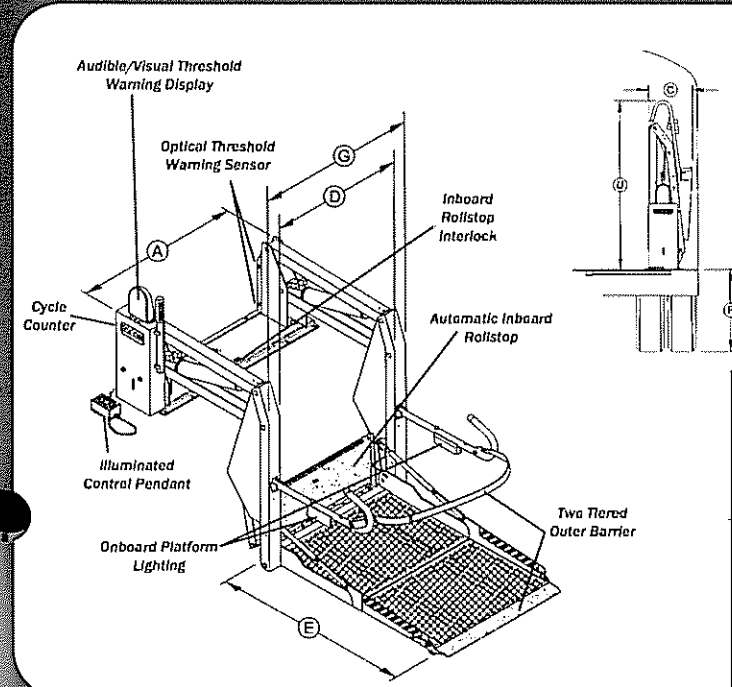
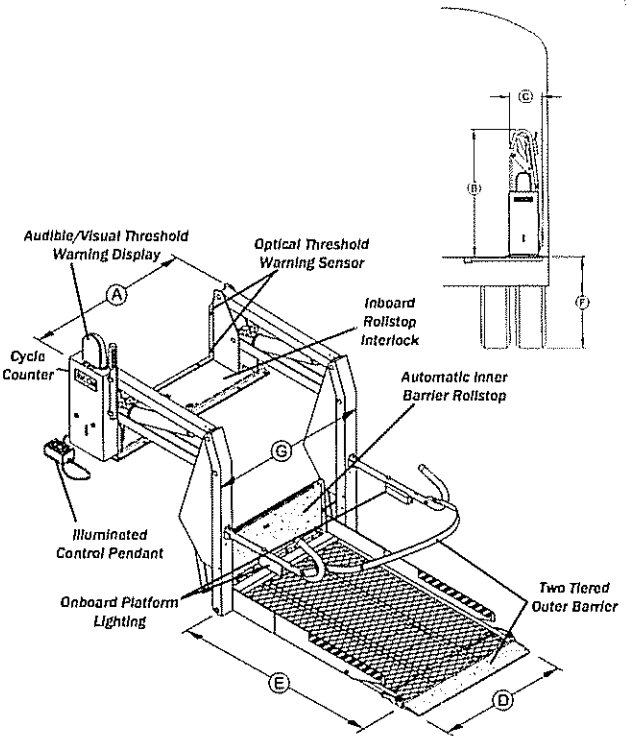
Measurement Name	Description
Stationary Frame Width	The width of the part of the lift which remains in the vehicle at all times
Height (folded)	Lift height when in the stowed position.
Installation Depth (folded)	Protrusion of the lift into the vehicle when stowed
Usable Platform Width	Length of the portion of the platform that can carry a passenger
Usable Platform Length	Width of the portion of the platform that can carry a passenger
Floor-to-ground travel	Maximum distance the lift can travel from the ground to the bus floor
Traveling Frame Width	The width of the part of the lift which passes through the bus door

Rated Load Capacity: ..... Up to 800 lbs. / 363kg  
 Lift Weight: ..... approx. 340-370 lbs. / 154-168 kg  
 Power: ..... Electro - Hydraulic  
 Hydraulic Cylinders: ... (2) ø1.5" Power-Up/Gravity-Down  
 Pump Rating @ 12V DC: ... 65 amp avg./cycle 1250 psi  
 Pump Rating @ 24V DC: ... 32.5 amp avg./cycle 1250 psi  
 Manual Backup (up): ..... Hand Pump  
 Manual Backup(down): ..... Pressure Release Valve

Inches/Millimeters

Model	A	B	C	D	E	F	G
	Stationary frame width	Height (Folded)	Installation depth (folded)	Usable platform width	Usable platform length	Floor-to-ground travel	Traveling frame width
S2005	47/1194	55/1397	14/356	32/813	51/1295	42/1067	40/1016
S2010	49/1245	55/1397	14/356	34/864	54/1372	42/1067	42/1067
S5505	47/1194	58/1473	14/356	32/813	51/1395	51/1295	40/1016
S5510	49/1245	58/1473	14/356	34/864	54/1372	51/1295	42/1067
S2003*	45/1143	55/1397	14/356	30/762	51/1295	42/1067	38/965
S5503*	45/1146	58/1473	14/356	30/762	51/1295	51/1295	38/965

\*Non-standard production order required

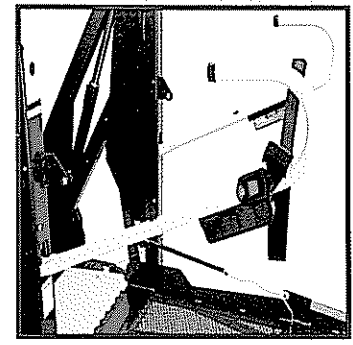
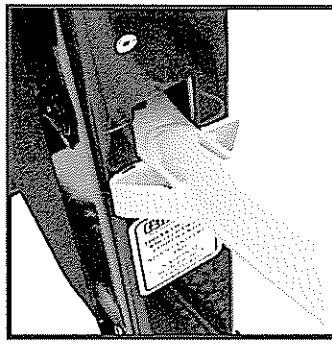
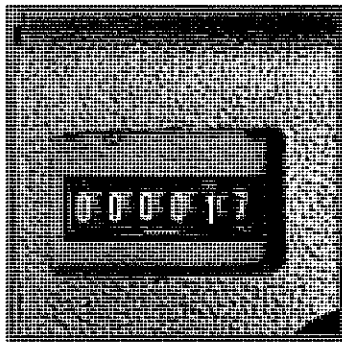


Rated Load Capacity: ..... Up to 800 lbs. / 363kg  
 Lift Weight: ..... approx. 340-370 lbs. / 154-168 kg  
 Power: ..... Electro - Hydraulic  
 Hydraulic Cylinders: ... (2) ø1.5" Power-Up/Gravity-Down  
 Pump Rating @ 12V DC: ... 65 amp avg./cycle 1250 psi  
 Pump Rating @ 24V DC: ... 32.5 amp avg./cycle 1250 psi  
 Manual Backup (up): ..... Hand Pump  
 Manual Backup(down): ..... Pressure Release Valve

Inches/Millimeters

Model	A	B	C	D	E	F	G
	Stationary frame width	Height (Folded)	Installation depth (folded)	Usable platform width	Usable platform length	Floor-to-ground travel	Traveling frame width
K2005	47/1194	55/1397	17/432	31/787	51/1295	37/940	40/1016
K2010	49/1245	55/1397	17/432	33/838	54/1372	37/940	42/1067
K5505	47/1194	58/1473	17/432	31/787	51/1295	48/1219	40/1016
K5510	49/1245	58/1473	17/432	33/838	54/1372	48/1219	42/1067
K2003*	45/1143	55/1397	17/432	29/737	51/1295	37/940	38/965
K5503*	45/1143	58/1473	17/432	29/737	51/1524	48/1219	38/965

\*Non-standard production order required



## Ricon Means Reliability

Ricon is the first North American wheelchair lift manufacturer to achieve ISO 9001:2000 certification.

Solid state electronic controls improve reliability over relay logic systems.

All Ricon Paratransit Product designs are tested to meet or exceed the most rigorous elements of FMVSS 403/404, 49 CFR, part 38 (ADA), CSA D409, and the California Vehicle Code (CA Title 13).

## Ricon Means Experience

Ricon has been providing innovative accessibility solutions to the paratransit industry for over 30 years.

Ricon has supplied product and expertise for numerous installations, working side by side with LACMT, LACMTA, Connex, MV Transportation, Laidlaw, King County Transit, Montreal Transit and many more.

Ricon has worked closely with all major van conversion, bus and motorcoach body builders in the US, Canada and abroad.

## Ricon Means Commitment

Ricon offers the best Five Year Limited Warranty in the industry. Extended warranty coverage is also available.

Our technical support includes both in-house and field technicians. Free maintenance classes are provided throughout the year across the country. On-site service training classes may also be available.

We provide supplemental field support in high demand areas through association with Ricon factory trained and certified service organizations.

Our dedicated spare parts warehouse ensures quick and accurate delivery.

## ... Ricon Means Innovation in Mobility



For more information about Ricon products, please call 1-800-322-2884 or visit us online at [www.riconcorp.com](http://www.riconcorp.com)

### RICON CORPORATION

7900 Nelson Road - Rosemead City, CA 91402  
Phone: (618) 267-3000 • Fax: (618) 267-3001  
Toll-free: 1-800-322-2884

[info@riconcorp.com](mailto:info@riconcorp.com) • [www.riconcorp.com](http://www.riconcorp.com)

ISO 9001:2000



Business to Business



INNOVATION IN MOBILITY™

Experts in Accessibility

Ricon Corp. reserves the right to discontinue models or features at any time or change specifications, materials, equipment, or pricing without notice and without incurring obligation.

© 2004 Ricon Corp. PFI1128044

US Patent Nos. 6,679,282, 6,664,461, 6,293,061, 6,170,976, 6,226,446, 6,647,761, 6,648,047, 6,444,473, 6,664,452, 6,445,466, 6,379,926, and 6,226,658 / Canadian Patent Nos. 2,160,762 and 1,748,693  
Austrian Patent No. 767571 / UK Patent No. 0716588 / Other US and International patents pending

**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 El Dorado National - Kansas  
Signature of Authorized Official Monte Borman  
Name and Title of Authorized Official Monte Borman Senior Sales Coordinator  
Date March 5, 2010



**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: March 5th, 2010  
Signature: Marta Borman  
Company Name: EI Dorado National - Kansas  
Title: Senior Sales Coordinator

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'S CERTIFICATION OF "BUY AMERICAN" COMPLIANCE**

The contractor agrees to comply with 49 U.S.C. 5323(j) and 49 CFR Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR.7 and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by: Ford Motor Company microcomputer equipment, software, and small purchases (currently less than \$100,000) made with capital, operating or planning funds. Separate requirements for rolling stock are set out at 5323(j)(2)(c) and 49 CFR 661.11. Rolling stock not subject to a general waiver must be manufactured that supports the information provided below.

	COUNTRY OF	PERCENTAGE OF VEHICLE	
<u>COMPONENT COST</u>	<u>MANUFACTURER</u>	<u>ORIGIN</u>	
Engine	FD	USA	Total on Ford chassis is 50%
Transmission	FD	USA	
Front Axle Assemblies	FD	USA	
Rear Axle Assemblies	FD	USA	
Drive Shaft Assemblies	FD	USA	
Front Suspension Assemblies	FD	USA	
Rear Suspension Assemblies	FD	USA	
Air Compressor and Pneumatic Systems	ENC	USA	1%
Generator/Alternator and Electric Systems	FD	USA	1%
Steering System Assemblies	FD	USA	
Assemblies			
Air Conditioning Evaporator/Condenser Assemblies	FD	USA	1%
Heating Systems	FD	USA	
Passenger Seats	FREEDMAN FD	USA	5% 1%
Driver's Seat Assemblies	FD	USA	1%
Window Assemblies	FD	USA	
Entrance and Exit	FD	USA	1%

Door Assemblies			
Door Control Assemblies	FD/ENC	USA	2%
Interior Lighting Assemblies	FD/ENC	USA	
Top Cap Assemblies	ENC	USA	5%
Front and Rear Bumper Assemblies	FD/ENC	USA	2%
Structural Steel Tubing	ENC	USA	3%
Aluminum Extrusions	N/A		
Steel or Fiberglass Exterior Panels	ENC	USA	1%
Interior Trim	FD/ENC	USA	3%
Flooring	ENC	USA	10%
Floor Covering	Altro	USA	10%
Lift	R	USA	3%

**FD=Ford**

**ENC= EIDorado National Corporation (Kansas)**

**R= Ricon**

**BUY AMERICA COMPLIANCE**

**Certification of Compliance with 49 U.S.C. 5323 (j)(2)(C)**

The bidder hereby certifies that it complies with the Buy America requirements of 49 U.S.C. 5323(j)(2)(c) and the regulations set forth in 49 CFR Part 661.

BY: Monte Borman

TITLE: Senior Sales Coordinator

MANUFACTURER: EIDorado National (Kansas)

DATE: March 5, 2010

**Certification of Non-Compliance with 49 U.S.C. 5323(j)(2)(c)**

The bidder hereby certifies that it cannot comply with the Buy American requirements of 49 U.S.C. 5323(j)(2)(c) but may qualify for an exception pursuant to U.S.C. 5323(j)(2)(b) or (j)(2)(d) and the regulations set forth in 49 CFR Part 661.7.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

MANUFACTURER: \_\_\_\_\_

DATE: \_\_\_\_\_

**BIDDER'S CERTIFICATION OF "BUY AMERICA" COMPLIANCE (continued)**

**BUY AMERICA COMPLIANCE**

The following is a description of the actual location of the final assembly point including a description of the activities that will take place at the final assembly point and the cost of final assembly:

Location of final assembly point is: **1655 Wall Street**  
**Salina, Kansas 67401**

**Description of activities**

**Van is modified to receive the vehicle roof**  
**Flooring is installed**  
**Doors are raised**  
**Electrical wiring harness is installed**  
**Interior paneling and equipment finished out**  
**Air conditioning installed**  
**Lift installed and tested**  
**Seats installed**  
**Tie-downs installed**  
**Final finish functions performed**  
**Exterior paint and markings applied**  
**Quality control and final testing performed**  
**Vehicle readied for shipment**

**COST OF FINAL ASSEMBLY                      3072.80**

**Rev 10/02**

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

(Contractor) El Dorado National - Kansas 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) El Dorado National - KS 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.

Monte Brown Senior Sales Coordinator  
Signature and Title of Authorized Official



U.S. Department  
Of Transportation  
**Federal Transit  
Administration**

Headquarters

1200 New Jersey Avenue S.E.  
Washington DC 20590

October 7, 2009

Mr. Jake Calvo  
IT/ISO Manager/DBE Liaison Officer  
EIDorado National (California) (Kansas), Inc.  
9670 Galena Street  
Riverside, California 92509

Re: Fiscal Year 2010 Goal

Dear Mr. Calvo:

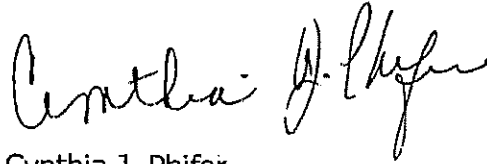
In accordance with the regulations on the Participation of Disadvantaged Business Enterprises (DBEs) in the Department of Transportation Financial Assistance Programs, 49 CFR Part 26, Section 26.49, the Federal Transit Administration's (FTA) Office of Civil Rights reviewed the DBE goal and methodology submitted by EIDorado National (California) (Kansas), Inc. for the period October 1, 2009 through September 30, 2010. Based on our review, we accept your DBE goal submission of 4 percent as of September 30, 2009.

Your firm must submit semi-annual progress reports using the new reporting form entitled "Uniform Report of DBE Awards or Commitments and Payment," which is located on the website: [www.fta.dot.gov/dbe](http://www.fta.dot.gov/dbe). These reports should be submitted by June 1 (for the period October 1 – March 31) and December 1 (for period April 1 – September 30), showing contracts awarded and procurements from DBEs on transit vehicle contracts funded by the FTA. Please forward this information to:

Federal Transit Administration  
Office of Civil Rights  
1200 New Jersey Avenue, S.E.  
Room E54-306  
Washington, DC 20590

If further assistance is needed, please contact me at (202) 366-1141, fax number at (202) 366-3475, or at my e-mail address: [Cynthia.phifer@dot.gov](mailto:Cynthia.phifer@dot.gov).

Sincerely,

A handwritten signature in black ink that reads "Cynthia J. Phifer". The signature is written in a cursive style with a large, looped initial "C".

Cynthia J. Phifer  
Equal Opportunity Specialist  
FTA Office of Civil Rights





This report indicates the results of testing conducted in order to verify compliance with subsection mentioned below of Federal Motor Vehicle Safety Standard (FMVSS) 220 "Rollover Protection" of the vehicle specified below.

**VEHICLE (FINAL MANUFACTURER)**

MANUFACTURER: Eldorado National	BODY STYLE: Van	MAKE, MODEL, YEAR: Eldorado, Ford VS 2002 E350 Van
CLASS: Bus	ODOMETER: 1000 Miles	NO. DESIGNATED: Seating Places - 10
		CURB WEIGHT: 6900 lbs.

**VEHICLE (ORIGINAL MANUFACTURER)**

MANUFACTURER: Ford	BODY STYLE: Van	MAKE, MODEL, YEAR: E350 Van Club
CLASS: MPV	ODOMETER: 1000 Miles	NO. DESIGNATED: Seating Places - 2 unfinished
MANUFACTURING DATE: January 2002	PNBV - GVWR: 9400	VEHICLE IDENTIFICATION NO.: 1FBSS31L61HA27093
		CURB WEIGHT: N/A

**TEST RESULTS SUMMARY**

FMVSS	SUBSECTION	TITLE	RESULTS	
			PASSED	FAILED
220	S4. (a)	DOWNWARD VERTICAL DISPLACEMENT OF FORCE APPLICATION PLATE	X	
220	S4. (b)	EMERGENCY EXITS OPENING (WITH LOAD APPLIED)	X	
220	S4. (c)	EMERGENCY EXITS OPENING (WITHOUT LOAD APPLIED)	X	

**TEST STAFF**

Test Engineer (Eldorado National): MIKE PERRY	Date: 7-20-02 Signature: <i>Mike Perry</i>
Test Engineer (Eldorado National): KEN HUSER	Date: 3 JUL 02 Signature: <i>Ken Huser</i>
Test Engineer (Eldorado National): BILL LITTLE	Date: Signature:

EMERGENCY EXIT IDENTIFICATION	DESCRIPTION AND LOCATION
# 1	Right Front Door
# 2	Left Front Door
# 3	Right Side Double Door
# 4	Rear Double Door

**COMMENTS**

**PRE-TEST CONDITION**

FMVSS 217 REQUIREMENTS		RESULTS	
		PASSED	FAILED
Are all emergency exits designed to be manually released by a single person without tools, remote controls and able to function independently of the vehicle's power system?	All emergency exits can be manually released by a single person.	X	
Is the emergency exit door releasable from inside and outside the van?		X	

**DIMENSIONS OF EMERGENCY EXITS OPENING AREAS (Prior force application)**

EXIT IDENTIFICATION	DIMENSIONS	DESCRIPTION OF APPARATUS	RESULTS	
			PASSED	FAILED
# 1		Measuring Tape	X	
# 2		Measuring Tape	X	
# 3		Measuring Tape	X	
# 4		Measuring Tape	X	

**COMMENTS**

**EMERGENCY EXIT RELEASE MECHANISMS FORCE**

180 N (40 lbs) maximum and as per FMVSS 217 requirements							RESULTS		
EXIT IDENTIFICATION	LBS BEFORE FORCE APPLIED		LBS WITH FULL FORCE APPLICATION		ROOF BOW DEFLECTION FRONT TO REAR		TYPE OF MOTION	PASSED	FAILED
	Exterior	Interior	Exterior	Interior	66 1/5	66			
#1					67	66 1/2	Straight	X	
#2					67 1/2	67	Straight	X	
#3	58 1/8		57 15/16		67	66 1/2	Straight	X	
#4					66 3/16	66	Straight	X	

**EMERGENCY EXIT OPENING FORCE (From outside)**

180 N (40 lbs) maximum and as per FMVSS 217 requirements					RESULTS	
EXIT IDENTIFICATION	BEFORE FORCE APPLIED	WITH FULL FORCE APPLICATION	AFTER FORCE HAS BEEN REMOVED	DIRECTION OF MOTION	PASSED	FAILED
#1				Straight	X	
#2				Straight	X	
#3				Straight	X	
#4				Straight	X	

**COMMENTS**

There is not significant measurable differences between forces before, during and after the application of the required load on top of the vehicle.

**DIMENSIONS OF EMERGENCY EXITS OPENING AREAS (With applied force)**

EXIT IDENTIFICATION	DIMENSIONS	DESCRIPTION OF APPARATUS	RESULTS	
			PASSED	FAILED
#1		Measuring Tape	X	
#2		Measuring Tape	X	
#3		Measuring Tape	X	
#4		Measuring Tape	X	

**COMMENTS**

**DIMENSIONS OF EMERGENCY EXITS OPENING AREAS (Force application removed)**

EXIT IDENTIFICATION	DIMENSIONS	DESCRIPTION OF APPARATUS	RESULTS	
			PASSED	FAILED
#1		Measuring Tape	X	
#2		Measuring Tape	X	
#3		Measuring Tape	X	
#4		Measuring Tape	X	

**COMMENTS**

There is certainly a very small difference in the dimensions of the EXITS when load is applied. However, it is not significant as it was not possible to estimate it with the help of a normal measuring tape.

**DIMENSION OF THE VEHICLE'S ROOF AS PER FMVSS 220 REQUIREMENTS**

<b>WIDTH:</b> 78"	<b>LENGTH:</b> 158"
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**DIMENSION OF THE FORCE APPLICATION PLATE**

<b>WIDTH:</b> 52"	<b>LENGTH:</b> 125"
-------------------	---------------------

**FORCE APPLIED TO THE ROOF**

Required force to be applied on the roof: 10320 lbs (1.5 times the unloaded weight).

Actual applied force was 13,800 lbs (see appendix and photographs).

**TRAVEL RATE OF FORCE APPLICATION PLATE**

(A RATE OF FORCE APPLICATION THAT DOES NOT EXCEED 0.5 INCHES/SEC.)

RATE OF FORCE APPLICATION WAS: 0.4" PER SECOND (approx.)

**VERTICAL DOWNWARD DISPLACEMENT OF THE FORCE APPLICATION PLATE**

(DISPLACEMENT REACHED WHEN THE REQUIRED FORCE WAS APPLIED)

LOCATION	CORNERS HEIGHT		DISPLACEMENT	RESULTS	
	BEFORE LOAD APPLICATION	AT FULL FORCE APPLICATION		PASSED	FAILED
RIGHT FRONT CORNER	35"	34.75	.250"	X	
LEFT FRONT CORNER	35"	34.75	.250"	X	
RIGHT REAR CORNER	35.5"	35.25	.250"	X	
LEFT REAR CORNER	35.5"	35.25	.250"	X	

**CONCLUSION**

Test results show that the ElDorado National Van, as described in Appendix A, meets the requirements of subsection S4(a) and of S4(b) of FMVSS.

571 200 - Rollover Protection.



## **TVM CERTIFICATION**

The bidder, if a transit vehicle manufacturer, hereby certifies that it has complied with the requirements of 49 CFR Section 23.67 by submitting an annual DBE/WBE goal to the Urban Mass Transportation Administration (UMTA). The goal has either been approved or not disapproved by UMTA.

The bidder, if a non-manufacturer supplier, hereby certifies that the manufacturer of the transit vehicle to be supplied has complied with the above-referenced requirement of 49 CFR Section 23.67.

A handwritten signature in black ink, appearing to read 'Sheldon Walle', is written over a horizontal line.

Sheldon Walle, President  
Eldorado National-Kansas

Date 3-5-2010

---

1655 Wall Street Salina, KS 67401 • 866-392-6300

**FEDERAL TRANSIT ADMINISTRATION**

**Office of Civil Rights**

**Transit Vehicles Manufacturers (TVMs) Eligible to Bid on Federally Funded Transit Agency Contracts in Federal Fiscal Year 2010**

Name of TVM	Address	FTA Accepted Date
Alstom Transportation, Inc.	1 Transit Drive, Norrell, New York 14843	August 21, 2009
ARBOC Mobility, LLC	51165 Greenfield Parkway, Middlebury, Indiana 46540	September 28, 2009
Bombardier Inc.	1101 Parent Street, Saint-Bruno, Quebec, Canada J3V 6E6	October 6, 2009
Braun Corporation	631 W 11 <sup>th</sup> Street, Winamac, Indiana 46996	August 13, 2009
Brookville Equipment Corporation	175 Evans Street, Brookville, Pennsylvania 15825	September 28, 2009
CAFUSA Inc.	1401 K Street, N.W., Suite 803, Washington, DC 20005	September 28, 2009
Champion Bus Inc/General Coach America, Inc.	331 Graham Road, Imlay City, Michigan 48444	October 6, 2009
Diamond Coach Corporation	2300 W. 4 <sup>th</sup> Street, Oswego, Kansas	September 28, 2009
EIDorado National (California) (Kansas), Inc.	9670 Galena Street, Riverside, California 92509	October 7, 2009
Elkhart Coach	52807 C. Rd. 7, Elkhart, Indiana 46514	October 6, 2009
Gillig, LLC	Post Office box 3008, Hayward, California 94540	August 10, 2009
Glaval Bus Division of Forest River, Inc.	914 County Road 1, Elkhart, Indiana 46514	September 28, 2009
Mitsubishi Heavy Industries America, Inc.	630 Fifth Avenue, New York, New York 10111	August 4, 2009
New Flyer Industries Inc.	711 Kernaghan Avenue, Winnipeg, Manitoba R2C 3T4	October 6, 2009
North American Bus Industries, Inc.	106 National Drive, Anniston, Alabama 36207	August 11, 2009
Proterra LLC	16360 Table Mountain Parkway, Golden, Colorado 80403	September 28, 2009
Starcraft Bus div. of Forest River, Inc.	2367 Century Drive, Goshen, Indiana 46528	September 28, 2009
Supreme Corporation/Startrans Bus	2592 E. Kercher Road, Goshen, Indiana 46528	October 7, 2009
Transportation Technology, Inc.	940 Nepperhan Avenue, Yonkers, New York 10703	September 28, 2009
Turtle Top	67819 State Road 15, New Paris, Indiana 46553	July 28, 2009
Vossloh Espana S.A.U.	Mitjera, 6 Albuixech, Spain	August 4, 2009

EIDorado   
National - Kansas  
Thor Industries Mobility Division

**CERTIFICATION OF COMPLIANCE  
WITH  
THE AMERICANS WITH DISABILITIES ACT**

EIDorado National (Kansas), Inc. hereby certifies that the vehicle(s) provided, including the lift equipment and mobility aids installed by EIDorado National (Kansas), Inc., comply with all Federal and Veterans' Administration regulations as well as applicable U.S. Department of Transportation and Americans with Disabilities Act guidelines in effect at the time of installation.

  
Signed, EIDorado National (Kansas), Inc.

3-5-2010  
Date

Senior Sales Coordinator  
Title

**STURAA TEST**

**4 YEAR**

**100,000 MILE BUS**

**from**

**ELDORADO NATIONAL**

**MODEL VERSA SHUTTLE**

**SEPTEMBER 2002**

**PTI-BT-R0216**

PENNSSTATE



---

**The Pennsylvania Transportation Institute**

201 Research Office Building (814) 865-1891  
The Pennsylvania State University  
University Park, PA 16802

**Bus Testing and Research Center**

6th Avenue and 45th Street (814) 949-7944  
Altoona, PA 16602



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## EXECUTIVE SUMMARY

EIDorado National submitted a model Versa Shuttle, gasoline-fueled, 33 seat bus, for a 4 yr/100,000 mile STURAA test. Testing started on June 14, 2002 and was completed on August 21, 2002. The Check-In section of the report provides a description of the bus and specifies its major components.

The primary part of the test program is the Structural Durability Test, which also provides the information for the Maintainability and Reliability results. The Structural Durability Test was started on June 24, 2002 and was completed on August 8, 2002.

The interior of the bus is configured with seating for 12 passengers including the driver. The test vehicle design does not offer free floor space. At 150 lbs per person, this load results in a calculated gross vehicle weight of 1,800 lbs. The first segment of the Structural Durability Test was performed with the bus loaded to a GVW of 8,610 lbs. The middle SLW segment was performed at the same weight of 8,610 lbs and the final segment was performed at a CW of 6,790 lbs. Durability driving resulted in unscheduled maintenance and failures that involved a variety of subsystems. A description of failures, and a complete and detailed listing of scheduled and unscheduled maintenance is provided in the Maintainability section of this report.

Accessibility, in general, was adequate, components covered in Section 1.3 (Repair and/or Replacement of Selected Subsystems), along with all other components encountered during testing, were found to be readily accessible and no restrictions were noted.

The Reliability section compiles failures that occurred during Structural Durability Testing. Breakdowns are classified according to subsystems. The data in this section are arranged so that those subsystems with more frequent problems are apparent. The problems are also listed by class as defined in Section 2. The test bus encountered no Class 1 or Class 2 failures. Of the three reported failures, one was a Class 3 and two were Class 4.

The Safety Test, (a double-lane change, obstacle avoidance test), was safely performed in both right-hand and left-hand directions up to a maximum test speed of 45 mph. The performance of the bus is illustrated by a speed vs. time plot. Acceleration and gradeability test data are provided in Section 4, Performance. The average time to obtain 50 mph was 11.59 seconds.

The Shakedown Test produced a maximum final loaded deflection of 0.491 inches with a permanent set ranging between -0.008 to 0.001 inches under a distributed static load of 4,500 lbs. The Distortion Test was completed with all subsystems, doors and escape mechanisms operating properly. Water leakage was observed throughout the test at both front doors, the rear cargo door and the handicap access door.

The test bus was not equipped with any type of tow eye or tow hooks, therefore, the Static Towing Test was not performed. The Dynamic Towing Test was performed by means of a front-lift tow. The towing interface was accomplished using a hydraulic under-lift wrecker. The bus was towed without incident and no damage resulted from the test. The manufacturer does not recommend towing the bus from the rear, therefore, a rear test was not performed. The Jacking and Hoisting Tests were also performed without incident. The bus was found to be stable on the jack stands, and the minimum jacking clearance observed with a tire deflated was 8.6 inches.

A Fuel Economy Test was run on simulated central business district, arterial, and commuter courses. The results were 8.86 mpg, 10.12 mpg, and 15.21 mpg respectively; with an overall average of 10.48 mpg.

A series of Interior and Exterior Noise Tests was performed. These data are listed in Section 7.1 and 7.2 respectively.

## ABBREVIATIONS

ABTC	- Altoona Bus Test Center
A/C	- air conditioner
ADB	- advance design bus
ATA-MC	- The Maintenance Council of the American Trucking Association
CBD	- central business district
CW	- curb weight (bus weight including maximum fuel, oil, and coolant; but without passengers or driver)
dB(A)	- decibels with reference to 0.0002 microbar as measured on the "A" scale
DIR	- test director
DR	- bus driver
EPA	- Environmental Protection Agency
FFS	- free floor space (floor area available to standees, excluding ingress/egress areas, area under seats, area occupied by feet of seated passengers, and the vestibule area)
GVL	- gross vehicle load (150 lb for every designed passenger seating position, for the driver, and for each 1.5 sq ft of free floor space)
GVW	- gross vehicle weight (curb weight plus gross vehicle load)
GVWR	- gross vehicle weight rating
MECH	- bus mechanic
mpg	- miles per gallon
mph	- miles per hour
PM	- Preventive maintenance
PSBRTF	- Penn State Bus Research and Testing Facility
PTI	- Pennsylvania Transportation Institute
rpm	- revolutions per minute
SAE	- Society of Automotive Engineers
SCH	- test scheduler
SEC	- secretary
SLW	- seated load weight (curb weight plus 150 lb for every designed passenger seating position and for the driver)
STURAA	- Surface Transportation and Uniform Relocation Assistance Act
TD	- test driver
TECH	- test technician
TM	- track manager
TP	- test personnel

## TEST BUS CHECK-IN

### I. OBJECTIVE

The objective of this task is to log in the test bus, assign a bus number, complete the vehicle data form, and perform a safety check.

### II. TEST DESCRIPTION

The test consists of assigning a bus test number to the bus, cleaning the bus, completing the vehicle data form, obtaining any special information and tools from the manufacturer, determining a testing schedule, performing an initial safety check, and performing the manufacturer's recommended preventive maintenance. The bus manufacturer must certify that the bus meets all Federal regulations.

### III. DISCUSSION

The check-in procedure is used to identify in detail the major components and configuration of the bus.

The test bus consists of an EIDorado National, model Versa Shuttle, built on a Ford E-350 chassis. The bus has a front driver's and passenger door, rear of the front axle, and a right side dual swing door handicap entrance equipped with a Ricon model K2005-S10000000 hydraulic platform lift. Power is provided by a gasoline-fueled, Ford Motor Co. 5.4 L engine coupled to a Ford Metric.

The measured curb weight is 3,080 lbs for the front axle and 3,710 lbs for the rear axle. These combined weights provide a total measured curb weight of 6,790 lbs. There are 12 seats including the driver. (Note: the test vehicle is not designed for standing passengers). Gross load is calculated as 150 lb x 1,800 lbs. At full capacity, the measured gross vehicle weight is 8,610 lbs.

### VEHICLE DATA FORM

Bus Number: 0216	Arrival Date: 6-14-02
Bus Manufacturer: Eldorado National	Vehicle Identification Number (VIN): 1FBSS31L61HA27093
Model Number: Versa Shuttle	Date: 6-14-02
Personnel: S.C.	

**WEIGHT:**

**Individual Wheel Reactions:**

Weights (lb)	Front Axle		Middle Axle		Rear Axle	
	Right	Left	Right	Left	Right	Left
CW	1,570	1,510	N/A	N/A	1,880	1,830
SLW	1,490	1,660	N/A	N/A	2,610	2,850
GVW	1,490	1,660	N/A	N/A	2,610	2,850

**Total Weight Details:**

Weight (lb)	CW	SLW	GVW	GAWR
Front Axle	3,080	3,150	3,150	3,250
Middle Axle	N/A	N/A	N/A	N/A
Rear Axle	3,710	5,460	5,460	6,084
<b>Total</b>	<b>6,790</b>	<b>8,610</b>	<b>8,610</b>	<b>GVWR: 9,334</b>

**Dimensions:**

Length (ft/in)	19 / 3.25
Width (in)	78.0
Height (in)	97.0
Front Overhang (in)	30.0
Rear Overhang (in)	62.7
Wheel Base (in)	138.5
Wheel Track (in)	Front: 66.5
	Rear: 66.5

Bus Number: 0216	Date: 6/14/02
------------------	---------------

**CLEARANCES:**

Lowest Point Outside Front Axle	Location: Splash guard	Clearance(in): 8.0
Lowest Point Outside Rear Axle	Location: Tail pipe	Clearance(in): 10.3
Lowest Point between Axles	Location: Step side	Clearance(in): 9.2
Ground Clearance at the center (in)	14.0	
Front Approach Angle (deg)	16.0	
Rear Approach Angle (deg)	10.0	
Ramp Clearance Angle (deg)	8.0	
Aisle Width (in)	12.0	
Inside Standing Height at Center Aisle (in)	66.0	

**BODY DETAILS:**

Body Structural Type	Integral		
Frame Material	Steel		
Body Material	Steel		
Floor Material	Plywood		
Roof Material	Fiberglass		
Windows Type	<input checked="" type="checkbox"/> Fixed	<input checked="" type="checkbox"/> Movable	
Window Mfg./Model No.	Ford / Solar Tint		
Number of Doors	<u>2</u> Front	<u>2</u> Rear	<u>2</u> Side
Mfr. / Model No.	Ford OEM / NA		
Dimension of Each Door (in)	Driver: 61 1/4 x 40 3/4 Side front: 71 x 30 1/2 Rear: 2 @ 52 1/2 x 28 3/4	Passenger front: 70 1/2 x 40 3/4 Side rear: 71 x 22 1/2	
Passenger Seat Type	<input type="checkbox"/> Cantilever	<input checked="" type="checkbox"/> Pedestal	<input type="checkbox"/> Other (explain)
Mfr. / Model No.	Freedman / Featherweight foldaway		
Driver Seat Type	<input type="checkbox"/> Air	<input type="checkbox"/> Spring	<input checked="" type="checkbox"/> Other (Cushion)
Mfr. / Model No.	Ford Motor Co. / O.E.M.		
Number of Seats (including Driver)	12		

Bus Number: 0216	Date: 6/14/02
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BODY DETAILS (Contd..)

Free Floor Space ( ft <sup>2</sup> )	N/A				
Height of Each Step at Normal Position (in)	Front	1. <u>10.5</u>	2. <u>7.5</u>	3. <u>7.5</u>	4. <u>N/A</u>
	Middle	1. <u>N/A</u>	2. <u>N/A</u>	3. <u>N/A</u>	4. <u>N/A</u>
	Rear	1. <u>N/A</u>	2. <u>N/A</u>	3. <u>N/A</u>	4. <u>N/A</u>
Step Elevation Change - Kneeling (in)	N/A				

ENGINE

Type	<input type="checkbox"/> C.I.	<input type="checkbox"/> Alternate Fuel	
	<input checked="" type="checkbox"/> S.I.	<input type="checkbox"/> Other (explain)	
Mfr. / Model No.	Ford Motor Co. / 5.4 L		
Location	<input checked="" type="checkbox"/> Front	<input type="checkbox"/> Rear	<input type="checkbox"/> Other (explain)
Fuel Type	<input checked="" type="checkbox"/> Gasoline	<input type="checkbox"/> CNG	<input type="checkbox"/> Methanol
	<input type="checkbox"/> Diesel	<input type="checkbox"/> LNG	<input type="checkbox"/> Other (explain)
Fuel Tank Capacity (indicate units)	55 gals		
Fuel Induction Type	<input checked="" type="checkbox"/> Injected	<input type="checkbox"/> Carburetion	
Fuel Injector Mfr. / Model No.	Ford Motor Co. / 5.4 L		
Carburetor Mfr. / Model No.	N/A		
Fuel Pump Mfr. / Model No.	Ford Motor Co. / 5.4 L		
Alternator (Generator) Mfr. / Model No.	Motorcraft / N/A		
Maximum Rated Output (Volts / Amps)	12 V / 130 Amps		
Air Compressor Mfr. / Model No.	N/A		
Maximum Capacity (ft <sup>3</sup> / min)	N/A		
Starter Type	<input checked="" type="checkbox"/> Electrical	<input type="checkbox"/> Pneumatic	<input type="checkbox"/> Other (explain)
Starter Mfr. / Model No.	Visteon / 0H30DY		



Bus Number: 0216	Date: 06/14/02
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TRANSMISSION

Transmission Type	<input type="checkbox"/> Manual	<input checked="" type="checkbox"/> Automatic
Mfr. / Model No.	Ford Motor Co. / Metric	
Control Type	<input checked="" type="checkbox"/> Mechanical	<input type="checkbox"/> Electrical <input type="checkbox"/> Other
Torque Converter Mfr. / Model No.	Ford Motor Co. / Metric	
Integral Retarder Mfr. / Model No.	N/A	

SUSPENSION

Number of Axles	2		
Front Axle Type	<input checked="" type="checkbox"/> Independent	<input type="checkbox"/> Beam Axle	
Mfr. / Model No.	Ford / F8UA-3K090AA		
Axle Ratio (if driven)	N/A		
Suspension Type	<input type="checkbox"/> Air	<input checked="" type="checkbox"/> Spring	<input checked="" type="checkbox"/> Other (Shocks)
No. of Shock Absorbers	2		
Mfr. / Model No.	Motorcraft / CH24T2F		
Middle Axle Type	<input type="checkbox"/> Independent	<input type="checkbox"/> Beam Axle	
Mfr. / Model No.	N/A		
Axle Ratio (if driven)	N/A		
Suspension Type	<input type="checkbox"/> Air	<input type="checkbox"/> Spring	<input type="checkbox"/> Other (explain)
No. of Shock Absorbers	N/A		
Mfr. / Model No.	N/A		
Rear Axle Type	<input type="checkbox"/> Independent	<input checked="" type="checkbox"/> Beam Axle	
Mfr. / Model No.	Dana / 42799 2		
Axle Ratio (if driven)	3.55		
Suspension Type	<input type="checkbox"/> Air	<input checked="" type="checkbox"/> Spring	<input checked="" type="checkbox"/> Other (Shock)
No. of Shock Absorbers	2		
Mfr. / Model No.	Motorcraft / CH31T1A		

Bus Number: 0216	Date: 6/14/02
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**WHEELS & TIRES**

Front	Wheel Mfr./ Model No.	Accuride / 16 x 7
	Tire Mfr./ Model No.	Goodyear Wrangler HT / LT 245/75R 16
Rear	Wheel Mfr./ Model No.	Accuride / 16 x 7
	Tire Mfr./ Model No.	Goodyear Wrangler HT / LT 245/75R 16

**BRAKES**

Front Axle Brakes Type	<input type="checkbox"/> Cam	<input checked="" type="checkbox"/> Disc	<input type="checkbox"/> Other (explain)
Mfr. / Model No.	Ford OEM / N/A		
Middle Axle Brakes Type	<input type="checkbox"/> Cam	<input type="checkbox"/> Disc	<input type="checkbox"/> Other (explain)
Mfr. / Model No.	N/A		
Rear Axle Brakes Type	<input type="checkbox"/> Cam	<input checked="" type="checkbox"/> Disc	<input type="checkbox"/> Other (explain)
Mfr. / Model No.	Ford OEM / N/A		
Retarder Type	N/A		
Mfr. / Model No.	N/A		

**HVAC**

Heating System Type	<input type="checkbox"/> Air	<input checked="" type="checkbox"/> Water	<input type="checkbox"/> Other
Capacity (Btu/hr)	35,000		
Mfr. / Model No.	Ford OEM / N/A		
Air Conditioner	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Location	Front		
Capacity (Btu/hr)	13,500		
A/C Compressor Mfr. / Model No.	Ford OEM / N/A		

**STEERING**

Steering Gear Box Type	Hydraulic
Mfr. / Model No.	Ford OEM / N/A
Steering Wheel Diameter	15.4
Number of turns (lock to lock)	4.0

Bus Number: 0216	Date: 6/14/02
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OTHERS

Wheel Chair Ramps	Location: N/A	Type: N/A
Wheel Chair Lifts	Location: Right center	Type: Hydraulic platform
Mfr. / Model No.	Ricon / K2005-S10000000	
Emergency Exit	Location: Doors	Number: 4

CAPACITIES

Fuel Tank Capacity (units)	55 gals
Engine Crankcase Capacity (gallons)	1.50
Transmission Capacity (gallons)	3.75
Differential Capacity (pints)	7.4 pints
Cooling System Capacity (quarts)	6.1
Power Steering Fluid Capacity (pints)	1.6 pints

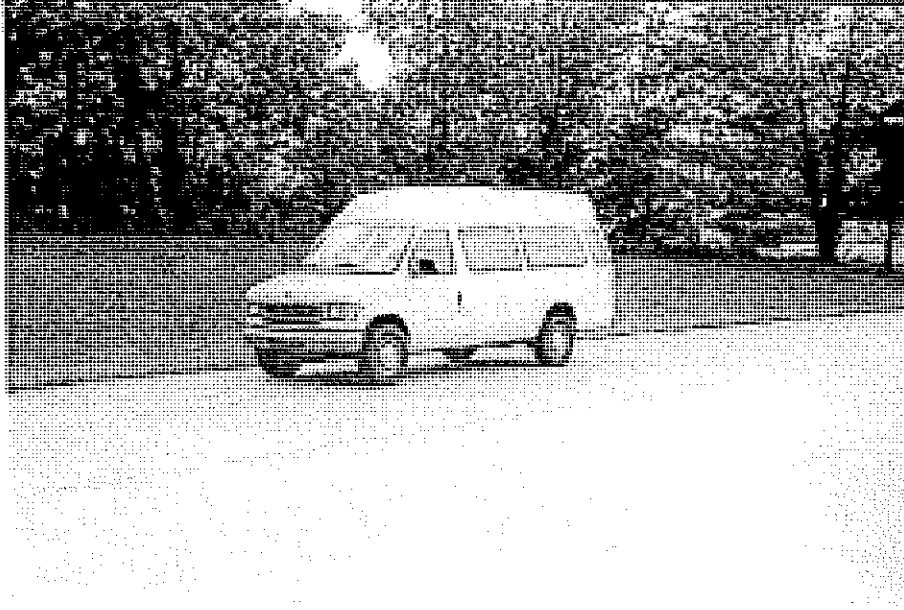


**COMPONENT/SUBSYSTEM INSPECTION FORM**

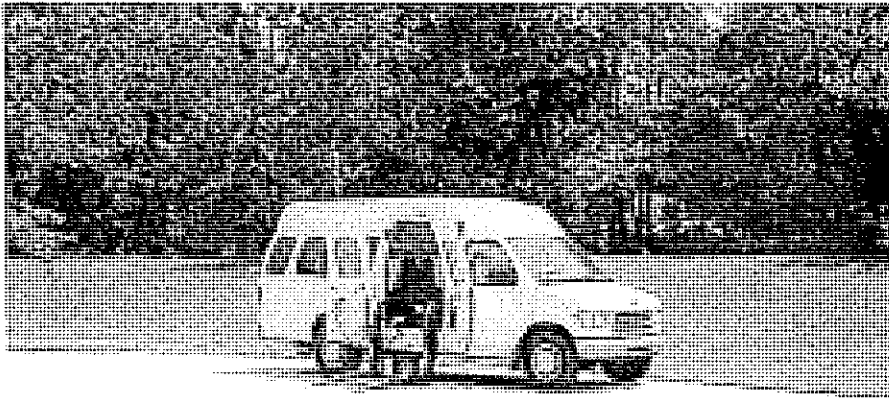
Bus Number: 0216	Date: 6/14/02
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Subsystem	Checked	Comments
Air Conditioning Heating and Ventilation	✓	
Body and Sheet Metal	✓	
Frame	✓	
Steering	✓	
Suspension	✓	
Interior/Seating	✓	
Axles	✓	
Brakes	✓	
Tires/Wheels	✓	
Exhaust	✓	
Fuel System	✓	
Power Plant	✓	
Accessories	✓	
Lift System	✓	
Interior Fasteners	✓	
Batteries	✓	

## CHECK - IN



## ELDORADO NATIONAL'S MODEL VERSA SHUTTLE



## ELDORADO NATIONAL'S MODEL VERSA SHUTTLE EQUIPPED WITH A RICON MODEL K2005-51000000 HANDICAP LIFT

# 1. MAINTAINABILITY

## 1.1 ACCESSIBILITY OF COMPONENTS AND SUBSYSTEMS

### 1.1-I. TEST OBJECTIVE

The objective of this test is to check the accessibility of components and subsystems.

### 1.1-II. TEST DESCRIPTION

Accessibility of components and subsystems is checked, and where accessibility is restricted the subsystem is noted along with the reason for the restriction.

### 1.1-III. DISCUSSION

Accessibility, in general, was adequate. Components covered in Section 1.3 (repair and/or replacement of selected subsystems), along with all other components encountered during testing, were found to be readily accessible and no restrictions were noted.

## ACCESSIBILITY DATA FORM

Bus Number: 0216	Date: 8-16-02
------------------	---------------

Component	Checked	Comments
<b>ENGINE :</b>		
Oil Dipstick	✓	
Oil Filler Hole	✓	
Oil Drain Plug	✓	
Oil Filter	✓	
Fuel Filter	✓	
Air Filter	✓	
Belts	✓	
Coolant Level	✓	
Coolant Filler Hole	✓	
Coolant Drain	✓	
Spark / Glow Plugs	✓	
Alternator	✓	
Diagnostic Interface Connector	✓	
<b>TRANSMISSION :</b>		
Fluid Dip-Stick	✓	
Filler Hole	✓	
Drain Plug	✓	
<b>SUSPENSION :</b>		
Bushings	✓	
Shock Absorbers	✓	
Air Springs	N/A	
Leveling Valves	N/A	
Grease Fittings	✓	



## ACCESSIBILITY DATA FORM

Bus Number: 0216	Date: 8/16/02
------------------	---------------

Component	Checked	Comments
<b>HVAC :</b>		
A/C Compressor	✓	
Filters	✓	
Fans	✓	
<b>ELECTRICAL SYSTEM :</b>		
Fuses	✓	
Batteries	✓	
Voltage regulator	✓	
Voltage Convertors	✓	
Lighting	✓	
<b>MISCELLANEOUS :</b>		
Brakes	✓	
Handicap Lifts/Ramps	✓	
Instruments	✓	
Axles	✓	
Exhaust	✓	
Fuel System	✓	
<b>OTHERS :</b>		

## **1.2 SERVICING, PREVENTIVE MAINTENANCE, AND REPAIR AND MAINTENANCE DURING TESTING**

### **1.2-I. TEST OBJECTIVE**

The objective of this test is to collect maintenance data about the servicing, preventive maintenance, and repair.

### **1.2-II. TEST DESCRIPTION**

The test will be conducted by operating the NBM and collecting the following data on work order forms and a driver log.

1. **Unscheduled Maintenance**
  - a. Bus number
  - b. Date
  - c. Mileage
  - d. Description of malfunction
  - e. Location of malfunction (e.g., in service or undergoing inspection)
  - f. Repair action and parts used
  - g. Man-hours required
  
2. **Scheduled Maintenance**
  - a. Bus number
  - b. Date
  - c. Mileage
  - d. Engine running time (if available)
  - e. Results of scheduled inspections
  - f. Description of malfunction (if any)
  - g. Repair action and parts used (if any)
  - h. Man-hours required

The buses will be operated in accelerated durability service. While typical items are given below, the specific service schedule will be that specified by the manufacturer.

- A. **Service**
  1. Fueling
  2. Consumable checks
  3. Interior cleaning
  
- B. **Preventive Maintenance**
  4. Brake adjustments
  5. Lubrication
  6. 3,000 mi (or equivalent) inspection

7. Oil and filter change inspection
8. Major inspection
9. Tune-up

C. Periodic Repairs

1. Brake reline
2. Transmission change
3. Engine change
4. Windshield wiper motor change
5. Stoplight bulb change
6. Towing operations
7. Hoisting operations

### 1.2-III. DISCUSSION

Servicing and preventive maintenance were performed at manufacturer specified intervals. The following Scheduled Maintenance Form lists the mileage, items serviced, the service interval, and amount of time required to perform the maintenance. Table 1 is a list of the lubricating products used in servicing. Finally, the Unscheduled Maintenance List along with Unscheduled Maintenance related photographs is included in Section 5.7, Structural Durability. This list supplies information related to failures that occurred during the durability portion of testing. The Unscheduled Maintenance List includes the date and mileage at which the malfunction occurred, a description of the malfunction and repair, and the time required to perform the repair.

(Page 1 of 1)  
**SCHEDULED MAINTENANCE**  
 EIDorado 0216

DATE	TEST MILES	SERVICE	ACTIVITY	DOWN TIME	HOURS
06-28-02	901	P.M. / Inspection	Linkage, tie rods, universals/u-joints all lubed; all fluids checked.	4.00	4.00
07-08-02	2,337	P.M. / Inspection	Linkage, tie rods, universals/u-joints all lubed; all fluids checked.	4.00	4.00
07-12-02	3,525	P.M. / Inspection	Linkage, tie rods, universals/u-joints all lubed; all fluids checked	4.00	4.00
08-05-02	3,701	P.M. / Inspection	Linkage, tie rods, universals/u-joints all lubed. Oil changed. Oil, fuel, and air filters changed. Transmission oil and filter changed.	8.00	8.00

**Table 1. STANDARD LUBRICANTS**

The following is a list of Texaco lubricant products used in bus testing conducted by the Penn State University Altoona Bus Testing Center:

<u>ITEM</u>	<u>PRODUCT CODE</u>	<u>TEXACO DESCRIPTION</u>
Engine oil	#2112	URSA Super Plus SAE 30
Transmission oil	#1866	Automatic Trans Fluid Mercon/Dexron II Multipurpose
Gear oil	#2316	Multigear Lubricant EP SAE 80W90
Wheel bearing & Chassis grease	#1935	Starplex II

## 1.3 REPLACEMENT AND/OR REPAIR OF SELECTED SUBSYSTEMS

### 1.3-I. TEST OBJECTIVE

The objective of this test is to establish the time required to replace and/or repair selected subsystems.

### 1.3-II. TEST DESCRIPTION

The test will involve components that may be expected to fail or require replacement during the service life of the bus. In addition, any component that fails during the NBM testing is added to this list. Components to be included are:

1. Transmission
2. Alternator
3. Starter
4. Batteries
5. Windshield wiper motor

### 1.3-III. DISCUSSION

During the test, several additional components were removed for repair or replacement. Following is a list of components and total repair/replacement time.

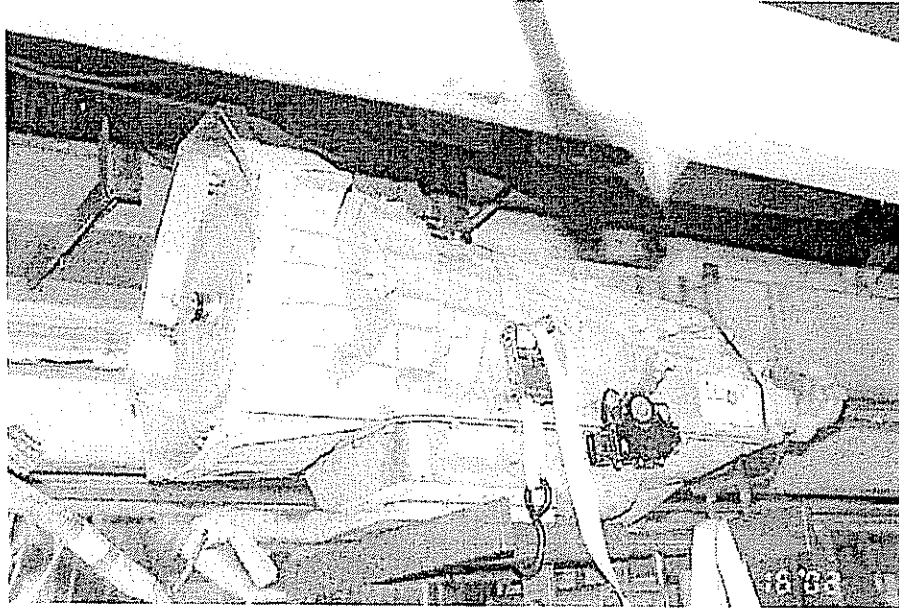
	<u>MAN HOURS</u>
Left front tire.	0.50
Tailpipe hanger.	1.00

At the end of the test, the remaining items on the list were removed and replaced. The transmission assembly took 6.00 man-hours (two men 3.00 hrs) to remove and replace. The time required for repair/replacement of the four remaining components is given on the following Repair and/or Replacement Form.

REPLACEMENT AND/OR REPAIR FORM

<b>Subsystem</b>	<b>Replacement Time</b>
Transmission	6.00 man hours
Wiper Motor	1.00 man hours
Starter	0.75 man hours
Alternator	1.00 man hours
Batteries	0.50 man hours

### **1.3 REPLACEMENT AND/OR REPAIR OF SELECTED SUBSYSTEMS**



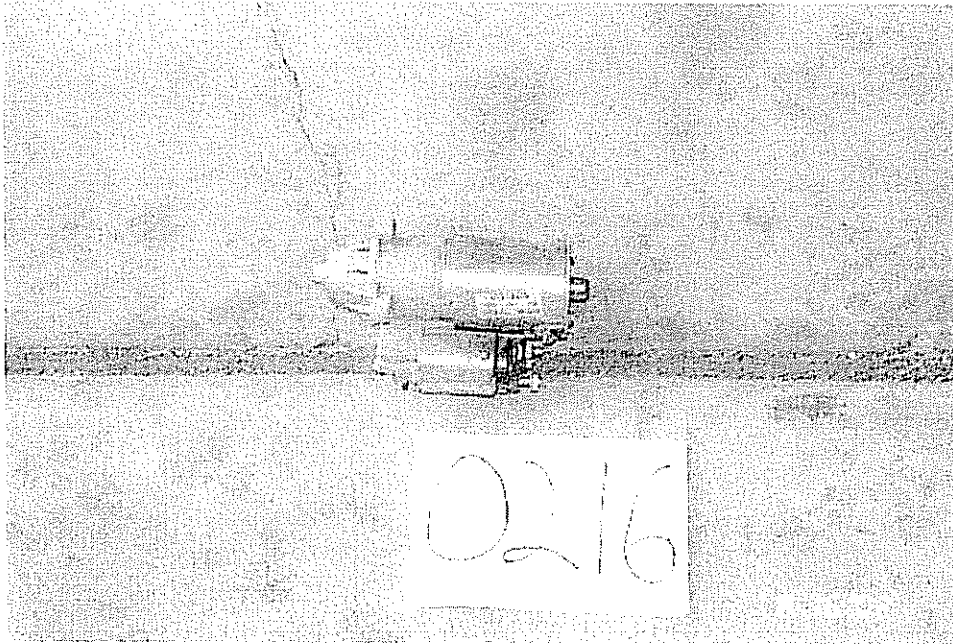
#### **TRANSMISSION REMOVAL AND REPLACEMENT (6.00 MAN HOURS)**



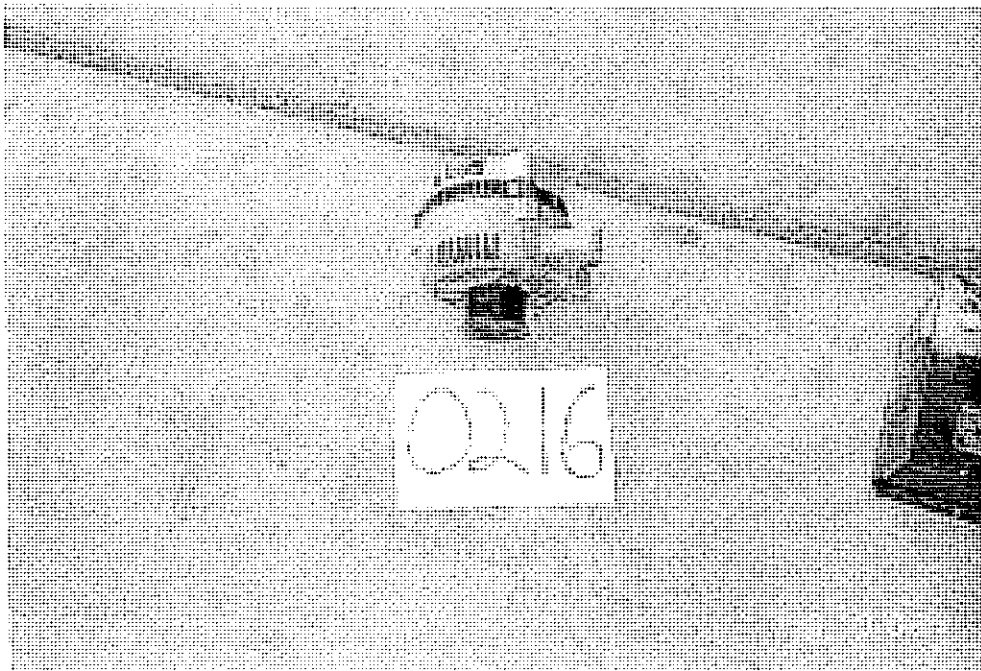
#### **WIPER MOTOR REMOVAL AND REPLACEMENT (1.00 MAN HOURS)**



**1.3 REPLACEMENT AND/OR REPAIR OF  
SELECTED SUBSYSTEMS CONT.**



**STARTER REMOVAL AND REPLACEMENT  
(0.75 MAN HOURS)**



**ALTERNATOR REMOVAL AND REPLACEMENT  
(1.5 MAN HOURS)**

## 2. RELIABILITY - DOCUMENTATION OF BREAKDOWN AND REPAIR TIMES DURING TESTING

### 2-I. TEST OBJECTIVE

The objective of this test is to document unscheduled breakdowns, repairs, down time, and repair time that occur during testing.

### 2-II. TEST DESCRIPTION

Using the driver log and unscheduled work order forms, all significant breakdowns, repairs, man-hours to repair, and hours out of service are recorded on the Reliability Data Form.

### CLASS OF FAILURES

Classes of failures are described below:

- (a) Class 1: Physical Safety. A failure that could lead directly to passenger or driver injury and represents a severe crash situation.
- (b) Class 2: Road Call. A failure resulting in an enroute interruption of revenue service. Service is discontinued until the bus is replaced or repaired at the point of failure.
- (c) Class 3: Bus Change. A failure that requires removal of the bus from service during its assignments. The bus is operable to a rendezvous point with a replacement bus.
- (d) Class 4: Bad Order. A failure that does not require removal of the bus from service during its assignments but does degrade coach operation. The failure shall be reported by driver, inspector, or hostler.

### 2-III. DISCUSSION

A listing of breakdowns and unscheduled repairs is accumulated during the Structural Durability Test. The following Reliability Data Form lists all unscheduled repairs under classes as defined above. These classifications are somewhat subjective as the test is performed on a test track with careful inspections every two hours. However, even on the road, there is considerable latitude on deciding how to handle many failures.

The Unscheduled Repair List is also attached to provide a reference for the repairs that are included in the Reliability Data Forms.

The classification of repairs according to subsystem is intended to emphasize those systems which had persistent minor or more serious problems. There were no Class 1 or 2 failures. Of the two Class 4 failures, both involved the exhaust system. These, and the one remaining Class 3 failure are available for review in the Unscheduled Maintenance List, located in Section 5.7 Structural Durability.

### RELIABILITY DATA FORMS

Bus Number: 0216	Date: 08-07-02
Personnel: Bob Reifsteck	

Failure Type			
Class 4 Bad Order	Class 3 Bus Change	Class 2 Road Call	Class 1 Physical Safety

Subsystems	Mileage	Mileage	Mileage	Mileage	Man Hours	Down Time
Exhaust System	2,075				0.25	0.25
	3,338				1.00	1.00
Wheels/Tires		2,531			0.50	0.50

### **3. SAFETY - A DOUBLE-LANE CHANGE (OBSTACLE AVOIDANCE)**

#### **3-I. TEST OBJECTIVE**

The objective of this test is to determine handling and stability of the bus by measuring speed through a double lane change test.

#### **3-II. TEST DESCRIPTION**

The Safety Test is a vehicle handling and stability test. The bus will be operated at SLW on a smooth and level test track. The bus will be driven through a double lane change course at increasing speed until the test is considered unsafe or a speed of 45 mph is reached. The lane change course will be set up using pylons to mark off two 12 foot center to center lanes with two 100 foot lane change areas 100 feet apart. The bus will begin in one lane, change to the other lane in a 100 foot span, travel 100 feet, and return to the original lane in another 100 foot span. This procedure will be repeated, starting first in the right-hand and then in the left-hand lane.

#### **3-III. DISCUSSION**

The double-lane change was performed in both right-hand and left-hand directions. The bus was able to safely negotiate the test course in both the right-hand and left-hand directions up to the maximum test speed of 45 mph.

## SAFETY DATA FORM

Bus Number: 0216	Date: 8/8/02
Personnel: E.D., E.L. & B.S.	

Temperature (°F): 70	Humidity (%): 52
Wind Direction: NE	Wind Speed (mph): 3
Barometric Pressure (in.Hg): 30.24	

SAFETY TEST: DOUBLE LANE CHANGE	
Maximum safe speed tested for double-lane change to left	45 mph
Maximum safe speed tested for double-lane change to right	45 mph
<b>Comments of the position of the bus during the lane change:</b>	
A safe and adequate profile was maintained through all portions of testing.	
<b>Comments of the tire/ground contact patch:</b>	
Tire/ground contact was maintained through all portions of testing.	

### 3. SAFETY



**RIGHT - HAND APPROACH**



**LEFT - HAND APPROACH**

## **4. PERFORMANCE - AN ACCELERATION, GRADEABILITY, AND TOP SPEED TEST**

### **4-I. TEST OBJECTIVE**

The objective of this test is to determine the acceleration, gradeability, and top speed capabilities of the bus.

### **4-II. TEST DESCRIPTION**

In this test, the bus will be operated at SLW on the skid pad at the PSBRTF. The bus will be accelerated at full throttle from a standstill to a maximum "geared" or "safe" speed as determined by the test driver. The vehicle speed is measured using a Correvit non-contacting speed sensor. The times to reach speed between ten mile per hour increments are measured and recorded using a stopwatch with a lap timer. The time to speed data will be recorded on the Performance Data Form and later used to generate a speed vs time plot and gradeability calculations.

### **4-III. DISCUSSION**

This test consists of three runs in both the clockwise and counterclockwise directions on the Test Track. Velocity versus time data is obtained for each run and results are averaged together to minimize any test variability which might be introduced by wind or other external factors. The test was performed up to a maximum speed of 50 mph. The fitted curve of velocity vs time is attached, followed by the calculated gradeability results. The average time to obtain 50 mph was 11.59 seconds.



## PERFORMANCE DATA FORM

Bus Number: 0216	Date: 8/8/02
Personnel: E.D., E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Direction: NE	Wind Speed (mph): 3
Barometric Pressure (in.Hg): 30.24	
Air Conditioning compressor-OFF	✓ Checked
Ventilation fans-ON HIGH	✓ Checked
Heater pump motor-Off	✓ Checked
Defroster-OFF	✓ Checked
Exterior and interior lights-ON	✓ Checked
Windows and doors-CLOSED	✓ Checked

<b>ACCELERATION, GRADEABILITY, TOP SPEED</b>			
Counter Clockwise Recorded Interval Times			
Speed	Run 1	Run 2	Run 3
10 mph	1.91	1.87	1.75
20 mph	3.41	3.56	3.56
30 mph	5.79	5.75	5.63
40 mph	8.33	8.53	8.56
Top Test Speed(mph) 50	12.11	12.19	11.88
Clockwise Recorded Interval Times			
Speed	Run 1	Run 2	Run 3
10 mph	1.81	1.87	1.84
20 mph	3.41	3.40	3.57
30 mph	5.54	5.61	5.21
40 mph	7.82	8.02	7.62
Top Test Speed(mph) 50	11.10	11.24	10.99

0216.ACC

PERFORMANCE SUMMARY SHEET

BUS MANUFACTURER :Eldorado National      BUS NUMBER :0216  
BUS MODEL            :Versa Shuttle            TEST DATE :8/8/02

TEST CONDITIONS :

-----  
TEMPERATURE (DEG F )            : 70.0  
WIND DIRECTION                    : NE  
WIND SPEED (MPH)                 : 3.0  
HUMIDITY (%)                      : 52  
BAROMETRIC PRESSURE (IN. HG)    : 30.2  
-----

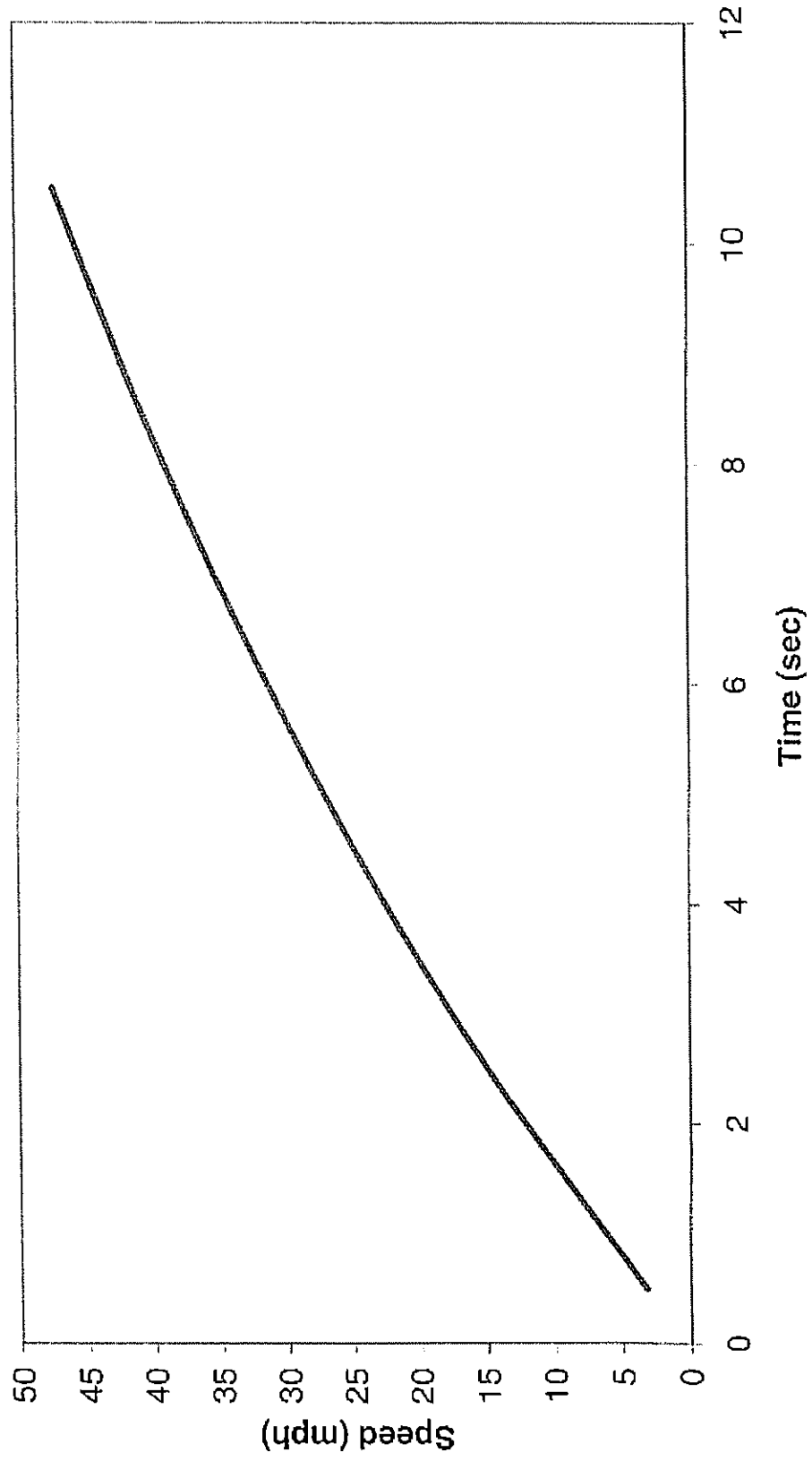
VEHICLE SPEED (MPH)	AVERAGE TIME (SEC)		
	CCW DIRECTION	CW DIRECTION	TOTAL
10.0	1.84	1.84	1.84
20.0	3.51	3.46	3.49
30.0	5.72	5.45	5.59
40.0	8.47	7.82	8.15
50.0	12.06	11.11	11.59

TEST SUMMARY :

VEHICLE SPEED (MPH)	TIME (SEC)	ACCELERATION (FT/SEC <sup>2</sup> )	MAX. GRADE (%)
1.0	.15	9.5	31.1
5.0	.78	9.1	29.4
10.0	1.62	8.5	27.3
15.0	2.51	7.9	25.2
20.0	3.48	7.3	23.3
25.0	4.53	6.7	21.3
30.0	5.67	6.2	19.5
35.0	6.91	5.6	17.7
40.0	8.28	5.1	16.0
45.0	9.80	4.6	14.4
50.0	11.48	4.1	12.9

NOTE : Gradeability results were calculated from performance  
----- test data. Actual sustained gradeability performance  
for vehicles equipped with auto transmission may be  
lower than the values indicated here.

**Velocity vs. Time  
Eldorado National #0216**



## 5. STRUCTURAL INTEGRITY

### 5.1 STRUCTURAL STRENGTH AND DISTORTION TESTS - STRUCTURAL SHAKEDOWN TEST

#### 5.1-I. DISCUSSION

The objective of this test is to determine certain static characteristics (e.g., bus floor deflection, permanent structural deformation, etc.) under static loading conditions.

#### 5.1-II. TEST DESCRIPTION

In this test, the bus will be isolated from the suspension by blocking the vehicle under the suspension points. The bus will then be loaded and unloaded up to a maximum of three times with a distributed load equal to 2.5 times gross load. Gross load is 150 lb for every designed passenger seating position, for the driver, and for each 1.5 sq ft of free floor space. For a distributed load equal to 2.5 times gross load, place a 375-lb load on each seat and on every 1.5 sq ft of free floor space. The first loading and unloading sequence will "settle" the structure. Bus deflection will be measured at several locations during the loading sequences.

#### 5.1-III. DISCUSSION

This test was performed based on a maximum passenger capacity of 12 people including the driver. The resulting test load is  $(12 \times 375 \text{ lb}) = 4,500 \text{ lbs}$ . The load is distributed evenly over the passenger space. Deflection data before and after each loading and unloading sequence is provided on the Structural Shakedown Data Form.

The unloaded height after each test becomes the original height for the next test. Some initial settling is expected due to undercoat compression, etc. After each loading cycle, the deflection of each reference point is determined. The bus is then unloaded and the residual (permanent) deflection is recorded. On the final test, the maximum loaded deflection was 0.491 inches at reference point 6. The maximum permanent deflection after the final loading sequence ranged from -0.008 inches at reference point 9 to 0.001 inches at reference points 2, 3, 4, 5, 6 and 11.

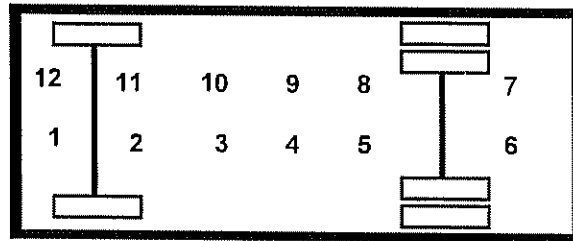
## STRUCTURAL SHAKEDOWN DATA FORM

Bus Number: 0216	Date: 6/19/02
Personnel: T.S., E.L. & D.L.	Temperature (°F): 78
Loading Sequence: <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3   (check one)	
Test Load (lbs): 4,500	

Indicate Approximate Location of Each Reference Point

Right

Front  
of  
Bus



Left  
Top View

Reference Point No.	A (in) Original Height	B (in) Loaded Height	B-A (in) Loaded Deflection	C (in) Unloaded Height	C-A (in) Permanent Deflection
1	0	-.019	-.019	.009	.009
2	0	.004	.004	.002	.002
3	0	.005	.005	.002	.002
4	0	.011	.011	.007	.007
5	0	.017	.017	.005	.005
6	0	.550	.550	.064	.064
7	0	.477	.477	.068	.068
8	0	.009	.009	.009	.009
9	0	.008	.008	.018	.018
10	0	.005	.005	.019	.019
11	0	.000	.000	.008	.008
12	0	-.026	-.026	-.026	-.026

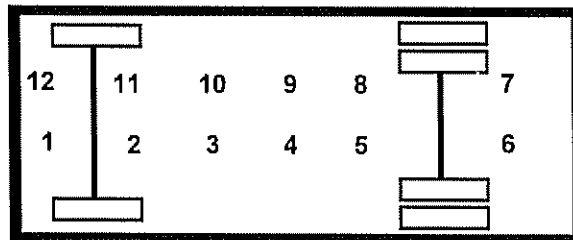
## STRUCTURAL SHAKEDOWN DATA FORM

Bus Number: 0216	Date: 6/19/02
Personnel: T.S., E.L. & D.L.	Temperature (°F): 78
Loading Sequence: <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3   (check one)	
Test Load (lbs): 4,500	

Indicate Approximate Location of Each Reference Point

Right

Front  
of  
Bus



Left  
Top View

Reference Point No.	A (in) Original Height	B (in) Loaded Height	B-A (in) Loaded Deflection	C (in) Unloaded Height	C-A (in) Permanent Deflection
1	.009	-.021	-.030	.009	.000
2	.002	.005	.003	.003	.001
3	.002	.006	.004	.003	.001
4	.007	.013	.006	.008	.001
5	.005	.016	.011	.006	.001
6	.064	.555	.491	.065	.001
7	.068	.484	.416	.067	-.001
8	.009	.010	.001	.008	-.001
9	.018	.008	-.010	.010	-.008
10	.019	.006	-.013	.009	-.010
11	.008	.001	-.007	.009	.001
12	-.026	-.027	.001	-.026	.000

## 5.1 STRUCTURAL SHAKEDOWN TEST



**BUS LOADED TO 2.5 TIMES GVL  
(4,500 LBS)**

## 5.2 STRUCTURAL STRENGTH AND DISTORTION TESTS - STRUCTURAL DISTORTION

### 5.2-I. TEST OBJECTIVE

The objective of this test is to observe the operation of the bus subsystems when the bus is placed in a longitudinal twist simulating operation over a curb or through a pothole.

### 5.2-II. TEST DESCRIPTION

With the bus loaded to GVWR, each wheel of the bus will be raised (one at a time) to simulate operation over a curb and the following will be inspected:

1. Body
2. Windows
3. Doors
4. Roof vents
5. Special seating
6. Undercarriage
7. Engine
8. Service doors
9. Escape hatches
10. Steering mechanism

Each wheel will then be lowered (one at a time) to simulate operation through a pothole and the same items inspected.

### 5.2-III. DISCUSSION

The test sequence was repeated ten times. The first and last test is with all wheels level. The other eight tests are with each wheel 6 inches higher and 6 inches lower than the other three wheels.

All doors, windows, escape mechanisms, engine, steering and handicapped devices operated normally throughout the test. The undercarriage and body indicated no deficiencies. Water leakage was observed throughout the test at both front doors, the rear cargo door and the handicap access door. The results of this test are indicated on the following data forms.



**DISTORTION TEST INSPECTION FORM**  
 (Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input checked="" type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

**DISTORTION TEST INSPECTION FORM**  
 (Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input checked="" type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

**DISTORTION TEST INSPECTION FORM**  
 (Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input checked="" type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

**DISTORTION TEST INSPECTION FORM**  
 (Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input checked="" type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

## DISTORTION TEST INSPECTION FORM

(Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input checked="" type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

## DISTORTION TEST INSPECTION FORM

(Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input checked="" type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

## DISTORTION TEST INSPECTION FORM

(Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input checked="" type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

**DISTORTION TEST INSPECTION FORM**  
 (Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input checked="" type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.



## DISTORTION TEST INSPECTION FORM

(Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input checked="" type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

## DISTORTION TEST INSPECTION FORM

(Note: Ten copies of this data sheet are required)

Bus Number: 0216	Date: 6/20/02
Personnel: E.L., T.S. D.L. & M.H.	Temperature(°F): 80

Wheel Position : (check one)		
All wheels level	<input type="checkbox"/> before	<input checked="" type="checkbox"/> after
Left front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right front	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left rear	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Right center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower
Left center	<input type="checkbox"/> 6 in higher	<input type="checkbox"/> 6 in lower

	Comments
<input checked="" type="checkbox"/> Windows	No deficiencies.
<input checked="" type="checkbox"/> Front Doors	Leaks around both front doors.
<input checked="" type="checkbox"/> Rear Doors	Leaks around rear cargo door.
<input checked="" type="checkbox"/> Escape Mechanisms/ Roof Vents	No deficiencies.
<input checked="" type="checkbox"/> Engine	No deficiencies.
<input checked="" type="checkbox"/> Handicapped Device/ Special Seating	No deficiencies.
<input checked="" type="checkbox"/> Undercarriage	No deficiencies.
<input checked="" type="checkbox"/> Service Doors	Leaks around handicap access.
<input checked="" type="checkbox"/> Body	No deficiencies.
<input checked="" type="checkbox"/> Windows/ Body Leakage	No deficiencies.
<input checked="" type="checkbox"/> Steering Mechanism	No deficiencies.

## 5.2 STRUCTURAL DISTORTION TEST



**RIGHT REAR WHEEL SIX INCHES HIGHER**

## **5.3 STRUCTURAL STRENGTH AND DISTORTION TESTS - STATIC TOWING TEST**

### **5.3-I. TEST OBJECTIVE**

The objective of this test is to determine the characteristics of the bus towing mechanisms under static loading conditions.

### **5.3-II. TEST DESCRIPTION**

Utilizing a load-distributing yoke, a hydraulic cylinder is used to apply a static tension load equal to 1.2 times the bus curb weight. The load will be applied to both the front and rear, if applicable, towing fixtures at an angle of 20 degrees with the longitudinal axis of the bus, first to one side then the other in the horizontal plane, and then upward and downward in the vertical plane. Any permanent deformation or damage to the tow eyes or adjoining structure will be recorded.

### **5.3-III. DISCUSSION**

The test bus submitted for testing was not equipped with any type of tow eyes or tow hooks, therefore, the Static Towing Test was not performed.

## **5.4 STRUCTURAL STRENGTH AND DISTORTION TESTS - DYNAMIC TOWING TEST**

### **5.4-I. TEST OBJECTIVE**

The objective of this test is to verify the integrity of the towing fixtures and determine the feasibility of towing the bus under manufacturer specified procedures.

### **5.4-II. TEST DESCRIPTION**

This test requires the bus be towed at curb weight using the specified equipment and instructions provided by the manufacturer and a heavy-duty wrecker. The bus will be towed for 5 miles at a speed of 20 mph for each recommended towing configuration. After releasing the bus from the wrecker, the bus will be visually inspected for any structural damage or permanent deformation. All doors, windows and passenger escape mechanisms will be inspected for proper operation.

### **5.4-III. DISCUSSION**

The bus was towed using a heavy-duty wrecker. The towing interface was accomplished by incorporating a hydraulic under lift. A front lift tow was performed with no problems encountered with the towing interface and no damage or deformation observed. Rear towing is not recommended. No problems, deformation, or damage was noted during testing.

## DYNAMIC TOWING TEST DATA FORM

Bus Number: 0216	Date: 8-19-02
Personnel: S.C.	

Temperature (°F): 86	Humidity (%): 64
Wind Direction: Calm	Wind Speed (mph): Calm
Barometric Pressure (in.Hg): 30.09	

<b>Inspect tow equipment-bus interface.</b>
<b>Comments:</b> A safe and adequate connection was made between the tow equipment and the bus.
<b>Inspect tow equipment-wrecker interface.</b>
<b>Comments:</b> A safe and adequate connection was made between the tow equipment and the wrecker.
<b>Towing Comments:</b> A front lift tow was performed incorporating a hydraulic slider.
A front lift tow was performed. No problems were encountered with the towing interface.
<b>Description and location of any structural damage:</b> None noted.
<b>General Comments:</b> none

## 5.4 DYNAMIC TOWING TEST



**TOWING INTERFACE**



**TE  
BUS IN TOW**

**ST**

## 5.5 STRUCTURAL STRENGTH AND DISTORTION TESTS - JACKING TEST

### 5.5-I. TEST OBJECTIVE

The objective of this test is to inspect for damage due to the deflated tire, and determine the feasibility of jacking the bus with a portable hydraulic jack to a height sufficient to replace a deflated tire.

### 5.5-II. TEST DESCRIPTION

With the bus at curb weight, the tire(s) at one corner of the bus are replaced with deflated tire(s) of the appropriate type. A portable hydraulic floor jack is then positioned in a manner and location specified by the manufacturer and used to raise the bus to a height sufficient to provide 3-in clearance between the floor and an inflated tire. The deflated tire(s) are replaced with the original tire(s) and the jack is lowered. Any structural damage or permanent deformation is recorded on the test data sheet. This procedure is repeated for each corner of the bus.

### 5.5-III. DISCUSSION

The jack used for this test has a minimum height of 8.75 inches. During the deflated portion of the test, the jacking point clearances ranged from 8.6 inches to 15.1 inches. No deformation or damage was observed during testing. A complete listing of jacking point clearances is provided in the Jacking Test Data Form.

### JACKING CLEARANCE SUMMARY

Condition	Frame Point Clearance
Front axle - one tire flat	14.8"
Rear axle - one tire flat	13.4"
Rear axle - two tires flat	NA



## JACKING TEST DATA FORM

Bus Number: 0216	Date: 6-14-02
Personnel: T.S. & E.L.	Temperature: 75

Record any permanent deformation or damage to bus as well as any difficulty encountered during jacking procedure.

Deflated Tire	Jacking Pad Clearance Body/Frame (in)	Jacking Pad Clearance Axle/Suspension (in)	Comments
Right front	17.4" I 14.8" D	11.6" I 8.6" D	
Left front	17.4" I 15.1" D	11.6" I 8.9" D	
Right rear--outside	15.4" I 13.4" D	11.9" I 9.2" D	
Right rear--both	NA	NA	
Left rear--outside	15.6" I 13.8" D	12.1" I 9.7" D	
Left rear--both			
Right middle or tag--outside	NA	NA	
Right middle or tag--both	NA	NA	
Left middle or tag--outside	NA	NA	
Left middle or tag--both	NA	NA	

**Additional comments of any deformation or difficulty during jacking:**

none

## **5.6 STRUCTURAL STRENGTH AND DISTORTION TESTS - HOISTING TEST**

### **5.6-I. TEST OBJECTIVE**

The objective of this test is to determine possible damage or deformation caused by the jack/stands.

### **5.6-II. TEST DESCRIPTION**

With the bus at curb weight, the front end of the bus is raised to a height sufficient to allow manufacturer-specified placement of jack stands under the axles or jacking pads independent of the hoist system. The bus will be checked for stability on the jack stands and for any damage to the jacking pads or bulkheads. The procedure is repeated for the rear end of the bus. The procedure is then repeated for the front and rear simultaneously.

### **5.6-III. DISCUSSION**

The test was conducted using four posts of a six-post electric lift and standard 19 inch jack stands. The bus was hoisted from the front wheel, rear wheel, and then the front and rear wheels simultaneously and placed on jack stands.

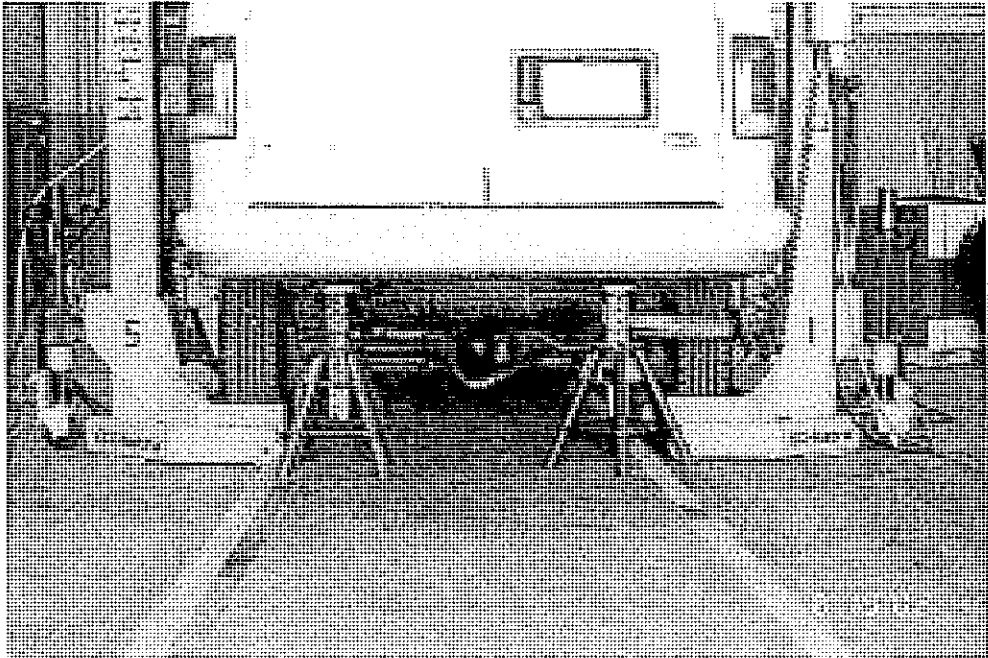
The bus easily accommodated the placement of the vehicle lifts and jack stands and the procedure was performed without any instability noted.

## HOISTING TEST DATA FORM

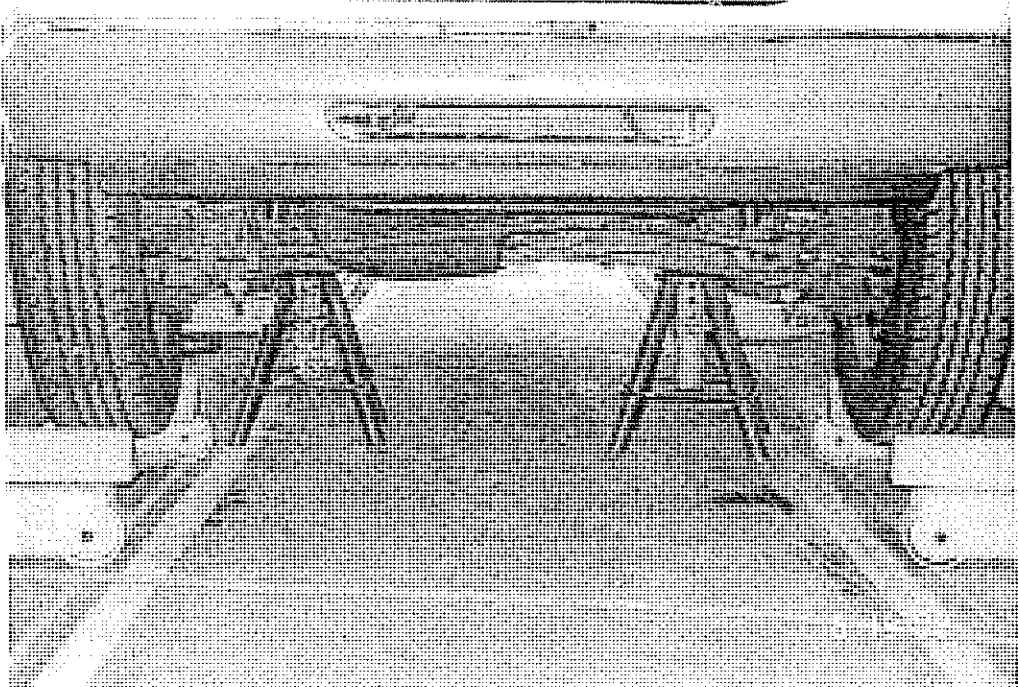
Bus Number: 0216	Date: 6-14-02
Personnel: T.S. & E.L.	Temperature (°F): 69

<b>Comments of any structural damage to the jacking pads or axles while both the front wheels are supported by the jack stands:</b>
None noted.
<b>Comments of any structural damage to the jacking pads or axles while both the rear wheels are supported by the jack stands:</b>
None noted.
<b>Comments of any structural damage to the jacking pads or axles while both the front and rear wheels are supported by the jack stands:</b>
None noted.

# 5.6 HOISTING TEST



**TEST BUS STABLE ON JACK STANDS**



## 5.7 STRUCTURAL DURABILITY TEST

### 5.7-I. TEST OBJECTIVE

The objective of this test is to perform an accelerated durability test that approximates up to 25 percent of the service life of the vehicle.

### 5.7-II. TEST DESCRIPTION

The test vehicle is driven a total of 3,800 miles; approximately 2,500 miles on the PSBRTF Durability Test Track and approximately 1,300 miscellaneous other miles. The test will be conducted with the bus operated under three different loading conditions. The first segment will consist of approximately 1,500 miles with the bus operated at GVW. The second segment will consist of approximately 800 miles with the bus operated at SLW. The remainder of the test, approximately 1,500 miles, will be conducted with the bus loaded to CW. If GVW exceeds the axle design weights, then the load will be adjusted to the axle design weights and the change will be recorded. All subsystems are run during these tests in their normal operating modes. All recommended manufacturers servicing is to be followed and noted on the vehicle maintainability log. Servicing items accelerated by the durability tests will be compressed by 10:1; all others will be done on a 1:1 mi/mi basis. Unscheduled breakdowns and repairs are recorded on the same log as are any unusual occurrences as noted by the driver. Once a week the test vehicle shall be washed down and thoroughly inspected for any signs of failure.

### 5.7-III. DISCUSSION

The Structural Durability Test was started on June 24, 2002 and was conducted until August 8, 2002. The first 1,500 miles were performed at a GVW of 8,610 lbs. and completed on July 1, 2002. The next 800 mile SLW segment was performed at the same 8,610 lbs and completed on July 5, 2002, and the final 1,500 mile segment was performed at a CW of 6,790 lbs and completed on August 8, 2002.

The following mileage summary presents the accumulation of miles during the Structural Durability Test. The driving schedule is included, showing the operating duty cycle. A detailed plan view of the PTI test track facility and Durability Test Track are attached for reference also, a durability element profile detail shows all the measurement of the different conditions. Finally, photographs illustrating some of the failures that were encountered during the Structural Durability Test are included.

**ELDORADO - TEST BUS #0216**  
**MILEAGE DRIVEN/RECORDED FROM DRIVERS' LOGS**

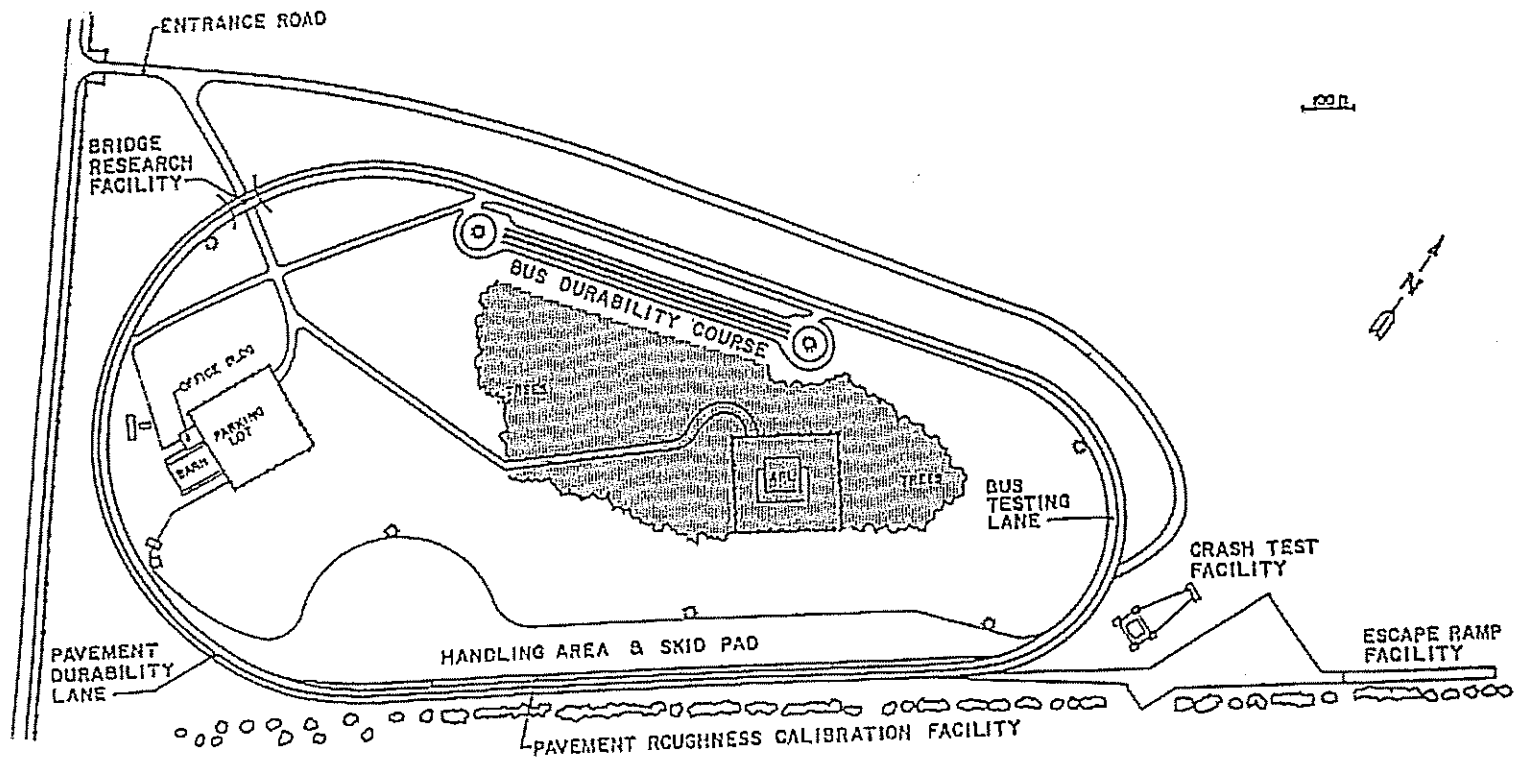
DATE	TOTAL DURABILITY TRACK	TOTAL OTHER MILES	TOTAL
06/24/02 TO 06/30/02	836.00	186.00	1022.00
07/01/02 TO 07/07/02	664.00	389.00	1053.00
07/08/02 TO 07/14/02	959.00	491.00	1450.00
07/15/02 TO 07/21/02	41.00	83.00	124.00
07/22/02 TO 07/28/02	0.00	52.00	52.00
07/29/02 TO 08/04/02	0.00	0.00	0.00
08/05/02 TO 08/11/02	0.00	188.00	188.00
TOTAL	2500.00	1389.00	3889.00

Table 4. Driving Schedule for Bus Operation on the Durability Test Track.

STANDARD OPERATING SCHEDULE			
Monday through Friday			
	HOUR	ACTION	
Shift 1	midnight	D	
	1:40 am	C	
	1:50 am	B	
	2:00 am	D	
	3:35 am	C	
	3:45 am	B	
	4:05 am	D	
	5:40 am	C	
	5:50 am	B	
	6:00 am	D	
	7:40 am	C	
	7:50 am	F	
	Shift 2	8:00 am	D
		9:40 am	C
9:50 am		B	
10:00 am		D	
11:35 am		C	
11:45 am		B	
12:05 pm		D	
1:40 pm		C	
1:50 pm		B	
2:00 pm		D	
3:40 pm		C	
3:50 pm		F	
Shift 3		4:00 pm	D
		5:40 pm	C
	5:50 pm	B	
	6:00 pm	D	
	7:40 pm	C	
	7:50 pm	B	
	8:05 pm	D	
	9:40 pm	C	
	9:50 pm	B	
	10:00 pm	D	
	11:40 pm	C	
	11:50 pm	F	

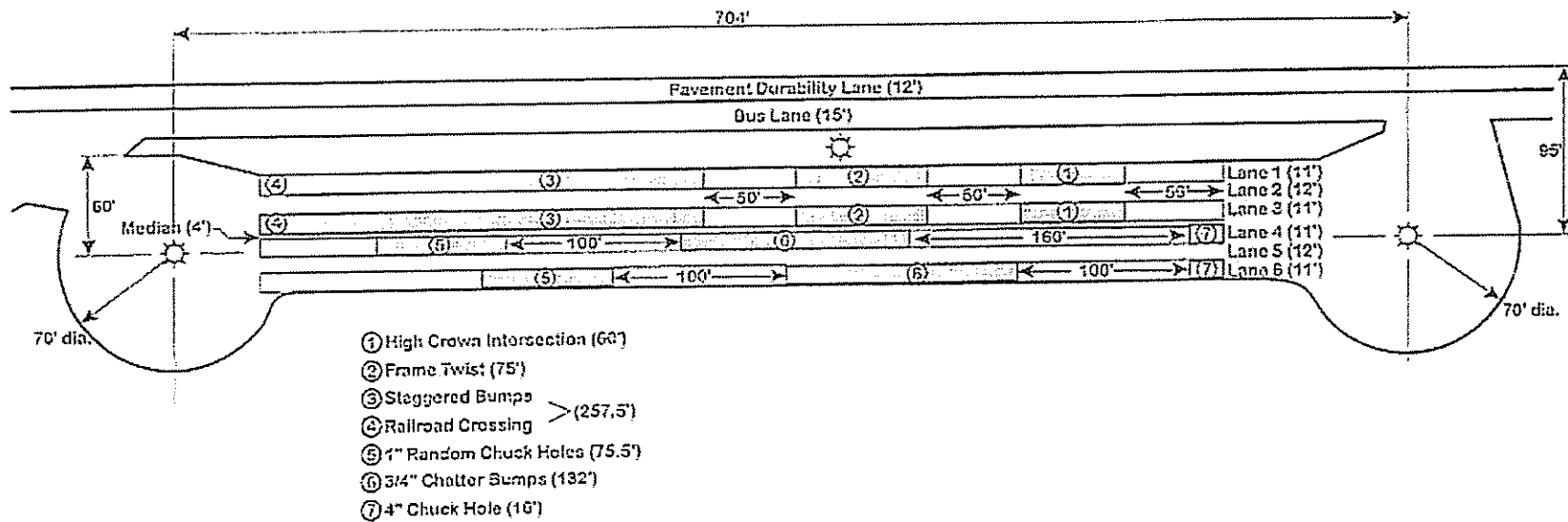
B—Break  
 C—Cycle all systems five times, visual inspection, driver's log entries  
 D—Drive bus as specified by procedure  
 F—Fuel bus, complete driver's log shift entries

“PLAN VIEW OF PENN STATE BUS TESTING AND RESEARCH FACILITY”



BUS TESTING AND RESEARCH TEST TRACK  
UNIVERSITY PARK, PA



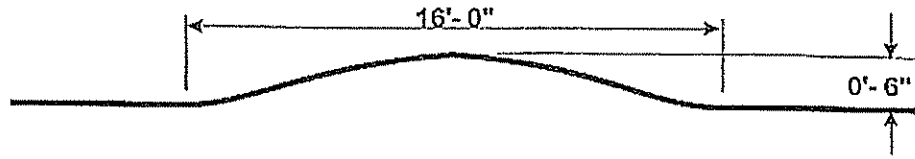


Plan View

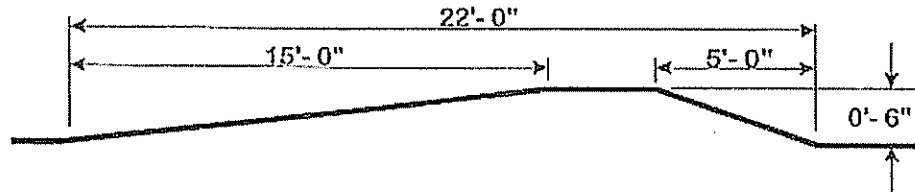
# Vehicle Durability Test Track

The Pennsylvania Transportation Institute  
Penn State

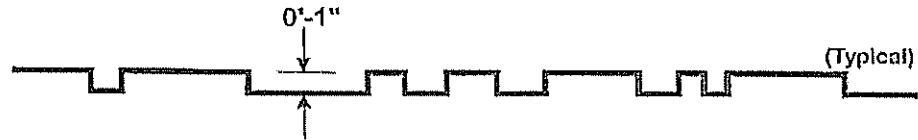
Staggered  
Bumps  
(10 mph)



Railroad  
Crossing  
(8 mph)



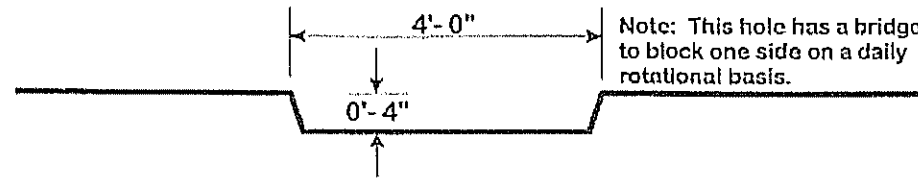
1" Random  
Chuck Holes  
(20 mph)



Chatter Bumps  
(20 mph)

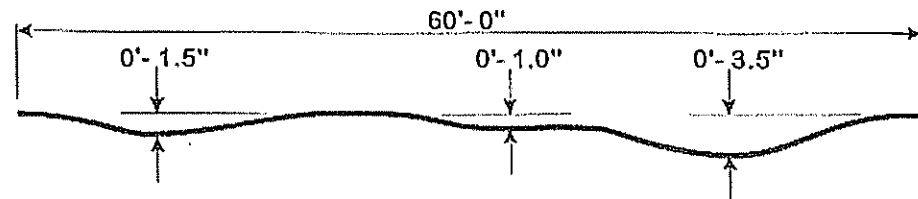


4" Chuck Hole  
(5 mph)

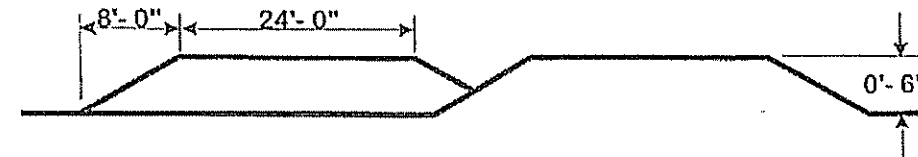


Note: This hole has a bridge to block one side on a daily rotational basis.

High Crown  
Intersection  
(20 mph)



Frame Twist  
(10 mph)



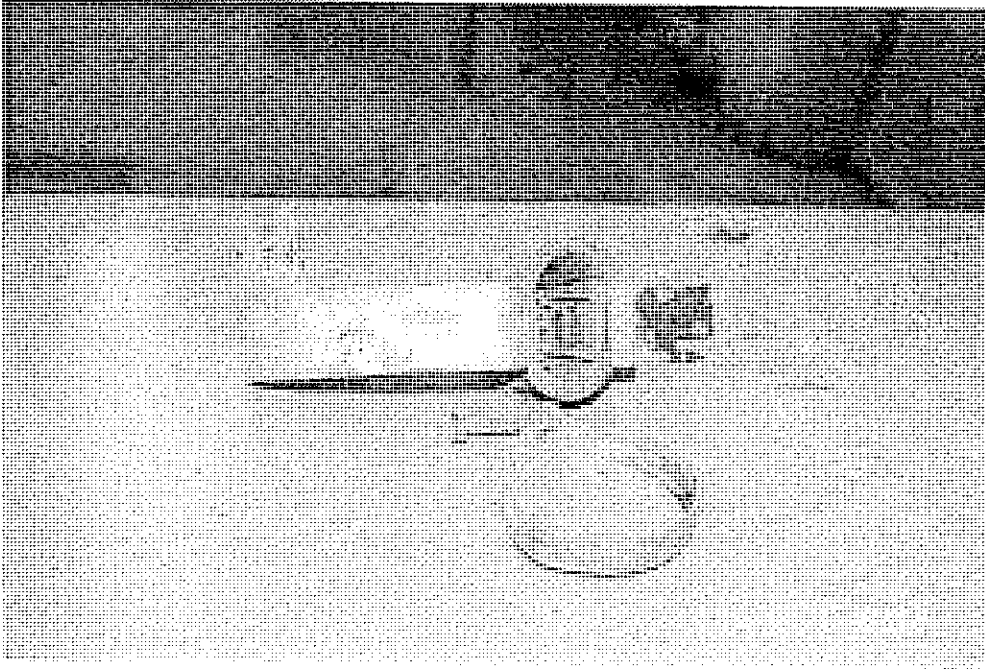
## Durability Element Profiles

The Pennsylvania Transportation Institute  
Penn State

(Page 1 of 1)  
**UNSCHEDULED MAINTENANCE**  
 ElDorado 0216

DATE	TEST MILES	SERVICE	ACTIVITY	DOWN TIME	HOURS
07-08-02	2,075	The tailpipe hanger is broken.	Tailpipe hanger replaced.	0.25	0.25
07-09-02	2,531	The left front tire is flat.	Left front tire replaced.	0.50	0.50
07-12-02	3,338	The tailpipe hanger is broken.	Tailpipe hanger repaired.	1.00	1.00

## UNSCHEDULED MAINTENANCE



**FAILED TAILPIPE HANGER  
(3,338 TEST MILES)**

## **6. FUEL ECONOMY TEST - A FUEL CONSUMPTION TEST USING AN APPROPRIATE OPERATING CYCLE**

### **6-I. TEST OBJECTIVE**

The objective of this test is to provide accurate comparable fuel consumption data on transit buses produced by different manufacturers. This fuel economy test bears no relation to the calculations done by the Environmental Protection Agency (EPA) to determine levels for the Corporate Average Fuel Economy Program. EPA's calculations are based on tests conducted under laboratory conditions intended to simulate city and highway driving. This fuel economy test, as designated here, is a measurement of the fuel expended by a vehicle traveling a specified test loop under specified operating conditions. The results of this test will not represent actual mileage but will provide data that can be used by recipients to compare buses tested by this procedure.

### **6-II. TEST DESCRIPTION**

This test requires operation of the bus over a course based on the Transit Coach Operating Duty Cycle (ADB Cycle) at seated load weight using a procedure based on the Fuel Economy Measurement Test (Engineering Type) For Trucks and Buses: SAE 1376 July 82. The procedure has been modified by elimination of the control vehicle and by modifications as described below. The inherent uncertainty and expense of utilizing a control vehicle over the operating life of the facility is impractical.

The fuel economy test will be performed as soon as possible (weather permitting) after the completion of the GVW portion of the structural durability test. It will be conducted on the bus test lane at the Penn State Test Facility. Signs are erected at carefully measured points which delineate the test course. A test run will comprise 3 CBD phases, 2 Arterial phases, and 1 Commuter phase. An electronic fuel measuring system will indicate the amount of fuel consumed during each phase of the test. The test runs will be repeated until there are at least two runs in both the clockwise and counterclockwise directions in which the fuel consumed for each run is within  $\pm 4$  percent of the average total fuel used over the 4 runs. A 20-minute idle consumption test is performed just prior to and immediately after the driven portion of the fuel economy test. The amount of fuel consumed while operating at normal/low idle is recorded on the Fuel Economy Data Form. This set of four valid runs along with idle consumption data comprise a valid test.

The test procedure is the ADB cycle with the following four modifications:

1. The ADB cycle is structured as a set number of miles in a fixed time in the following order: CBD, Arterial, CBD, Arterial, CBD, Commuter. A separate idle fuel consumption measurement is performed at the beginning and end of the fuel economy test. This phase sequence permits the reporting of fuel consumption for each of these phases separately, making the data more useful to bus manufacturers and transit properties.
2. The operating profile for testing purposes shall consist of simulated transit type service at seated load weight. The three test phases (figure 6-1) are: a central business district (CBD) phase of 2 miles with 7 stops per mile and a top speed of 20 mph; an arterial phase of 2 miles with 2 stops per mile and a top speed of 40 mph; and a commuter phase of 4 miles with 1 stop and a maximum speed of 40 mph. At each designated stop the bus will remain stationary for seven seconds. During this time, the passenger doors shall be opened and closed.
3. The individual ADB phases remain unaltered with the exception that 1 mile has been changed to 1 lap on the Penn State Test Track track. One lap is equal to 5,042 feet. This change is accommodated by adjusting the cruise distance and time.
4. The acceleration profile, for practical purposes and to achieve better repeatability, has been changed to "full throttle acceleration to cruise speed".

Several changes were made to the Fuel Economy Measurement Test (Engineering Type) For Trucks and Buses: SAE 1376 July 82:

1. Sections 1.1, and 1.2 only apply to diesel, gasoline, methanol, and any other fuel in the liquid state (excluding cryogenic fuels).

1.1 SAE 1376 July 82 requires the use of at least a 16-gal fuel tank. Such a fuel tank when full would weigh approximately 160 lb. It is judged that a 12-gal tank weighing approximately 120 lb will be sufficient for this test and much easier for the technician and test personnel to handle.

1.2 SAE 1376 July 82 mentions the use of a mechanical scale or a flowmeter system. This test procedure uses a load cell readout combination that provides an accuracy of 0.5 percent in weight and permits on-board weighing of the gravimetric tanks at the end of each phase. This modification permits the determination of a fuel economy value for each phase as well as the overall cycle.

2. Section 2.1 applies to compressed natural gas (CNG), liquified natural gas (LNG), cryogenic fuels, and other fuels in the vapor state.

2.1 A laminar type flowmeter will be used to determine the fuel consumption. The pressure and temperature across the flow element will be monitored by the flow computer. The flow computer will use this data to calculate the gas flow rate. The flow computer will also display the flow rate (scfm) as well as the total fuel used (scf). The total fuel used (scf) for each phase will be recorded on the Fuel Economy Data Form.

3. Use both Sections 1 and 2 for dual fuel systems.

### FUEL ECONOMY CALCULATION PROCEDURE

#### **A. For diesel, gasoline, methanol and fuels in the liquid state.**

The reported fuel economy is based on the following: measured test quantities-- distance traveled (miles) and fuel consumed (pounds); standard reference values-- density of water at 60°F (8.3373 lbs/gal) and volumetric heating value of standard fuel; and test fuel specific gravity (unitless) and volumetric heating value (BTU/gal). These combine to give a fuel economy in miles per gallon (mpg) which is corrected to a standard gallon of fuel referenced to water at 60°F. This eliminates fluctuations in fuel economy due to fluctuations in fuel quality. This calculation has been programmed into a computer and the data processing is performed automatically.

The fuel economy correction consists of three steps:

- 1.) Divide the number of miles of the phase by the number of pounds of fuel consumed

<u>phase</u>	<u>miles per phase</u>	<u>total miles per run</u>
CBD	1.9097	5.7291
ART	1.9097	3.8193
COM	3.8193	3.8193

$$FE_{o_{mi/lb}} = \text{Observed fuel economy} = \frac{\text{miles}}{\text{lb of fuel}}$$

- 2.) Convert the observed fuel economy to miles per gallon [mpg] by multiplying by the specific gravity of the test fuel  $G_s$  (referred to water) at 60°F and multiply by the density of water at 60°F

$$FEo_{mpg} = FEc_{mi/lb} \times G_s \times G_w$$

where  $G_s$  = Specific gravity of test fuel at 60°F (referred to water)  
 $G_w$  = 8.3373 lb/gal

- 3.) Correct to a standard gallon of fuel by dividing by the volumetric heating value of the test fuel (H) and multiplying by the volumetric heating value of standard reference fuel (Q). Both heating values must have the same units.

$$FEc = FEo_{mpg} \times \frac{Q}{H}$$

where

H = Volumetric heating value of test fuel [BTU/gal]  
 Q = Volumetric heating value of standard reference fuel

Combining steps 1-3 yields

$$\Rightarrow FEc = \frac{\text{miles}}{\text{lbs}} \times (G_s \times G_w) \times \frac{Q}{H}$$

- 4.) Convert the fuel economy from mpg to an energy equivalent of miles per BTU. Since the number would be extremely small in magnitude, the energy equivalent will be represented as miles/BTUx10<sup>6</sup>.

Eq = Energy equivalent of converting mpg to mile/BTUx10<sup>6</sup>.

$$Eq = ((mpg)/(H)) \times 10^6$$

## B. CNG, LNG, cryogenic and other fuels in the vapor state.

The reported fuel economy is based on the following: measured test quantities-- distance traveled (miles) and fuel consumed (scf); density of test fuel, and volumetric heating value (BTU/lb) of test fuel at standard conditions (P=14.73 psi and T=60 °F).



These combine to give a fuel economy in miles per lb. The energy equivalent (mile/BTUx10<sup>6</sup>) will also be provided so that the results can be compared to buses that use other fuels.

- 1.) Divide the number of miles of the phase by the number of standard cubic feet (scf) of fuel consumed.

phase	miles per phase	total miles per run
CBD	1.9097	5.7291
ART	1.9097	3.8193
COM	3.8193	3.8193

$$FEo_{mi/scf} = \text{Observed fuel economy} = \frac{\text{miles}}{\text{scf of fuel}}$$

- 2.) Convert the observed fuel economy to miles per lb by dividing FEO by the density of the test fuel at standard conditions (Lb/ft<sup>3</sup>).

**Note: The density of test fuel must be determined at standard conditions as described above. If the density is not defined at the above standard conditions, then a correction will be needed before the fuel economy can be calculated.**

$$FEo_{mi/lb} = FEO / Gm$$

where Gm = Density of test fuel at standard conditions

- 3.) Convert the observed fuel economy (FEomi/lb) to an energy equivalent of (miles/BTUx10<sup>6</sup>) by dividing the observed fuel economy (FEomi/lb) by the heating value of the test fuel at standard conditions.

$$Eq = ((FEomi/lb)/H) \times 10^6$$

where

Eq = Energy equivalent of miles/lb to mile/BTUx10<sup>6</sup>

H = Volumetric heating value of test fuel at standard conditions

### 6-III. DISCUSSION

This is a comparative test of fuel economy using unleaded gasoline fuel with a heating value of 20,025.0 btu/lb. The driving cycle consists of Central Business District (CBD), Arterial (ART), and Commuter (COM) phases as described in 6-II. The fuel consumption for each driving cycle and for idle is measured separately. The results are corrected to a reference fuel with a volumetric heating value of 127,700.0 btu/gal.

An extensive pretest maintenance check is made including the replacement of all lubrication fluids. The details of the pretest maintenance are given in the first three Pretest Maintenance Forms. The fourth sheet shows the Pretest Inspection. The next sheet shows the correction calculation for the test fuel. The next four Fuel Economy Forms provide the data from the four test runs. Finally, the summary sheet provides the average fuel consumption. The overall average is based on total fuel and total mileage for each phase. The overall average fuel consumption values were; CBD - 8.86 mpg, ART - 10.12 mpg, and COM - 15.21 mpg. Average fuel consumption at idle was 0.62 lb/hr (0.10 gal/hr).

## FUEL ECONOMY PRE-TEST MAINTENANCE FORM

Bus Number: 0216	Date: 8-5-02	SLW (lbs): 8,610
Personnel: E.D. & J.P.		

FUEL SYSTEM	OK	Date	Initials
Install fuel measurement system	✓	8-5-02	E.D.
Replace fuel filter	✓	8-5-02	E.D.
Check for fuel leaks	✓	8-5-02	E.D.
Specify fuel type (refer to fuel analysis)			
Remarks: none			
BRAKES/TIRES	OK	Date	Initials
Inspect hoses	✓	8-5-02	E.D.
Inspect brakes	✓	8-5-02	E.D.
Relube wheel bearings	✓	8-5-02	E.D.
Check tire inflation pressures (mfg. specs.)	✓	8-5-02	E.D.
Remarks: none			
COOLING SYSTEM	OK	Date	Initials
Check hoses and connections	✓	8-5-02	E.D.
Check system for coolant leaks	✓	8-5-02	E.D.
Remarks: none			

## FUEL ECONOMY PRE-TEST MAINTENANCE FORM (page 2)

Bus Number: 0216	Date: 8-5-02		
Personnel: E.D. & T.S.			
<b>ELECTRICAL SYSTEMS</b>	OK	Date	Initials
Check battery	✓	8-5-02	E.D.
Inspect wiring	✓	8-5-02	E.D.
Inspect terminals	✓	8-5-02	E.D.
Check lighting	✓	8-5-02	E.D.
Remarks: none			
<b>DRIVE SYSTEM</b>	OK	Date	Initials
Drain transmission fluid	✓	8-5-02	T.S.
Replace filter/gasket	✓	8-5-02	T.S.
Check hoses and connections	✓	8-5-02	T.S.
Replace transmission fluid	✓	8-5-02	T.S.
Check for fluid leaks	✓	8-5-02	T.S.
Remarks: none			
<b>LUBRICATION</b>	OK	Date	Initials
Drain crankcase oil	✓	8-5-02	T.S.
Replace filters	✓	8-5-02	T.S.
Replace crankcase oil	✓	8-5-02	T.S.
Check for oil leaks	✓	8-5-02	T.S.
Check oil level	✓	8-5-02	T.S.
Lube all chassis grease fittings	✓	8-5-02	T.S.
Lube universal joints	✓	8-5-02	T.S.
Replace differential lube including axles	✓	8-5-02	T.S.
Remarks: none			

### FUEL ECONOMY PRE-TEST MAINTENANCE FORM (page 3)

Bus Number: 0216	Date: 8-5-02		
Personnel: E.D. & T.S.			
EXHAUST/EMISSION SYSTEM	OK	Date	Initials
Check for exhaust leaks	✓	8-5-02	E.D.
Remarks: none			
ENGINE	OK	Date	Initials
Replace air filter	✓	8-5-02	E.D.
Inspect air compressor and air system	✓	8-5-02	E.D.
Inspect vacuum system, if applicable	✓	8-5-02	E.D.
Check and adjust all drive belts	✓	8-5-02	E.D.
Check cold start assist, if applicable	✓	8-5-02	E.D.
Remarks: none			
STEERING SYSTEM	OK	Date	Initials
Check power steering hoses and connectors	✓	8-5-02	T.S.
Service fluid level	✓	8-5-02	T.S.
Check power steering operation	✓	8-5-02	T.S.
Remarks: none			
	OK	Date	Initials
Ballast bus to seated load weight	✓	8-5-02	E.D.
TEST DRIVE	OK	Date	Initials
Check brake operation	✓	8-5-02	E.D.
Check transmission operation	✓	8-5-02	E.D.
Remarks: none			

## FUEL ECONOMY PRE-TEST INSPECTION FORM

Bus Number: 0216	Date: 8-5-02
Personnel: E.D.	
PRE WARM-UP	If OK, Initial
Fuel Economy Pre-Test Maintenance Form is complete	E.D.
Cold tire pressure (psi): Front 80 Middle N/A Rear 80	E.D.
Tire wear:	E.D.
Engine oil level	E.D.
Engine coolant level	E.D.
Interior and exterior lights on, evaporator fan on	E.D.
Fuel economy instrumentation installed and working properly.	E.D.
Fuel line -- no leaks or kinks	E.D.
Speed measuring system installed on bus. Speed indicator installed in front of bus and accessible to TECH and Driver.	E.D.
Bus is loaded to SLW	E.D.
WARM-UP	If OK, Initial
Bus driven for at least one hour warm-up	E.D.
No extensive or black smoke from exhaust	E.D.
POST WARM-UP	If OK, Initial
Warm tire pressure (psi): Front 83 Middle N/A Rear 83	E.D.
Environmental conditions Average wind speed <12 mph and maximum gusts <15 mph Ambient temperature between 30°(-1°) and 90°F(32°C) Track surface is dry Track is free of extraneous material and clear of interfering traffic	E.D.

### FUEL ECONOMY DATA FORM (Liquid Fuels)

Bus Number: 0216		Manufacturer: ElDorado National		Date: 8-7-02			
Run Number: 1		Personnel: E.D., E.L. & B.S.					
Test Direction: <input type="checkbox"/> CW or <input checked="" type="checkbox"/> CCW		Temperature (°F): 68		Humidity (%): 46			
SLW (lbs): 8,610		Wind Speed (mph) & Direction: 5 / NNW		Barometric Pressure (in.Hg): 30.18			
Cycle Type	Time (min:sec)		Cycle Time (min:sec)	Fuel Temperature (°C)	Load Cell Reading (lb)		Fuel Used (gals)
	Start	Finish		Start	Start	Finish	
CBD #1	0	8:08	8:08	26	0	.234	.234
ART #1	0	3:40	3:40	26	0	.191	.191
CBD #2	0	7:57	7:57	26	0	.244	.244
ART #2	0	3:51	3:51	28	0	.212	.212
CBD #3	0	8:14	8:14	28	0	.230	.230
COMMUTER	0	5:50	5:50	29	0	.274	.274
Total Fuel = 1.385 gals							
20 minute idle : Total Fuel Used = 0.206 gals							
Heating Value = 20,025.0 BTU/LB							
Comments: none							

### FUEL ECONOMY DATA FORM (Liquid Fuels)

Bus Number: 0216		Manufacturer: ElDorado National		Date: 8-7-02			
Run Number: 2		Personnel: E.D., E.L. & B.S.					
Test Direction: <input checked="" type="checkbox"/> CW or <input type="checkbox"/> CCW		Temperature (°F): 70		Humidity (%): 46			
SLW (lbs): 8,610		Wind Speed (mph) & Direction: 5 / NNW		Barometric Pressure (in.Hg): 30.18			
Cycle Type	Time (min:sec)		Cycle Time (min:sec)	Fuel Temperature (°C)	Load Cell Reading (lb)		Fuel Used (gals)
	Start	Finish		Start	Start	Finish	
CBD #1	0	8:29	8:29	29	0	.222	.222
ART #1	0	3:50	3:50	30	0	.202	.202
CBD #2	0	8:20	8:20	30	0	.227	.227
ART #2	0	3:51	3:51	29	0	.194	.194
CBD #3	0	8:19	8:19	30	0	.225	.225
COMMUTER	0	5:57	5:57	31	0	.264	.264
Total Fuel = 1.334 gals							
20 minute idle : Total Fuel Used = N/A gals							
Heating Value = 20,025.0 BTU/LB							
Comments: none							



### FUEL ECONOMY DATA FORM (Liquid Fuels)

Bus Number: 0216		Manufacturer: EIDorado National		Date: 8-7-02			
Run Number: 3		Personnel: E.D., E.L. & B.S.					
Test Direction: <input type="checkbox"/> CW or <input checked="" type="checkbox"/> CCW		Temperature (°F): 72		Humidity (%): 46			
SLW (lbs): 8,610		Wind Speed (mph) & Direction: 3 / NNW		Barometric Pressure (in.Hg): 30.18			
Cycle Type	Time (min:sec)		Cycle Time (min:sec)	Fuel Temperature (°C)	Load Cell Reading (lb)		Fuel Used (gals)
	Start	Finish		Start	Start	Finish	
CBD #1	0	8:30	8:30	28	0	.226	.226
ART #1	0	3:58	3:58	30	0	.209	.209
CBD #2	0	8:31	8:31	32	0	.227	.227
ART #2	0	3:55	3:55	32	0	.200	.200
CBD #3	0	8:38	8:38	33	0	.229	.229
COMMUTER	0	5:58	5:58	35	0	.269	.269
Total Fuel = 1.360 gals							
20 minute idle : Total Fuel Used = N/A gals							
Heating Value = 20,025.0 BTU/LB							
Comments: none							

### FUEL ECONOMY DATA FORM (Liquid Fuels)

Bus Number: 0216		Manufacturer: ElDorado National		Date: 8-8-02			
Run Number: 4		Personnel: E.D., E.L. & B.S.					
Test Direction: <input checked="" type="checkbox"/> CW or <input type="checkbox"/> CCW		Temperature (°F): 70		Humidity (%): 52			
SLW (lbs): 8,610		Wind Speed (mph) & Direction: 4 / NE		Barometric Pressure (in.Hg): 30.24			
Cycle Type	Time (min:sec)		Cycle Time (min:sec)	Fuel Temperature (°C)	Load Cell Reading (lb)		Fuel Used (gals)
	Start	Finish			Start	Finish	
CBD #1	0	8:37	8:37	26	0	.232	.232
ART #1	0	3:54	3:54	27	0	.202	.202
CBD #2	0	8:30	8:30	27	0	.227	.227
ART #2	0	3:59	3:59	29	0	.196	.196
CBD #3	0	8:32	8:32	30	0	.231	.231
COMMUTER	0	5:56	5:56	31	0	.262	.262
Total Fuel = 1.350 gals							
20 minute idle : Total Fuel Used = .208 gals							
Heating Value = 20,025.0 BTU/LB							
Comments: none							

0216.FUL  
FUEL ECONOMY SUMMARY SHEET

BUS MANUFACTURER : Eldorado National      BUS NUMBER : 0216  
 BUS MODEL : Versa Shuttle                    TEST DATE : 8/7/02

FUEL TYPE : GASOLINE  
 SP. GRAVITY : .7512  
 HEATING VALUE : 20025.00 BTU/Lb  
 Standard Conditions : 60 deg F and 14.7 psi  
 Density of water : 8.3373 lb/gallon at 60 deg F

CYCLE	TOTAL FUEL USED (Lb)	TOTAL MILES	FUEL ECONOMY M/Lb (measured)	FUEL ECONOMY MPG (Corrected)
Run # :1, CCW				
CBD	4.21	5.73	1.36	8.61
ART	2.40	3.82	1.59	10.07
COM	1.63	3.82	2.34	14.83
TOTAL	8.24	13.37	1.62	10.27
Run # :2, CW				
CBD	4.01	5.73	1.43	9.04
ART	2.35	3.82	1.63	10.28
COM	1.57	3.82	2.43	15.39
TOTAL	7.93	13.37	1.69	10.67
Run # :3, CCW				
CBD	4.05	5.73	1.41	8.95
ART	2.43	3.82	1.57	9.95
COM	1.60	3.82	2.39	15.11
TOTAL	8.08	13.37	1.65	10.47
Run # :4, CW				
CBD	4.10	5.73	1.40	8.84
ART	2.37	3.82	1.61	10.20
COM	1.56	3.82	2.45	15.49
TOTAL	8.03	13.37	1.67	10.53

-----  
 IDLE CONSUMPTION  
 -----

First 20 Minutes Data : .21 Lb    Last 20 Minutes Data : .21 Lb  
 Average Idle Consumption : .62 Lb/Hr

RUN CONSISTENCY: % Difference from overall average of Total fuel used

Run 1 : -2.1      Run 2 : 1.7      Run 3 : -.1      Run 4 : .5

SUMMARY  
 -----

Average Idle Consumption : .10 G/Hr  
 Average CBD Phase Consumption : 8.86 MPG  
 Average Arterial Phase Consumption : 10.12 MPG  
 Average Commuter Phase Consumption : 15.21 MPG  
 Overall Average Fuel Consumption : 10.48 MPG  
 Overall Average Fuel Consumption : 83.60 Miles/ Million BTU

## 7. NOISE

### 7.1 INTERIOR NOISE AND VIBRATION TESTS

#### 7.1-I. TEST OBJECTIVE

The objective of these tests is to measure and record interior noise levels and check for audible vibration under various operating conditions.

#### 7.1-II. TEST DESCRIPTION

During this series of tests, the interior noise level will be measured at several locations with the bus operating under the following three conditions:

1. With the bus stationary, a white noise generating system shall provide a uniform sound pressure level equal to 80 dB(A) on the left, exterior side of the bus. The engine and all accessories will be switched off and all openings including doors and windows will be closed. This test will be performed at the ABTC.
2. The bus accelerating at full throttle from a standing start to 35 mph on a level pavement. All openings will be closed and all accessories will be operating during the test. This test will be performed on the track at the Test Track Facility.
3. The bus will be operated at various speeds from 0 to 55 mph with and without the air conditioning and accessories on. Any audible vibration or rattles will be noted. This test will be performed on the test segment between the Test Track and the Bus Testing Center.

All tests will be performed in an area free from extraneous sound-making sources or reflecting surfaces. The ambient sound level as well as the surrounding weather conditions will be recorded in the test data.

#### 7.1-III. DISCUSSION

This test is performed in three parts. The first part exposes the exterior of the vehicle to 80.0 dB(A) on the left side of the bus and the noise transmitted to the interior is measured. The overall average of the six measurements was 60.1 dB(A); ranging from 59.3 dB(A) at the front passenger seats to 60.6 dB(A) at the driver's seat. The interior ambient noise level for this test was 38.7 dB(A).

The second test measures interior noise during acceleration from 0 to 35 mph. This noise level ranged from 71.8 dB(A) at the rear passenger seats to 75.1 dB(A) at the driver's seat. The overall average was 72.8 dB(A). The interior ambient noise level for this test was 40.2 dB(A).

The third part of the test is to listen for resonant vibrations, rattles, and other noise sources while operating over the road. No vibrations or rattles were noted.

**INTERIOR NOISE TEST DATA FORM**  
**Test Condition 1: 80 dB(A) Stationary White Noise**

Bus Number: 0216	Date: 6-18-02
Personnel: T.S., E.L. & M.H.	
Temperature (°F): 80	Humidity (%): 69
Wind Speed (mph): Calm	Wind Direction: Calm
Barometric Pressure (in.Hg): 30.10	
Initial Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.	
Interior Ambient Noise Level dB(A): 38.7	Exterior Ambient Noise Level dB(A): 51.8
Microphone Height During Testing (in): 48	

Measurement Location	Measured Sound Level dB(A)
Driver's Seat	60.6
Front Passenger Seats	59.3
In Line with Front Speaker	60.1
In Line with Middle Speaker	60.3
In Line with Rear Speaker	60.0
Rear Passenger Seats	60.4

Final Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.
---

Comments: All readings taken in the center aisle.     
---

**INTERIOR NOISE TEST DATA FORM**  
**Test Condition 2: 0 to 35 mph Acceleration Test**

Bus Number: 0216	Date: 8-8-02
Personnel: E.D., E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Speed (mph): 3	Wind Direction: NE
Barometric Pressure (in.Hg): 30.24	
Initial Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.	
Interior Ambient Noise Level dB(A): 40.2	Exterior Ambient Noise Level dB(A): 47.7
Microphone Height During Testing (in): 48	

Measurement Location	Measured Sound Level dB(A)
Driver's Seat	75.1
Front Passenger Seats	72.3
Middle Passenger Seats	72.1
Rear Passenger Seats	71.8

Final Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.
---

<b>Comments:</b> All readings taken in the center aisle.

**INTERIOR NOISE TEST DATA FORM**  
**Test Condition 3: Audible Vibration Test**

Bus Number: 0216	Date: 8-8-02
Personnel: E.D., E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Speed (mph): 3	Wind Direction: NE
Barometric Pressure (in.Hg): 30.24	

Describe the following possible sources of noise and give the relative location on the bus.

Source of Noise	Location
Engine and Accessories	None noted.
Windows and Doors	None noted.
Seats and Wheel Chair lifts	None noted.

<b>Comment on any other vibration or noise source which may have occurred that is not described above: none</b>



## 7.1 INTERIOR NOISE TEST



**TEST VEHICLE SET-UP FOR 80 dB(A)  
INTERIOR NOISE TEST**

## 7.2 EXTERIOR NOISE TESTS

### 7.2-I. TEST OBJECTIVE

The objective of this test is to record exterior noise levels when a bus is operated under various conditions.

### 7.2-II. TEST DESCRIPTION

In the exterior noise tests, the bus will be operated at a SLW in three different conditions using a smooth, straight and level roadway:

1. Accelerating at full throttle from a constant speed at or below 35 mph and just prior to transmission upshift.
2. Accelerating at full throttle from standstill.
3. Stationary, with the engine at low idle, high idle, and wide open throttle.

In addition, the buses will be tested with and without the air conditioning and all accessories operating. The exterior noise levels will be recorded.

The test site is at the PSBRTF and the test procedures will be in accordance with SAE Standards SAE J366b, Exterior Sound Level for Heavy Trucks and Buses. The test site is an open space free of large reflecting surfaces. A noise meter placed at a specified location outside the bus will measure the noise level.

During the test, special attention should be paid to:

1. The test site characteristics regarding parked vehicles, signboards, buildings, or other sound-reflecting surfaces
2. Proper usage of all test equipment including set-up and calibration
3. The ambient sound level

### 7.2-III. DISCUSSION

The Exterior Noise Test determines the noise level generated by the vehicle under different driving conditions and at stationary low and high idle, with and without air conditioning and accessories operating. The test site is a large, level, bituminous paved area with no reflecting surfaces nearby.

With an exterior ambient noise level of 48.1 dB(A), the average test result obtained while accelerating from a constant speed was 75.3 dB(A) on the right side and 71.2 dB(A) on the left side.

When accelerating from a standstill with an exterior ambient noise level of 48.1 dB(A), the average of the results obtained were 67.3 dB(A) on the right side and 65.0 dB(A) on the left side.

With the vehicle stationary and the engine, accessories, and air conditioning on, the measurements averaged 48.6 dB(A) at low idle and 79.1 dB(A) at wide open throttle. With the accessories and air conditioning off, the readings averaged 0.2 dB(A) higher low idle and 0.3 dB(A) higher at wide open throttle. The exterior ambient noise level measured during this test was 48.1 dB(A). Note: the test vehicle submitted for testing was not equipped with a fast idle mode, therefore, data for that condition is not available.

**EXTERIOR NOISE TEST DATA FORM**  
**Accelerating from Constant Speed**

Bus Number: 0216	Date: 8-8-02
Personnel: E.D., E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Speed (mph): 3	Wind Direction: NE
Barometric Pressure (in.Hg): 30.24	
Verify that microphone height is 4 feet, wind speed is less than 12 mph and ambient temperature is between 30°F and 90°F: <input checked="" type="checkbox"/> checked by: S.C.	
Initial Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.	
Exterior Ambient Noise Level dB(A): 48.1	

Accelerating from Constant Speed Curb (Right) Side		Accelerating from Constant Speed Street (Left) Side	
Run #	Measured Noise Level dB(A)	Run #	Measured Noise Level dB(A)
1	75.1	1	71.0
2	75.4	2	70.9
3	74.9	3	71.0
4	75.1	4	71.3
5	75.2	5	71.1
Average of two highest actual noise levels = 75.3 dB(A)		Average of two highest actual noise levels = 71.2 dB(A)	
Final Sound Level Meter Calibration Check: <input checked="" type="checkbox"/> checked by: S.C.			
Comments: none			

**EXTERIOR NOISE TEST DATA FORM**  
**Accelerating from Standstill**

Bus Number: 0216	Date: 8-8-02
Personnel: E.D, E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Speed (mph): 3	Wind Direction: NE
Barometric Pressure (in.Hg): 30.24	
Verify that microphone height is 4 feet, wind speed is less than 12 mph and ambient temperature is between 30°F and 90°F: <input checked="" type="checkbox"/> checked by: S.C.	
Initial Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.	
Exterior Ambient Noise Level dB(A): 48.1	

Accelerating from Standstill Curb (Right) Side		Accelerating from Standstill Street (Left) Side	
Run #	Measured Noise Level dB(A)	Run #	Measured Noise Level dB(A)
1	67.2	1	64.7
2	67.1	2	64.9
3	67.3	3	65.0
4	66.9	4	64.8
5	67.3	5	64.7
Average of two highest actual noise levels = 67.3 dB(A)		Average of two highest actual noise levels = 65.0 dB(A)	

Final Sound Level Meter Calibration Check: <input checked="" type="checkbox"/> checked by: S.C.
Comments: none

**EXTERIOR NOISE TEST DATA FORM**  
**Stationary**

Bus Number: 0216	Date: 8-8-02
Personnel: E.D., E.L. & B.S.	
Temperature (°F): 70	Humidity (%): 52
Wind Speed (mph): 3	Wind Direction: NE
Barometric Pressure (in.Hg): 30.24	
Verify that microphone height is 4 feet, wind speed is less than 12 mph and ambient temperature is between 30°F and 90°F: <input checked="" type="checkbox"/> checked by: S.C.	
Initial Sound Level Meter Calibration: <input checked="" type="checkbox"/> checked by: S.C.	
Exterior Ambient Noise Level dB(A): 48.1	

Accessories and Air Conditioning ON			
Throttle Position	Engine RPM	Curb (Right) Side dB(A)	Street (Left) Side db(A)
		Measured	Measured
Low Idle	800	48.6	48.6
High Idle	N/A	N/A	N/A
Wide Open Throttle	3,200	79.2	79.0

Accessories and Air Conditioning OFF			
Throttle Position	Engine RPM	Curb (Right) Side dB(A)	Street (Left) Side db(A)
		Measured	Measured
Low Idle	800	48.8	48.7
High Idle	N/A	N/A	N/A
Wide Open Throttle	3,200	79.5	79.3

Final Sound Level Meter Calibration Check: <input checked="" type="checkbox"/> checked by: S.C.
Comments: none

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager

**SUBJECT: CONSIDERATION OF AWARD OF CONTRACT WITH TECHNICAL SERVICES ASSOCIATES, INC. FOR PURCHASE AND IMPLEMENTATION OF A PURCHASING SOFTWARE MANAGEMENT SYSTEM FOR AN AMOUNT NOT TO EXCEED \$84,000.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Technical Services Associates, Inc. for purchase and implementation of a purchasing software management system for an amount not to exceed \$84,000.**

## II. SUMMARY OF ISSUES

- A formal request for proposals was conducted to solicit proposals from qualified firms for the purchase and implementation of a purchasing software management system to replace the current twenty (20) year old system.
- The new purchasing system will automate several procurement tasks that are currently performed manually by Santa Cruz METRO staff saving a significant amount of staff time and simplifying a very cumbersome process.
- Two (2) firms submitted proposals for Santa Cruz METRO's review.
- A three-member evaluation committee comprised of Santa Cruz METRO staff reviewed and evaluated the proposals.

## III. DISCUSSION

The current purchasing software system was created in-house over twenty (20) years ago, is character based (non-Windows) and runs on UNIX. There is no external support or maintenance available for the current purchasing system. Features of the proposed new purchasing management system include:

- Windows based;
- Has granular security levels for requisition entry and all levels of approval;
- Will provide ease of entry of descriptions from previous orders, inventory part numbers or web site descriptions;
- Supervisors are automatically notified by email of pending approvals;

- Allow faster research of procurement histories;
- Is able to track a requisition through the procurement, receiving, and payment processes; and
- Will provide multiple procurement reports not currently available.

In the new purchasing software system, department entry of requisitions provides immediate budget information and eliminates the need to separately enter the encumbrance information on a separate spreadsheet which is a time-consuming and cumbersome process. Departments will be able to track the progress of a purchase request from requisition entry to payment of invoice against the issued purchase order on line and in one system.

The new purchasing system will automate several procurement tasks that are currently performed manually by Santa Cruz METRO staff saving a significant amount of staff time and simplifying a very cumbersome process. Authorized requisitions will be easily converted to informal requests for quotes and electronically sent or faxed to bidders. Automatic recapping of bids will expedite the time required to determine vendor awards. Purchase orders will be approved and sent electronically to vendors and departments reducing the need for multiple printed paper copies. Department receiving personnel can enter information on the receipt of goods against a purchase order, type in any notes, attach scanned packing slips, and send to accounts payable for payment processing electronically.

On February 10, 2010 Santa Cruz METRO Request for Proposal No. 10-20 was: mailed to twenty-eight (28) firms; was legally advertised; and a notice was posted on Santa Cruz METRO's web site. On March 10, 2010, proposals were received and opened from two (2) firms. A list of these firms is provided in Attachment A. A three-member evaluation committee comprised of Santa Cruz METRO's IT Manager and Finance's purchasing staff have reviewed and evaluated the proposals.

The evaluation committee used the following criteria as contained in the Request for Proposals:

<b>Evaluation Criteria</b>	<b>Possible Points</b>
1. Understanding the project	20 Points
2. Response to Functional and Technical Requirements	35 Points
3. Implementation Plan	15 Points
4. Warranty, Technical Support, Training and Documentation	15 Points
5. Qualifications and Experience	15 Points
6. Cost Proposal	40 Points
7. Disadvantaged Business Enterprise Participation	5 Points
<b>Total Possible Points</b>	<b>145 Points</b>

12.2



Both firms were invited to provide a demonstration of their software to the evaluation committee. Vendor provided references were also contacted.

The evaluation committee unanimously chose the Puridiom Software System offered by Technical Services Associates, Inc. as the proposal they would recommend to the Board of Directors. The evaluation committee is recommending that a contract be established with Technical Services Associates, Inc. for purchase and implementation of a purchasing software management system for an amount not to exceed \$84,000. Contractor will provide software and implementation services meeting all Santa Cruz METRO specifications and requirements. Contract cost includes five (5) years of software maintenance including technical support and software updates.

#### **IV. FINANCIAL CONSIDERATIONS**

Funds to support this contract are included within the FY10 Final Capital Budget, IT Projects. The money for this project is designated for Capital only and can not be used for Operating purposes.

#### **V. ATTACHMENTS**

**Attachment A:** List of firms that provided a proposal

**Attachment B:** Contract with Technical Services Associates, Inc.

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 17, 2010

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

12.3

**REQUEST FOR PROPOSALS NO. 10-20  
FOR PURCHASE AND IMPLEMENTATION OF A  
PURCHASING SOFTWARE MANAGEMENT SYTEM**

**LIST AND RANKING OF FIRMS THAT SUBMITTED A PROPOSAL**

1. Technical Services Associates, Inc. of Mechanicsburg, Pennsylvania
2. Bellwether Software LLC of Louisville, Kentucky

**CONTRACT FOR AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM (10-20)**

THIS CONTRACT is made effective on April 12, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and TECHNICAL SERVICES ASSOCIATES, INC. ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

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

1.02 Santa Cruz METRO's Need for Automated Purchasing Software System

Santa Cruz METRO has the need for Automated Purchasing Software System. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated February 10, 2010, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Automated Purchasing Software Management System and whose principal place of business is 2 Kacey Court, Mechanicsburg, Pennsylvania. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for Automated Purchasing Software System, which is attached hereto and incorporated herein by reference as Exhibit "B."

1.04 Selection of Contractor and Intent of Contract

On March 26, 2010, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the Automated Purchasing Software Management System described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

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

A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 10, 2010

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

Contractor's Proposal to Santa Cruz METRO for Automated Purchasing Software System, signed by Contractor and dated March 10, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued February 10, 2010.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued February 10, 2010.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

At the option of Santa Cruz METRO, this contract agreement may be extended upon mutual written consent.

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands

and agrees that if he/she exceeds the \$84,000 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

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

6. NOTICES

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

Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

Technical Services Associates, Inc.  
2 Kacey Court  
Mechanicsburg, PA 17055  
Attention: Albert Jacobs, Vice President & COO

7. AUTHORITY

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

Signed on \_\_\_\_\_

SANTA CRUZ METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR – TECHNICAL SERVICES ASSOCIATES, INC.

By \_\_\_\_\_  
Jesus Ramos  
President & CEO

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

# EXHIBIT - A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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### Request for Proposals (RFP)

### For Purchase and Implementation of a Automated Purchasing Software Management System

### Santa Cruz METRO RFP No. 10-20

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**Date Issued: February 10, 2010**

**Proposal Deadline: 5:00 P.M., March 10, 2010**

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### Contents of this RFP

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

## PART I

### INSTRUCTIONS TO OFFERORS

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

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

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

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

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



to Santa Cruz METRO that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for proposals, unless a longer time period is specified by Santa Cruz METRO in the RFP.

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

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

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

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

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

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

19. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 et. seq.).
- B. The Bidder may label information as “Trade Secret”, “Confidential” or “Proprietary”. Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked “Trade Secret”, “Confidential”, or “Proprietary”. However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney’s fees, in connection with such actions.

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

**PART II**

**GENERAL INFORMATION FORM**

**FOR PURCHASE AND IMPLEMENTATION OF AN  
AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM  
RFP No. 10-20**

(To be completed by the offeror and placed at the front of your proposal)

\_\_\_\_\_  
Legal Name of Firm

\_\_\_\_\_  
Date

\_\_\_\_\_  
Firm's Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
FAX Number

\_\_\_\_\_  
Type of Organization (Partnership, Corporation, etc.)

\_\_\_\_\_  
Tax ID Number

*Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.*

\_\_\_\_\_  
Signature of Authorized Principal

\_\_\_\_\_  
Name of Principal-in-Charge and Title

\_\_\_\_\_  
Name of Project Manager and Title

\_\_\_\_\_  
Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

\_\_\_\_\_  
Addresses Where Correspondence Should Be Sent

\_\_\_\_\_  
Areas of Responsibility of Prime Contractor



## PRICE PROPOSAL SHEET

The Proposer shall present all pricing information in this section. This Price Proposal Sheet represents Santa Cruz METRO’s official request for price quotation and MUST be completed by the Proposer. The cost proposal below shall include all work necessary to effectively conduct and complete the Scope of Services. The costs stated herein **must be a firm fixed fee that includes ALL necessary costs** including, but not limited to: labor, installation, materials, overhead, administrative charges, taxes, profit, insurance and any other expenses associated with the system or required services. Proposers must attach an itemized breakdown of all proposed goods and services. Where applicable, the breakdown should state the quantity, make/model, and days/hours of all required items/tasks.

ITEM #	ITEM	PROPOSAL COST
1	Automated Purchasing Software Management System	\$ _____
2	System Setup/Configuration	\$ _____
3	Data Conversion and Migration (Existing Purchasing System)	\$ _____
4	Training and Documentation	\$ _____
5	Interface MaintStar Fleet/Facilities Inventory Information	\$ _____
6	Interface with ABS Accounting Software	\$ _____
7	Maintenance Agreement (including technical support and version updates)	
	Year 1	\$ _____
	Year 2	\$ _____
	Year 3	\$ _____
	Year 4	\$ _____
	Year 5	\$ _____
8	Other (please specify)	\$ _____
<b>GRAND TOTAL</b>		\$ _____

**OPTIONAL ITEMS  
(TO BE PURCHASED SOLELY AT SANTA CRUZ METRO’S DISCRETION)**

**Consulting Services Per Hour:** On a separate sheet, please provide a complete listing of consulting services offered, including position and hourly rate.

**Company Name:** \_\_\_\_\_

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

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

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

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

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

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

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

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

\_\_\_\_\_  
Signature and Title of Authorized Official

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

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

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

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

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

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

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

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

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

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

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

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

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

**BUY AMERICA CERTIFICATE**

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_



# CONTRACTOR DBE INFORMATION

CONTRACTOR'S NAME \_\_\_\_\_ CONTRACTOR'S ADDRESS \_\_\_\_\_  
 DBE GOAL FROM CONTRACT \_\_\_\_\_ % \_\_\_\_\_  
 FED. NO. \_\_\_\_\_  
 COUNTY \_\_\_\_\_ PROPOSAL AMOUNT \$ \_\_\_\_\_  
 AGENCY \_\_\_\_\_ PROPOSAL OPENING DATE \_\_\_\_\_  
 CONTRACT NO. \_\_\_\_\_ DATE OF DBE CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

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

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

TOTAL CLAIMED DBE  
 PARTICIPATION \$ \_\_\_\_\_ %

\_\_\_\_\_  
SIGNATURE OF CONTRACTOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
AREA CODE/TELEPHONE

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

\* If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.

\*\* DBE's must be certified on the date proposals are opened.

\*\*\* Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

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

# CONTRACTOR DBE INFORMATION

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

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TOTAL CLAIMED DBE  
PARTICIPATION \$ \_\_\_\_\_ %

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## **PART III**

### **SPECIFICATIONS FOR THE PURCHASE AND IMPLEMENTATION OF AN AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM**

#### **1. INTRODUCTION**

Santa Cruz Metropolitan Transit District (hereinafter referred to as “Santa Cruz METRO”) is seeking proposals from qualified firms for the purchase and implementation of a comprehensive computerized Automated Purchasing Software System. Proposers must have extensive and successful experience in the development and installation of Automated Purchasing Software Systems. This RFP is a re-submission of a previous RFP (RFP No. 10-01) which was not awarded. There have been revisions to the specifications and offerors are hereby notified of Santa Cruz METRO’s budget for this procurement at \$40,000.

Complete descriptions of Santa Cruz METRO’s requirements for the proposed Automated Purchasing Software Management System are contained within this RFP. Santa Cruz METRO’s intention is to purchase an off-the-shelf, open system standards-based package that requires little or no custom software development to meet the features and functions stated in this RFP. Proposers must present evidence that they are competent and have the necessary facilities, experience, personnel and financial resources to fulfill the conditions of this contract. Implementation must be installed on Santa Cruz METRO’s servers onsite. The solution must support use in a thin client environment. Santa Cruz METRO will not consider a ‘hosted’ or a off-site web-based solution. (Note: this does not preclude a web based client as the interface to a database installed at Santa Cruz METRO. See 7.1 below) Santa Cruz METRO will not consider and alternate funding model like charging the suppliers a small transaction fee.

#### **2. OBJECTIVES**

The objectives of this RFP are:

- 2.1 To enhance Santa Cruz METRO’s ability to effectively manage it’s purchasing function which will include requisitions, requests for quotations, purchase order creation, authorization, tracking and receiving consolidation.
- 2.2 To migrate the existing Santa Cruz METRO’s historical purchase order data and other sufficient historical data.
- 2.3 To enhance Santa Cruz METRO’s ability to effectively manage department budgets.
- 2.4 To interface with Santa Cruz METRO’s Fleet and Facilities parts inventory system (MaintStar). This needs to be a two-way interface. As parts are received using the Purchasing system, the Maintenance system, for those parts that are part of their inventory, needs to be updated for quantity. We also need to have the list of Maintenance parts in the Purchasing system so that, using just an internal part number, the system auto-fills in the part description and the unit of measure (i.e. ea, gal, qt, case, etc.). This latter can be batched in via a comma separated file, but it’s preferred that the receiving quantities result in direct update to Maintenance on acceptance in Purchasing. Note that the Maintenance system will be running on SQL 2005.
- 2.5 To reduce or eliminate manual data capture and processing, including data exchange with Santa Cruz METRO’s Finance system (ABS - American Business Systems ABS for Windows Version 1.02.).
- 2.6 To support anticipated future requirements and business needs.
- 2.7 Santa Cruz METRO intends to use the solution as a tool to improve strategic planning, decision-making and customer service through easy access to information and information analysis.

### 3. CURRENT ENVIRONMENT

Santa Cruz METRO is a small transit agency that currently operates a 75 coach peak-pullout fixed transit service. Santa Cruz METRO also has a Paratransit operation utilizing 36 vans. Santa Cruz METRO employs approximately 325 total employees, which includes; approximately 161 fixed route drivers, 50 Paratransit personnel, and 50 maintenance personnel. Santa Cruz METRO staff currently works in 5 separate buildings.

All basic business operational, maintenance and support services such as finance, budgeting, procurement and information technology are performed by Santa Cruz METRO staff. Financial and procurement activity at Santa Cruz METRO is partially automated using an in-house requisition/purchasing system written using Informix SE. Other in-house applications include ABS-Windows for accounting. Note: Santa Cruz METRO has full source-code for all *Informix* applications. Accordingly, Santa Cruz METRO wants to replace an outdated purchasing system with a package that integrates in-house data and functionality.

Last fiscal year, Santa Cruz METRO processed 1,040 purchase orders and 1,157 requisitions. Santa Cruz METRO purchases mostly transit vehicles, equipment and supplies needed for the continued operation of Santa Cruz METRO. Santa Cruz METRO also purchases a wide variety of commodities including computer equipment and supplies, office furniture and supplies, janitorial supplies, professional and personal services. Santa Cruz METRO spends approximately \$30,000,000 annually for supplies and services.

Santa Cruz METRO processed approximately 7,800 invoices last fiscal year. Not all invoices were processed against a purchase order (utilities, etc.). Automation for invoices is not a part of this procurement. Santa Cruz METRO currently has 1,324 vendors.

### 4. TECHNICAL ENVIRONMENT

At this time, Santa Cruz METRO is employing the following technology strategy:

#### Hardware/Software

- Server(s): Microsoft SQL 2005/Windows 2003 Servers located at Santa Cruz METRO Data Center
- Clients: Neoware thin client workstations using Citrix logins to a server farm. The solution must support use in a thin client environment.
- Database: Microsoft SQL Server 2005

Santa Cruz METRO's Information Technology (IT) department staff consists of 4 people: an IT Manager, a Systems Administrator, a Sr. Database Administer and a Technician. The IT staff will be available to install any required server and software, and assist with data export/import as required.

### 5. GLOSSARY OF TERMS AND ACRONYMS

Acronym/Term	Definition/Description
<b>Santa Cruz METRO</b>	Santa Cruz Metropolitan Transit District
<b>DBA</b>	Database Administrator
<b>DBMS</b>	Database Management System – A set of programs through which information from a database is stored, modified, and extracted.
<b>VENDOR/ PROPOSER</b>	Vendor responding to this proposal.
<b>FY</b>	Fiscal Year
<b>PM</b>	Preventative Maintenance
<b>SQL</b>	Microsoft SQL Server – Santa Cruz METRO's required transactional database for the Automated Purchasing Software System.
<b>INFORMIX SE</b>	Text-based Database on Solaris used for current Purchasing databases.
<b>DBE</b>	Disadvantaged Business Enterprise

## **6. SCOPE OF WORK**

### **6.1 General**

The vendor shall be responsible for delivering and installing a fully operational Automated Purchasing Software System. Installed system shall be fully integrated. Santa Cruz METRO plans to select and implement a solution that will fulfill the following functions:

- 6.1.1. Allow entry of requisitions by multiple department authorized users. System Administrator can assign user access limitations to various parts of the purchasing system. Current number of Requestors is 26 which can possibly go up to 30. Current number of Approvers is 20 that are different from Requestors however Approvers can also be Requestors. Purchasing staff is 2 plus a System Administrator. Accounts Payable staff is 2 plus System Administrator for backup.
- 6.1.2. Allow entry of internal part numbers to fill-in description and unit of order from a database table. The table should consist of 4 to 5 fields, the internal part number, possible vendor part number, description and unit of measure (i.e.: ea, gal, qt, case, etc.). The Purchasing system must have the ability for the parts person to enter an internal part number and auto-fill in the description and unit of measure fields while entering requisitions. This should probably be a table in the Purchasing system.
- 6.1.3. Allow encumbrance of department budget funds from requisition entry.
- 6.1.4. Allow email notification to department manager or authorized department personnel to electronically approve requisition.
- 6.1.5. Automatic email notification to Santa Cruz METRO's Finance personnel of approved departmental requisition(s) for Finance review and approval.
- 6.1.6. Automatic email notification to Santa Cruz METRO's Purchasing personnel of requisition approval by Finance for requisition processing.
- 6.1.7. Allow search of the purchasing system for item, product, or service and status by: vendor name; part number; item description; requisition number; approximate date; department budget number; and budget account number.
- 6.1.8. Allow for printing of the resulting purchase order document with multiple copies, different footer labels, and be able to incorporate Santa Cruz METRO's logo.

## **7. FUNCTIONALITY**

### **7.1 Requisition Automation.**

Proposed system shall have an automated requisition system with capabilities to eliminate paperwork, reduce requisition approval time, and lower the number of inquiries the purchasing staff currently receives. Proposed system user interface can be web based. The system shall meet the following requirements or provide the following features:

- 7.1.1 Select items from online catalogs or enter in free-form mode.
- 7.1.2 Check budget balances while requisitioning.
- 7.1.3 Multi-level e-mail approval routing.
- 7.1.4 Use current e-mail to route requisitions to appropriate personnel.
- 7.1.5 Convert requisitions to Purchase Orders (POs) or Request for Quotations (RFQ) with no re-keying.
- 7.1.6 View requisition status in real time.
- 7.1.7 Support security controlled entry by login for at least 15 Santa Cruz METRO-defined departments.
- 7.1.8 Enforce account number entry to match our internal account numbers.
- 7.1.9 Requisition entry by Fleet and Facilities parts personnel should support auto-fill of description and unit of order fields using an entered internal parts number.
- 7.1.10 Log user identification and time/date information for creation and each signatory step.

## **7.2 Request for Quotation Publication and Management.**

Proposed system shall have an RFQ automation system to help Santa Cruz METRO determine best price and terms for an order. Proposed system shall meet the following requirements or provide the following features:

- 7.2.1 Create RFQs for selected vendors based on user-defined criteria, including commodity codes and previously-entered RFQs.
- 7.2.2 Create RFQs from requisitions.
- 7.2.3 Issue formal RFQs via custom forms, fax or e-mail.
- 7.2.4 Allow vendor bid entries electronically (please specify how your system complies with this specification).
- 7.2.5 View vendor performance ratings prior to bid awards.
- 7.2.6 Carry winning bid information forward to PO with no re-keying.

## **7.3 Purchasing & Vendor Management.**

Proposed system shall enable Santa Cruz METRO to reduce costs and workload by knowing exactly what is purchased and from whom it was purchased from. Proposed system shall meet the following requirements or provide the following features:

- 7.3.1 Create purchase orders from: requisitions, RFQs, and previously-entered POs.
- 7.3.2 Issue standard, blanket, contract, and service agreement POs. A Standard purchase order is a one-time purchase order for specific goods. A Contract purchase order is a purchase order that supports a contract on which multiple payments maybe processed. A Service Agreement purchase order is a purchase order that supports a service agreement (i.e. copier maintenance, elevator maintenance, etc.) on which multiple monthly payments are made.
- 7.3.3 Issue POs via custom forms, fax, or e-mail.
- 7.3.4 Specify multiple delivery dates, jobs, projects, account codes, cost centers, departments, and ship-to locations for a single PO.
- 7.3.5 Analyze historical PO data and current transactions real time or in built-in management reports.
- 7.3.6 Vendor ID numbering system to be compatible with ABS Accounting system.

## **7.4 Receiving.**

With automated receiving Santa Cruz METRO should be able to automatically record receipts against POs. Proposed system shall meet the following requirements or provide the following features:

- 7.4.1 Auto-receive all items for a PO or enter each receipt by item.
- 7.4.2 Enter multiple partial receipts.
- 7.4.3 Optionally print receiving tickets to accompany received items.
- 7.4.4 Track material receipts on open POs, past due POs and closed POs online or in built-in reports.

## **8. COMPATIBILITY**

To recognize maximum benefits from the purchasing software, it should be able to transfer vital information to/from accounting and other critical systems. Proposed system shall meet the following requirements or provide the following features:

- 8.1 Solution interfaces with Santa Cruz METRO's ABS accounting software. If not, it can be customized to do so.
- 8.2 Automates three-way match of invoice to purchase order and receipts.
- 8.3 Coordinate parts receiving with MaintStar Fleet/Facilities Maintenance software system.
- 8.4 Provide purchase order accounts payable status via connection with ABS Accounting Software.

## **9. USABILITY**

Santa Cruz METRO has many users who won't use the purchasing software on a daily basis. Proposed system must be easy to navigate. Proposed system shall meet the following requirements or provide the following features:

- 9.1 Application shall be easy for a non-frequent user to understand.
- 9.2 Application shall be intuitive enough to allow frequent users to access all functionality in a comfortable framework.
- 9.3 Online help.

## **10. MODULARITY**

Proposed system shall meet the following requirements or provide the following features:

- 10.1 Application shall be modular and allow staged implementation.
- 10.2 Solution shall contain the following modules:
  - Requisitions
  - Quotations
  - Purchasing
  - Receiving

## **11. VENDOR EXPERIENCE AND REFERENCES**

Proposed system shall meet the following requirements or provide the following features:

- 11.1 Vendor shall provide information of how many years the proposed system has been marketed to commercial and governmental or public agencies.
- 11.2 The proposed software system must have been installed and fully operational in at least three (3) government or public agencies within a 5 year minimum operational experience.
- 11.3 It is preferred that the vendor has experience implementing its solution with companies in the Transit business and purchasing departments of the same size and complexity.
- 11.4 References must include Agency contact information and telephone numbers for contact by Santa Cruz METRO's evaluation committee.

## **12. REPORTING CAPABILITIES**

Proposed system shall meet the following requirements or provide the following features:

- 12.1 The software system shall be capable to produce both standard and specialized reports.
- 12.2 Santa Cruz METRO's Purchasing Office should be able to create specialized reports without support from the Information Technology Department.
- 12.3 The software system shall track key information needed for reporting (e.g. all orders for a DBE vendor).
- 12.4 The system shall store historical information on ordering patterns and vendor performance.
- 12.5 The system shall have budget expenditure reporting.
- 12.6 Support use of Crystal Reporting tools. Current Santa Cruz METRO version of Crystal Reports: 2008 Version 12.1.0.892

## **13. TECHNICAL SUPPORT**

Proposed system shall meet the following requirements or provide the following features:

- 13.1 The vendor provides technical support via telephone.
- 13.2 The vendor provides technical support via email.
- 13.3 The vendor provides technical support via other medium.

- 13.4 Technical support is available during accepted business hours.
- 13.5 The vendor shall provide on-site training.

#### **14. DELIVERY METHOD**

Software system solutions shall be available as licensed installed software. Proposed system shall meet the following requirements or provide the following features:

- 14.1 External *Information* Technology support is not necessary. Santa Cruz METRO is prepared to support the software internally with its Information Technology Department.
- 14.2 The vendor shall be able to ensure highest levels of security for the proposed system.
- 14.3 Santa Cruz METRO must have the option to upgrade to the latest version.

#### **15. TRAINING PLAN**

- 15.1 Documentation. Vendor will be responsible for supplying a complete copy of all system training documentation. Training documentation shall also be made available via an electronic document, with unlimited distribution rights within Santa Cruz METRO. Vendor will be required to provide a complete training plan and adequately train on-site all Santa Cruz METRO personnel, as described below (train the trainer). Vendor will provide specific training manuals for the following Santa Cruz METRO personnel to be trained:
  - System Administrators (2)
  - Purchasing Staff (1)
  - Parts Supervisor (1)
  - Accounting Personnel (1)
- 15.2 Personnel. Vendor will be responsible for complete on-site in-depth training of 2 system administrators (to have full administrative rights).
- 15.3 On-Site Facilities. Santa Cruz METRO will supply the training room and schedule personnel to be trained. Santa Cruz METRO will supply workstations for classroom training. Classes will be designed around the Automated Purchasing System, based on trainees, using Santa Cruz METRO data.

#### **16. DELIVERABLES**

The selected vendor as part of this project shall supply the following deliverables:

- 16.1 The vendor's currently proven application software with functionality meeting scope of work requirements as specified in this RFP.
- 16.2 Project plan for application configuration, implementation and training, including a specific timeline of completion dates.
- 16.3 Project meeting to provide budget reporting (minimum of monthly). Location to be determined at pre-implementation meeting. "Remote" attendance is acceptable. Requires that the vendor meet monthly during the implementation of the contract to report on the contract amount expended so far and future work to be completed and invoiced. These meetings are to review progress against goals. They don't require all parties to be physically at the same site, but can be done via the phone or a webinar connection.
- 16.4 Implementation plan and schedule (updated biweekly).
- 16.5 Acceptance Test plan (including function, system, and load testing) and results.
- 16.6 Training Plan
- 16.7 Training
- 16.8 Complete software documentation.
- 16.9 Complete warranty documentation, user manuals, etc.



## **17. SYSTEM ACCEPTANCE AND PROJECT COMPLETION**

The vendor shall develop an acceptance test plan. The vendor and Santa Cruz METRO shall mutually agree upon the plan. Acceptance testing will be conducted in accordance with the acceptance test plan. The system will be considered “accepted” when all tests in the acceptance test plan are performed without error. The Project will be considered “complete” after the system has been accepted and the system has been operational during financial and operational business cycles and online for 90days, (the 90 day timeline should fall within both cycles) and system users are fully trained. Final payment will be contingent upon Santa Cruz METRO Project Completion sign off.

## **18. PROPOSAL EVALUATION REQUIREMENTS**

Proposal evaluation criteria are listed below. All proposals will be evaluated and scored based upon the responses to the Phase One criteria. After final scoring of the Phase One criteria, a short-list may be created. The proposals that make the short-list will be evaluated with Phase Two activities. Phase Two activities shall consist of reference checks and an invitation for a interview and demonstration of the proposed software system. Upon the conclusion of Phase Two activities, Santa Cruz METRO shall determine the final ranking of the short-listed firms. Ranking shall be based upon the original proposal as well as any additional information obtained during the Phase Two activities.

If Santa Cruz METRO chooses not to proceed into Phase Two evaluations, the scoring and ranking of the Phase One evaluation shall determine the final ranking.

### **Phase One:**

- A. Method of Approach, to include:
  - 1. Understanding of the Project
  - 2. Response to Functional and Technical Requirements
  - 3. Implementation Plan
- B. Vendor Qualifications and Experience
- C. Warranty, Technical Support, Training and Documentation
- D. Price Proposal
- E. Disadvantage Business Enterprise Participation

### **Phase Two:**

- A. Interviews/Demonstration
- B. Reference Checks

Santa Cruz METRO reserves the right to determine whether or not a proposed system or solution meets the specifications and requirements of this RFP and reject any proposal that, in Santa Cruz METRO’s opinion, fails to meet the detail or intent of the requirements. Santa Cruz METRO reserves the right to reject any and all proposals.

## **19. REQUIREMENTS SPECIFIC TO EVALUATION CRITERIA**

The narrative portion and the materials presented in response to this Request for Proposal shall be submitted in the same order as requested and must contain, at a minimum, the following:

### **19.1 Method Of Approach**

#### **19.1.1 Understanding the Project (Scoring: 20 Points Possible)**

- a. Summarize your understanding of the project and the goals Santa Cruz METRO is trying to achieve by acquiring and implementing an integrated Fleet Management, Facilities Management and Purchasing System. Summarize your understanding of how these systems may benefit a municipal government organization.

- b. Proposer shall prepare a detailed Method of Approach to the Scope of Work, which indicates the proposed service to be performed by the Proposer. This section should confirm the Proposer's understanding of this RFP. Proposer should clearly outline the approach of the firm in meeting the responsibilities that Santa Cruz METRO has outlined. The method and approach for each service should be addressed in a manner that reflects understanding and commitment to providing services as needed in a professional and timely manner.

19.1.2 Response to Functional and Technical Requirements **(Scoring: 35 Points Possible)**

- a. For all sections of the Systems Functionality and Features grid, Proposers may provide any additional information that will assist Santa Cruz METRO in understanding and evaluating your response. In addition, Proposers may provide any additional information that will assist Santa Cruz METRO in understanding and evaluating your product. This includes product literature, brochures, web-site addresses, CD-ROM disks, user manuals, or system administrator manuals. Please limit supplemental materials to those that will materially enhance Santa Cruz METRO understanding of your proposal. Please reference all supplemental materials at the appropriate place in the requirement list. Proposers are invited to describe features that come standard with the proposed system that are not included in the list of requirements.
- b. The Proposer must provide a written, point-by-point response to each requirement in the Scope of Work. The response shall demonstrate how the Proposer will meet the requirements. The response may also include other pertinent information that will assist Santa Cruz METRO in evaluating the proposal.

For each paragraph/item, Proposer shall indicate:

**Meets** - The package meets the requirement "out-of-the-box".

**Third Party** – the Proposer is able to meet the requirement with a third party "bolt-on".

**Modification**- The package must be modified to meet the requirement.

**Does Not Meet** - The product is not able to meet the requirement.

If Proposer indicates "exception," the Proposer shall propose an alternate solution or equivalent specification. "Exception" also requires an explanation of 'Modification' or the 'Does Not Meet' criteria. The Proposer must explain how the alternate solution or equivalent specification satisfies a particular requirement and how the overall end objective will be met. Failure to meet the specifications or to propose an equivalent specification acceptable to Santa Cruz METRO may constitute grounds for Santa Cruz METRO to reject a proposal.

- c. Please identify all hardware (to include proprietary and non-proprietary) and software (to include proprietary and non-proprietary) that is required or recommended to run your system, including detailed specifications such as hardware make/model and software version release numbers. For hardware, provide specifications in terms of processors, processor speed, memory requirements, and other sizing and capacity factors.
- d. Please describe how your proposed solution accommodates growth and expansion (i.e. the ability to handle increased users and the ability to expand system features/capabilities). Identify any additional equipment or software required to support expansion.

19.1.3 Implementation Plan **(Scoring: 15 Points Possible)**

- a. Proposers shall provide a detailed implementation plan describing their approach to installation and configuration of the Purchasing system. The implementation plan shall include a detailed timeline. The timeline shall address all tasks and the times/days required for each task, including: software delivery, software configuration, interface specification, development and testing, training, acceptance testing and a payment schedule by phase. The timeline should clearly identify the roles and responsibilities of Santa Cruz METRO and the vendor.

- b. Santa Cruz METRO requires that acceptance of the software system occur consistent with a acceptance testing plan mutually agreed to by Santa Cruz METRO and the vendor. The acceptance testing plan shall define a testing procedure and criteria to determine that the software system is operating properly. The acceptance testing plan will test that configuration of the software has been done correctly, and that any software modifications or interfaces with external systems are functioning properly.

19.1.4 Warranty, Technical Support, Training and Documentation **(Scoring: 15 Points Possible)**

- a. The Proposer shall warrant that all software provided under this contract will be free from defects and suitable for the use intended. Please specify in your proposal the warranty period for the software from the date of acceptance of the system by Metro. The warranty period shall begin upon acceptance of the system. Santa Cruz METRO policy is not to begin paying annual maintenance until the warranty period has expired. Be advised that Santa Cruz METRO, as a recipient of federal funds, is prohibited from using Federal Transit Administration (FTA) funds to make payments to a third party contractor before the contractor has incurred the costs for which the payment would be attributable unless the costs incurred are for utility connections and services, rent, tuition, insurance premiums, subscriptions to publications, software licenses, construction mobilization costs, transportation, hotel reservations and convention registrations, or when Santa Cruz METRO can justify such an advance with a sound business reason for doing so and has obtained FTA's advance written concurrence. Please provide any required agreements. Submitted agreements are subject to negotiation by Santa Cruz METRO.
- b. Santa Cruz METRO is interested in acquiring technical support. Support may be provided via telephone and email as well as in-person. Proposer should describe alternative levels of support available. Please provide any required agreements. Submitted agreements are subject to negotiation by Santa Cruz METRO. Describe how you provide technical support. For example, how would Santa Cruz METRO contact you? How are calls handled and routed? What are your escalation procedures?
- c. Please indicate how long your company plans to support the current version of your product and any options and what the typical schedule is for release of new software versions. Describe any policies you may have that require customers to stay current with software releases in order to maintain eligibility for the maintenance program.
- d. Proposer must provide the number of persons required to support the system internally and what their daily/monthly/annual responsibilities would be, as applicable.
- e. Please describe training requirements and services:
  - What training is required for the system?
  - How do you propose that training be conducted?
  - Who do you recommend to conduct the training?
  - How long are the training programs/classes?
  - Is any recurring training recommended? If so, please explain.
  - What other related training is offered?
  - Is customized training available?
  - Is there a cost for regular or customized training? If so, delineate on Price Page.
  - Include a training timeline, and the different phases involved in completing the training.
- f. Please describe documentation:
  - What documentation is provided with the proposed solution?
  - How many copies are provided and in what format?
  - Are updates to the documentation provided?
  - If so, how are the updates provided and how often are they provided?

- If possible, please submit sample pages of training material, user manual, or other documentation.

19.1.5 Qualifications and Experience **(Scoring: 15 Points Possible)**

- Provide a general overview of your company, including statement of finances, number of years in business, corporate headquarter location, type of business, and where you do business. Include an annual report, if available.
- Are you currently, or have you ever, been involved in litigation, bankruptcy proceedings, reorganization, etc.? If so, please describe your involvement in these.
- State your principal place of business and the location from which your staff will be traveling to Santa Cruz.
- Summarize your experience in performing work similar to that outlined in this RFP. Provide a minimum of three (3) references for which you have provided similar services. Please include organization name, size of organization, address, phone, email, and a contact person. References to other public sector agencies, particularly municipal governments, are preferred. Please indicate when your system was installed at these reference locations.
- Include the number of public transportation customers utilizing your application for the management of bus transit rolling stock if applicable and when installation was complete.
- Provide a listing of key personnel who will be assigned to the Santa Cruz METRO project. Include their title within your organization and a description of the type of work they would perform.
- Submit a resume and a reference for each individual (contractor and/or subcontractor) proposed to do work under this contract. Resumes shall describe the individuals' credentials, background, and relevant experience, such as the number of systems the individual has installed.

19.1.6 Cost Proposal **(Scoring: 40 Points Possible)**

- Proposers shall submit prices in accordance with the Price Page included herein. Additional information may be provided through an attachment. Pricing will be evaluated based upon the Grand Total.
- Please describe the pricing structure of your proposed system, your licensing price model, e.g. per named user, per site, per concurrent user, and Internet licensing.

19.1.7 Disadvantage Business Enterprise Participation **(Scoring: 5 Points Possible)**

Total Possible Evaluation Points: **145**

**20. ADDITIONAL INFORMATION**

Proposer may provide any other information the firm deems helpful or appropriate. Responses under this section are not mandatory. Santa Cruz METRO is interested in additional options with information on the benefit of the option(s).

**21. EXCEPTIONS TO CONTRACT TERMS AND SPECIFICATIONS**

The Proposer shall clearly identify any proposed deviations from the Standard Terms and Conditions or Special Terms and Conditions in the Request for Proposal. For every exception taken, the Proposer shall propose substitute language. If no exceptions are presented in the Proposer's proposal, Santa Cruz METRO will assume complete conformance of all terms/conditions and the successful Proposer will be required to perform accordingly.

The Proposer shall also clearly identify any proposed deviations from the requirements/specifications in the Request for Proposal. If no exceptions are presented in the Proposer's proposal, Santa Cruz METRO will assume complete conformance of all requirements/specifications and the successful Proposer will be required to perform accordingly.

**21. PRIOR EXPERIENCE**

Experiences with Santa Cruz METRO and entities which evaluation committee members represent shall be taken into consideration when evaluating qualifications and experience.

**22. ADDITIONAL INVESTIGATIONS**

Santa Cruz METRO reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any firm submitting a proposal.

**23. SOFTWARE LICENSE AGREEMENT**

The Contractor is requested to grant to Santa Cruz METRO a world-wide, non-exclusive, irrevocable and perpetual license to all intellectual property rights for the purposes of using, displaying and performing the licensed software on Santa Cruz METRO LANs for information processing and related activities. This includes backup and disaster recovery procedures in the event of destruction or corruption of the licensed software or any disasters or emergencies, which require Santa Cruz METRO to initiate disaster recovery procedures.

Santa Cruz METRO reserves the option, within its sole discretion, of licensing either hardware upgrades or software upgrades from Licensor by paying Licensor the corresponding hardware upgrade or software upgrade fee. In the event Santa Cruz METRO so elects to license the software upgrades, such software upgrades shall for the purposes of this RFP be considered licensed software. In the event Licensor makes available other products incompatible with the Licensed software, but only compatible with a hardware or software upgrade, Santa Cruz METRO shall have the right to license either such upgrade from Licensor free of any upgrade fee that might otherwise be due under this RFP and free of any other charges or fees.

**24. TENTATIVE PROCUREMENT SCHEDULE**

<b>Event</b>	<b>Date</b>
Proposal Issue Date	February 10, 2010
Proposal Due Date	March 10, 2010
Evaluation of Proposals – Phase One	March 11 to March 19, 2010
Evaluation of Proposals – Phase Two	March 22 – 26, 2010
Board Approval of Contract	April 23, 2010
Contract Award	May 1, 2010
Software System Delivered, Installed, Testing and Dual Integration Started	June 1, 2010
Software System Up and Functioning	July 1, 2010

## **PART IV**

### **GENERAL CONDITIONS TO THE CONTRACT**

#### **1. GENERAL PROVISIONS**

##### **1.01 Governing Law & Compliance with All Laws**

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

##### **1.02 Right to Modify Contract**

Santa Cruz METRO 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 Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, 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 Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO 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 Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO 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 Santa Cruz METRO; (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 Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO has or may acquire an interest.

## 2.02 Termination for Default

2.02.01 Santa Cruz METRO 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, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO 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 Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO 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 Santa Cruz METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

### 3.02 Notification by Contractor

Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO'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 Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct 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 Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO 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.
  - (a) Full Personal Injury coverage.
  - (a) Broad form Property Damage coverage.
  - (a) A cross-liability clause in favor of Santa Cruz METRO.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

#### 7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by Santa Cruz METRO.
- (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 Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.

- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to Santa Cruz METRO.

## 8. SINGLE PROPOSAL

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

## 9. NO DISCRIMINATION

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

## 10. DISADVANTAGED BUSINESS ENTERPRISES

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

### I. PROMPT PAYMENT

#### 11.01 Prompt Progress Payment to Subcontractors

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

#### A. Prompt Payment of Withheld Funds to Subcontractors

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO 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 Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO Liability

Santa Cruz METRO's liability is, in the aggregate, limited to the total amount payable under this Contract.

### 13.04 Drug and Alcohol Policy

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

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO'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 Santa Cruz METRO.

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

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO 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 Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO 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 Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO-issued equipment within five days of the conclusion of the contract work Santa Cruz METRO 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 Santa Cruz METRO.

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 Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

## PART V

### PROFESSIONAL SERVICES CONTRACT FOR AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM (10-20)

THIS CONTRACT is made effective on \_\_\_\_\_, 2009 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("Contractor").

#### 1. RECITALS

##### 1.01 Santa Cruz METRO's Primary Objective

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

##### 1.02 Santa Cruz METRO's Need for Automated Purchasing Software System

Santa Cruz METRO has the need for Automated Purchasing Software System. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated February 10, 2010, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

##### 1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Automated Purchasing Software Management System and whose principal place of business is \_\_\_\_\_. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for Automated Purchasing Software System, which is attached hereto and incorporated herein by reference as Exhibit "B."

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the Automated Purchasing Software Management System described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

#### 2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

##### 2.01 Documents Incorporated in this Contract

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

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 10, 2010

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

Contractor's Proposal to Santa Cruz METRO for Automated Purchasing Software System, signed by Contractor and dated March 10, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued February 10, 2010.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued February 10, 2010.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

At the option of Santa Cruz METRO, this contract agreement may be extended upon mutual written consent.

5. COMPENSATION

5.01 Terms of Payment

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

5.02 Invoices

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

6. NOTICES

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

Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_



7. AUTHORITY

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

Signed on \_\_\_\_\_

SANTA CRUZ METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR -

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## **PART VI**

### **FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS**

#### **1.0 GENERAL**

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

#### **2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS**

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

#### **3.0 INELIGIBLE CONTRACTORS**

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

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

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

#### **5.0 TITLE VI CIVIL RIGHTS ACT OF 1964**

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

##### **5.1 Compliance with Regulations**

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

##### **5.2 Nondiscrimination**

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

### 5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

### 5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Santa Cruz METRO 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 Santa Cruz METRO, 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, 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 Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

#### 11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by Santa Cruz METRO 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

Santa Cruz METRO 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, Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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. Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO.

## 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

Santa Cruz METRO 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 Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO (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 Santa Cruz METRO, 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. Santa Cruz METRO 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, Santa Cruz METRO 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.

Santa Cruz METRO 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.

Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO or Contractor at the time of delivery of such work.

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

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

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

### 20.2 Disclosure

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

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

### 20.3 Agreement

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

### 20.4 Penalties.

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

### 20.5 Cost allowability

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

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

**“Common Grant Rules”** refers to the Department of Transportation regulations “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

**“Interested Party”** means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an “interested party”.

**“Protest”** means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See “Types of Protests” below.

**“Protester”** means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an “interested party”.

**“Types of Protests”:** There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.

**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmtd.com](mailto:financemanager@scmtd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO's administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO's Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager's Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors' decision shall constitute Santa Cruz METRO's final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO's Board of Directors' final administrative determination, he/she 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 the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO's Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO's failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO's protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726

**SANTA CRUZ METRO’S RESPONSIBILITIES TO FTA**

Santa Cruz METRO’s Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO’s Finance Manager will provide the following information to FTA:

- a. **Subjects:** A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. **Details:** The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. **When and Where:** Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. **FTA Officials to Notify:** When Santa Cruz METRO’s Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO’s Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO’s Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

# EXHIBIT - B

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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### Request for Proposals (RFP)

For Purchase and Implementation of a  
Purchasing Software Management System

Santa Cruz METRO RFP No. 10-20

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Date Issued: February 10, 2010

Proposal Deadline: 5:00 P.M., March 10, 2010

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*Presented By:*



**Technical Services Associates, Inc.  
2 Kacey Court  
Mechanicsburg, PA 17055**

Contact Person: Mr. Albert Jacobs, Vice President  
Telephone: (717) 691-5691 Ext. 103  
Fax: (717) 691-5690  
Email: [jacobsa@puridiom.com](mailto:jacobsa@puridiom.com)



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**PART II**

**GENERAL INFORMATION FORM**

**FOR PURCHASE AND IMPLEMENTATION OF AN  
AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM  
RFP No. 10-20**

(To be completed by the offeror and placed at the front of your proposal)


Technical Services Associates, Inc. March 4, 2010  
**Legal Name of Firm** **Date**

2 Kacey Court Mechanicsburg, PA 17055  
**Firm's Address**

(717) 691-5691 (717) 691-5690  
**Telephone Number** **FAX Number**

Corporation 23-2264503  
**Type of Organization (Partnership, Corporation, etc.)** **Tax ID Number**

*Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.*

  
**Signature of Authorized Principal**

Jesus Ramos, President & CEO  
**Name of Principal-in-Charge and Title**

Albert Jacobs, Vice President & COO  
**Name of Project Manager and Title**

Albert Jacobs, Vice President & COO, 2 Kacey Court Mechanicsburg, PA 17055 (717) 691-5691 extension 103  
**Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed**

2 Kacey Court Mechanicsburg, PA 17055  
**Addresses Where Correspondence Should Be Sent**

N/A  
**Areas of Responsibility of Prime Contractor**



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

(Contractor) Technical Services Associates, Inc. (DBA Puridiom) 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) Technical Services Associates, Inc. (DBA Puridiom), 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.



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Signature and Title of Authorized Official

## PRICE PROPOSAL SHEET

The Proposer shall present all pricing information in this section. This Price Proposal Sheet represents Santa Cruz METRO's official request for price quotation and MUST be completed by the Proposer. The cost proposal below shall include all work necessary to effectively conduct and complete the Scope of Services. The costs stated herein **must be a firm fixed fee that includes ALL necessary costs** including, but not limited to: labor, installation, materials, overhead, administrative charges, taxes, profit, insurance and any other expenses associated with the system or required services. Proposers must attach an itemized breakdown of all proposed goods and services. Where applicable, the breakdown should state the quantity, make/model, and days/hours of all required items/tasks.

ITEM #	ITEM	PROPOSAL COST
1	Automated Purchasing Software Management System	\$ <u>36,000</u>
2	System Setup/Configuration	\$ <u>8,000</u>
3	Data Conversion and Migration (Existing Purchasing System)	\$ <u>5,000</u>
4	Training and Documentation	\$ <u>N/A*</u>
5	Interface MaintStar Fleet/Facilities Inventory Information	\$ <u>3,000</u>
6	Interface with ABS Accounting Software	\$ <u>N/A*</u>
7	Maintenance Agreement (including technical support and version updates)	
	Year 1	\$ <u>7,200</u>
	Year 2	\$ <u>7,200</u>
	Year 3	\$ <u>7,200</u>
	Year 4	\$ <u>7,000</u>
	Year 5	\$ <u>7,000</u>
8	Other (please specify)	\$ <u>-3,600</u>
<b>GRAND TOTAL</b>		\$ <u>84,000</u>

**OPTIONAL ITEMS  
(TO BE PURCHASED SOLELY AT SANTA CRUZ METRO'S DISCRETION)**

**Consulting Services Per Hour:** On a separate sheet, please provide a complete listing of consulting services offered, including position and hourly rate.

Please see "Puridiom Consulting Services".

**Company Name:** Technical Services Associates, Inc. (dba Puridiom)

## PART III

### PURIDIOM RESPONSE TO SPECIFICATIONS FOR THE PURCHASE AND IMPLEMENTATION OF AN AUTOMATED PURCHASING SOFTWARE MANAGEMENT SYSTEM

#### 6. SCOPE OF WORK

##### 6.1 General

The vendor shall be responsible for delivering and installing a fully operational Automated Purchasing Software System. Installed system shall be fully integrated. Santa Cruz METRO plans to select and implement a solution that will fulfill the following functions:

- 6.1.1. Allow entry of requisitions by multiple department authorized users. System Administrator can assign user access limitations to various parts of the purchasing system. Current number of Requestors is 26 which can possibly go up to 30. Current number of Approvers is 20 that are different from Requestors however Approvers can also be Requestors. Purchasing staff is 2 plus a System Administrator. Accounts Payable staff is 2 plus System Administrator for backup.

Meets. End-user access can be restricted by location, end-user or end-user's department.

- 6.1.2. Allow entry of internal part numbers to fill-in description and unit of order from a database table. The table should consist of 4 to 5 fields, the internal part number, possible vendor part number, description and unit of measure (i.e.: ea, gal, qt, case, etc.). The Purchasing system must have the ability for the parts person to enter an internal part number and auto-fill in the description and unit of measure fields while entering requisitions. This should probably be a table in the Purchasing system.

Meets. Puridiom can pull data from existing systems and databases so that internal part numbers and descriptions will populate within Puridiom from a specified database.

- 6.1.3. Allow encumbrance of department budget funds from requisition entry.

Meets. Puridiom's Budget module allows for requisitions to be checked against pre-established budgets to insure funds are available before the requisition can be sent for approval.

- 6.1.4. Allow email notification to department manager or authorized department personnel to electronically approve requisition.

Meets. An extensive alert notification system for approval is available and is fully customizable by the system administrator.

- 6.1.5. Automatic email notification to Santa Cruz METRO's Finance personnel of approved departmental requisition(s) for Finance review and approval.

Meets. Approval routing list can require all requests to be sent to Finance personnel for approval as part of the approval hierarchy.

- 6.1.6. Automatic email notification to Santa Cruz METRO's Purchasing personnel of requisition approval by Finance for requisition processing.

Meets. Once request is approved by Finance, an email can be sent to Purchasing

6.1.7. Allow search of the purchasing system for item, product, or service and status by: vendor name; part number; item description; requisition number; approximate date; department budget number; and budget account number.

Meets. Puridium allows for search by item, product, service, vendor, part number, description, requisition number, budget number or account number, as well as by date.

6.1.8. Allow for printing of the resulting purchase order document with multiple copies, different footer labels, and be able to incorporate Santa Cruz METRO's logo.

Meets. Puridium allows Santa Cruz METRO to customize purchase orders with customized logo, footers, etc.

## 7. FUNCTIONALITY

### 7.1 Requisition Automation.

Proposed system shall have an automated requisition system with capabilities to eliminate paperwork, reduce requisition approval time, and lower the number of inquiries the purchasing staff currently receives. Proposed system user interface can be web based. The system shall meet the following requirements or provide the following features:

7.1.1. Select items from online catalogs or enter in free-form mode.

Meets. Items can be requested from internal catalogs or as non-standard items. Currently online catalogs have to be pre-established or through a punchout from Puridium to the online catalog.

7.1.2. Check budget balances while requisitioning.

Meets. Puridium's Budget module checks the account specified to insure that there are sufficient funds in the budget before the request can be submitted for approval.

7.1.3. Multi-level e-mail approval routing

Meets. Puridium has an approval routing list that can be established based on a departmental hierarchy or other system as determined by Santa Cruz METRO.

7.1.4. Use current e-mail to route requisitions to appropriate personnel.

Meets. Puridium's approval routing list contains the email address for all users that are set-up as approvers so that requests can be sent the requisition to approve.

7.1.5. Convert requisitions to Purchase Orders (POs) or Request for Quotations (RFQ) with no re-keying.

Meets. This is available as part of the Solicitations (RFx) module.

7.1.6. View requisition status in real time.

Meets. Puridium allows for users to review the status of their request immediately upon submitting the request.

7.1.7. Support security controlled entry by login for at least 15 Santa Cruz METRO-defined departments.

Meets. Puridium allows for an unlimited number of departments.

7.1.8 Enforce account number entry to match our internal account numbers.

Meets. This is set-up during implementation so accounts are already entered into the system and can be linked to specific user accounts.

7.1.9 Requisition entry by Fleet and Facilities parts personnel should support auto-fill of description and unit of order fields using an entered internal parts number.

Meets. This can be defined and set-up during implementation.

7.1.10 Log user identification and time/date information for creation and each signatory step.

Meets. Puridium records and stores all user activity which can be extracted in a report for audit or other purposes.

**7.2 Request for Quotation Publication and Management.**

Proposed system shall have an RFQ automation system to help Santa Cruz METRO determine best price and terms for an order. Proposed system shall meet the following requirements or provide the following features:

7.2.1 Create RFQs for selected vendors based on user-defined criteria, including commodity codes and previously-entered RFQs.

Meets. Puridium supports multiple RFx types where suppliers can be selected based on supplier data criteria. In addition, the RFx can be designated as unrestricted (open to all), by invitation only or restricted.

7.2.2 Create RFQs from requisitions.

Meets. Puridium RFx / Solicitations can be created from purchasing and pricing requests. Pricing requests can be specific to an item that you do not know the price for, but need to request or receive bids for the lowest price before it can be purchased.

7.2.3 Issue formal RFQs via custom forms, fax or e-mail.

Meets. This can be done within the solicitation module.

7.2.4 Allow Vendor bid entries electronically (Please specify how your system complies with this specification).

Meets. Puridium has a formal solicitation process where RFx can be sent electronically to suppliers or may be posted to Puridium's Bidboard where suppliers can enter bids online.

7.2.5 View vendor performance ratings prior to bid awards.

Meets. Individual supplier bids are recorded and a bid worksheet is available to provide easy comparison and analysis of the bids.

7.2.6 Carry winning bid information forward to PO with no re-keying

Meets. The winning bid/solicitation would need to be approved before the Purchase Order would be issued.

### 7.3 Purchasing & Vendor Management.

Proposed system shall enable Santa Cruz METRO to reduce costs and workload by knowing exactly what is purchased and from whom it was purchased from. Proposed system shall meet the following requirements or provide the following features:

#### 7.3.1 Create purchase orders from: requisitions, RFQs, and previously-entered POs.

Meets. Puridiom supports multiple types of orders, all which can be created from nothing, approved requisitions, solicitations or from previous historical order data.

#### 7.3.2 Issue standard, blanket, contract, and service agreement POs. A Standard purchase order is a one-time purchase order for specific goods. A Contract purchase order is a purchase order that supports a contract on which multiple payments maybe processed. A Service Agreement purchase order is a purchase order that supports a service agreement (i.e. copier maintenance, elevator maintenance, etc.) on which multiple monthly payments are made.

Meets. Puridiom allows standard, blanket, and delivery orders as well as contract and service agreement purchase orders.

#### 7.3.3 Issue POs via custom forms, fax, or e-mail.

Meets. As part of the implementation process, Puridiom will customize to include Santa Cruz METRO's logo, contact information and other Santa Cruz METRO specific data on the orders forms and the POs can be sent multiple ways (cXML, EDI, fax, email) which is controlled based on Santa Cruz METRO's preferred send method.

#### 7.3.4 Specify multiple delivery dates, jobs, projects, account codes, cost centers, departments, and ship-to locations for a single PO.

Meets. Puridiom can specify Santa Cruz METRO's requirements such as multiple delivery dates, jobs, projects, account codes, cost centers, departments, and ship-to locations for a specific purchase order. Puridiom can also specify when the item(s) required by date.

#### 7.3.5 Analyze historical PO data and current transactions real time or in built-in management reports

Meets. Reports can be scheduled to automatically generate and emailed to the person requesting at certain times or they can be generated at time of request for the most up to date information.

#### 7.3.6 Vendor ID numbering system to be compatible with ABS Accounting system.

Meets. Puridiom can be set-up for manually or automatically, using mask (whatever format ABS uses). In addition, Puridiom fields can be maintained to cross reference to ABS accounting software to vendor ID.

### 7.4 Receiving.

With automated receiving Santa Cruz METRO should be able to automatically record receipts against POs. Proposed system shall meet the following requirements or provide the following features:

#### 7.4.1 Auto-receive all items for a PO or enter each receipt by item.

Meets. Receive-All button available to receive remaining quantities on all open items.

#### 7.4.2 Enter multiple partial receipts

Meets. Items can be received in one or more receipt tickets.

7.4.3 Optionally print receiving tickets to accompany received items.

Meets. Receiving tickets can be scanned and the files attached to the receipts or the information from the receiving ticket or packing slip can be manually entered onto the receipt.

7.4.4 Track material receipts on open POs, past due POs and closed POs online or in built-in reports.

Meets. Puridiom provides for tracking receipts that have items that were never received and can assist in escalating the issue to the vendor/supplier. This can be easily done through query or from a standard report.

## 8. COMPATIBILITY

To recognize maximum benefits from the purchasing software, it should be able to transfer vital information to/from accounting and other critical systems. Proposed system shall meet the following requirements or provide the following features:

8.1 Solution interfaces with Santa Cruz METRO's ABS accounting software. If not, it can be customized to do so.

Meets. Puridiom will customize the integration of all necessary data and fields so that it interfaces with ABS accounting software.

8.2 Automates three-way match of invoice to purchase order and receipts.

Meets. Puridiom automatically matches receipts to purchase orders and can flag an order that was not fully received, which prevents invoices from being paid if there are outstanding items that haven't been received. Puridiom can also assist in partial payments until the missing items are received to maximize the savings for Santa Cruz METRO.

8.3 Coordinate parts receiving with MaintStar Fleet/Facilities Maintenance software system.

Meets. Puridiom will customize the receiving function so that part receiving interfaces with MaintStar Fleet/Facilities Maintenance software system.

8.4 Provide purchase order accounts payable status via connection with ABS Accounting Software.

Meets. Puridiom will integrate with ABS accounting software so that the status of the purchase order can be updated and viewed.

## 9. USABILITY

Santa Cruz METRO has many users who won't use the purchasing software on a daily basis. Proposed system must be easy to navigate. Proposed system shall meet the following requirements or provide the following features:

9.1 Application shall be easy for a non-frequent user to understand.

Meets. User interface is based on a guided step-by-step wizard approach.

9.2 Application shall be intuitive enough to allow frequent users to access all functionality in a comfortable framework.

Meets. Puridiom incorporates many features and functions for users to easily perform their day-to-day business activity, navigate the application, and provide clear visibility into their transactions. This includes, but is not limited to, a user dashboard, shortcuts, wizard processing steps, "English-like" links, business validations, automated processing, email notifications and action alerts. Puridiom adapts to all levels of users and these users can begin using the system with minimal training required.

### 9.3 Online help.

Meets. Tutorials and User Reference Guides are available online.

## 10. MODULARITY

Proposed system shall meet the following requirements or provide the following features:

### 10.1 Application shall be modular and allow staged implementation.

Meets. Puridiom is modular based and a complete list and description of the Puridiom Modules is attached.

### 10.2 Solution shall contain the following modules:

Meets.

Requisitions – Requisition module  
Quotations – Solicitation module  
Purchasing – Purchase Order module  
Receiving - Receiving module

Additional modules are available and are attached.

## 11. VENDOR EXPERIENCE AND REFERENCES

Proposed system shall meet the following requirements or provide the following features:

### 11.1 Vendor shall provide information of how many years the proposed system has been marketed to commercial and governmental or public agencies.

Puridiom 3.1 was released in May 2005.

### 11.2 The proposed software system must have been installed and fully operational in at least three (3) government or public agencies within a 5 year minimum operational experience.

Meets. Yes. References can be provided.

### 11.3 It is preferred that the vendor has experience implementing its solution with companies in the Transit business and purchasing departments of the same size and complexity.

Over our 27 year history, we have performed over 2,000 implementations for companies of all sizes and various industries.

### 11.4 References must include Agency contact information and telephone numbers for contact by Santa Cruz METRO's evaluation committee.

References provided in "Puridiom References".



## 12. REPORTING CAPABILITIES

Proposed system shall meet the following requirements or provide the following features:

- 12.1 The software system shall be capable to produce both standard and specialized reports.

Meets. Puridiom offers a multitude of pre-defined reports that enable all levels of system users to easily generate reports. These reports address a wide-range of areas such as register, detail history and activity, top performers, accounting, statistical and analysis, plus workflow and administrative reports. All reports have filter options that can reduce or expand the information presented on the report. Additionally, each report can be easily scheduled for immediate, future, and repetitive processing where the report is automatically sent to the user via email.

Puridiom also supports the ability for the report to be produced in a variety of formats, such as Excel, PDF, CSV and HTML. This further enhances the reporting capability as raw data can be extracted to be used in other applications or formatted to the user's preference.

Puridiom does not offer a report writing capability, but offers on-demand reporting services to provide custom reports for unique reporting requirements. This is included as part of our hosting services.

- 12.2 Santa Cruz METRO's Purchasing Office should be able to create specialized reports without support from the Information Technology Department.

Meets. For hosted implementations, Puridiom provides ad-hoc reporting services where customized data queries and reports can be requested by client to address unique reporting requirements. These requests are addressed through the exporting of data to various formats (i.e. Excel) or through the creation of a new report which will be added to the standard reporting functions.

For licensed implementations, there are some standard reports that METRO can use and additional reports can be requested.

Please see "Puridiom Standard Reports".

- 12.3 The software system shall track key information needed for reporting (e.g. all orders for a DBE vendor).

Meets. During implementation, Puridiom can be customized to track any information that METRO would like to report on.

- 12.4 The system shall store historical information on ordering patterns and vendor performance.

Meets. As a standard practice, Puridiom records all vendor information, which can be reviewed, evaluated and updated within Supplier Management.

- 12.5 The system shall have budget expenditure reporting.

Meets. Puridiom has a budget module that expenditure information can be extracted from and compiled into a report.

- 12.6 Support use of Crystal Reporting tools. Current Santa Cruz METRO version of Crystal Reports: 2008 Version 12.1.0.892

Meets. Puridiom has many customers who use Crystal reports

### 13. TECHNICAL SUPPORT

Proposed system shall meet the following requirements or provide the following features:

13.1 The vendor provides technical support via telephone.

Meets. The Puridiom Help Desk provides telephone support to a primary point of contact, a back-up contact and a technical contact within Santa Cruz Metropolitan Transit District's organization. User telephone support is available for an additional monthly fee.

13.2 The vendor provides technical support via email.

Meets. The Puridiom Help Desk provides email based support directly to your user community for both operational and systematic inquiries. In addition, assistance for remedial and administrative tasks, such as setting up a new user, assigning/resetting passwords, data imports, approval criteria and general system table maintenance, managing application business validation rules, administering system access, and monitoring system interfaces are provided.

13.3 The vendor provides technical support via other medium.

Meets. The Puridiom Help Desk also provides remote live assistance using a secured tunnel connection for an additional charge which can be determined based on Santa Cruz METRO's needs.

13.4 Technical support is available during accepted business hours.

Meets. The Standard Puridiom Help Desk support is available from Monday through Friday, 8 AM – 8 PM, Eastern Standard Time. For an additional fee, Premium Help Desk support is available 24 hours.

13.5 The vendor shall provide on-site training.

Meets. As part of your implementation services, Puridiom will provide administrative, power-user, and end-user training at key stages of the implementation process. These are targeted training sessions based on the users primary role (i.e. approver, buyer, AP, etc.) and will be a combination of hands-on classroom training and a series of webinars. As part of your service, Puridiom conducts free monthly webinars to your end-users for new users, refresher training, and highlighting new features.

### 14. DELIVERY METHOD

Software system solutions shall be available as licensed installed software. Proposed system shall meet the following requirements or provide the following features:

14.1 External Information Technology support is not necessary. METRO is prepared to support the software internally with its Information Technology Department.

Meets. Puridiom offers a licensed solution that is installed behind Santa Cruz METRO's firewall.

14.2 The vendor shall be able to ensure highest levels of security for the proposed system.

Meets. Please refer to "Puridiom Security and Access Control".

14.3 METRO must have the option to upgrade to the latest version.

Meets. Puridiom is constantly improving the application based on lessons learned, suggestions from our customers, and Puridiom sponsored enhancements. Our improvements focus on next generation

issues, new approaches to increase overall performance and efficiencies, and changes within the industry. Product upgrades/releases are planned and based on a 24 month release schedule for major updates and a 6 month release schedule for minor updates. As part of our hosting services, all software updates/releases will be performed by Puridiom technicians and will be coordinated with your organization. Updates/releases are done at off-peak hours according to Puridiom internal change management procedures to avoid or minimize negative impact on your organization's operations. Subsequent procedures vary depending on the type of omission. Some problems can be readily corrected by a configuration setting or a change to a single file. More complex issues are provided as Emergency Bug Fixes or a scheduled patch. This depends on the urgency of the fix and will be handled in accordance with Puridiom's Service Levels

## 15. TRAINING PLAN

- 15.1 Documentation. Vendor will be responsible for supplying a complete copy of all system training documentation. Training documentation shall also be made available via an electronic document, with unlimited distribution rights within Santa Cruz METRO. Vendor will be required to provide a complete training plan and adequately train on-site all Santa Cruz METRO personnel, as described below (train the trainer). Vendor will provide specific training manuals for the following Santa Cruz METRO personnel to be trained:

- System Administrators (2)
- Purchasing Staff (1)
- Parts Supervisor (1)
- Accounting Personnel (1)

Meets. As part of Puridiom's green initiatives, we will provide all documentation to METRO electronically to distribute within Santa Cruz METRO for training purposes.

We foresee the following amount of training to be required for each user type listed below.

- System Administrators (2) – 3 days
- Purchasing Staff (1) – 1-2 days
- Parts Supervisor (1) – 1-2 days
- Accounting Personnel (1) – ½ day

- 15.2 Personnel. Vendor will be responsible for complete on-site in-depth training of 2 system administrators (to have full administrative rights)

Meets. Puridiom can provide the complete, on-site, in-depth training for 2 system administrators.

- 15.3 On-Site Facilities. Santa Cruz METRO will supply the training room and schedule personnel to be trained. Santa Cruz METRO will supply workstations for classroom training. Classes will be designed around the Automated Purchasing System, based on trainees, using Santa Cruz METRO data.

Meets. Puridiom offers 3 methods of training: certified classroom training, webinars, and train-the-trainer to fit Santa Cruz METRO's training needs.

## 16. DELIVERABLES

The selected vendor as part of this project shall supply the following deliverables:

- 16.1 The vendor's currently proven application software with functionality meeting scope of work requirements as specified in this RFP.

Meets. Puridiom is 100% web-based, so all that is required is an internet connection and a web browser and the software will be available to Santa Cruz METRO upon implementation.

- 16.2 Project plan for application configuration, implementation and training, including a specific timeline of completion dates.

Meets. Please refer to "Puridiom Implementation Methodology."

- 16.3 Project meeting to provide budget reporting (minimum of monthly). Location to be determined at pre-implementation meeting. "Remote" attendance is acceptable. Requires that the vendor meet monthly during the implementation of the contract to report on the contract amount expended so far and future work to be completed and invoiced. These meetings are to review progress against goals. They don't require all parties to be physically at the same site, but can be done via the phone or a webinar connection.

Meets. Puridiom personnel will attend these meetings as requested, whether remotely or on-site.

- 16.4 Implementation plan and schedule (updated biweekly).

Meets. Please refer to "Puridiom Implementation Methodology (Sample Implementation Plan & Timeline)"

- 16.5 Acceptance Test plan (including function, system, and load testing) and results.

Meets. Please refer to "Puridiom Implementation Methodology (User Acceptance Testing)".

- 16.6 Training Plan

Meets. As part of your implementation services, Puridiom will provide administrative, power-user, and end-user training at key stages of the implementation process. These are targeted training sessions based on the users primary role (i.e. approver, buyer, AP, etc.) and will be a combination of hands-on classroom training and a series of webinars. As part of your service, Puridiom conducts free monthly webinars to your end-users for new users, refresher training, and highlighting new features.

- 16.7 Training

Meets. Please see 16.6.

- 16.8 Complete software documentation

Meets. Please refer to "Puridiom Hardware & Software Specifications".

- 16.9 Complete warranty documentation, user manuals, etc.

Meets. Puridiom's warranty is for 90 days after successful installation and extended warranties are available. Puridiom user manuals are electronic and posted online.

## 19. REQUIREMENTS SPECIFIC TO EVALUATION CRITERIA

The narrative portion and the materials presented in response to this Request for Proposal shall be submitted in the same order as requested and must contain, at a minimum, the following:

### 19.1 Method Of Approach

#### 19.1.1 Understanding the Project (Scoring: 20 Points Possible)

- a. Summarize your understanding of the project and the goals Santa Cruz METRO is trying to achieve by acquiring and implementing an integrated Fleet Management, Facilities Management and Purchasing System. Summarize your understanding of how these systems may benefit a municipal government organization.

Puridiom fully understands the scope and goals of the project. Through the Puridiom Procure to Pay solution, we intend to provide all the necessary modules that METRO requires to fully manage their purchasing, spend visibility and solicitations.

- b. Proposer shall prepare a detailed Method of Approach to the Scope of Work, which indicates the proposed service to be performed by the Proposer. This section should confirm the Proposer's understanding of this RFP. Proposer should clearly outline the approach of the firm in meeting the responsibilities that Santa Cruz METRO has outlined. The method and approach for each service should be addressed in a manner that reflects understanding and commitment to providing services as needed in a professional and timely manner.

Please refer to the "Puridiom Implementation Methodology".

#### 19.1.2 Response to Functional and Technical Requirements (Scoring: 35 Points Possible)

- a. For all sections of the Systems Functionality and Features grid, Proposers may provide any additional information that will assist Santa Cruz METRO in understanding and evaluating your response. In addition, Proposers may provide any additional information that will assist Santa Cruz METRO in understanding and evaluating your product. This includes product literature, brochures, web-site addresses, CD-ROM disks, user manuals, or system administrator manuals. Please limit supplemental materials to those that will materially enhance Santa Cruz METRO understanding of your proposal. Please reference all supplemental materials at the appropriate place in the requirement list. Proposers are invited to describe features that come standard with the proposed system that are not included in the list of requirements.

- b. The Proposer must provide a written, point-by-point response to each requirement in the Scope of Work. The response shall demonstrate how the Proposer will meet the requirements. The response may also include other pertinent information that will assist Santa Cruz METRO in evaluating the proposal.

For each paragraph/item, Proposer shall indicate:

**Meets** - The package meets the requirement "out-of-the-box".

**Third Party** - the Proposer is able to meet the requirement with a third party "bolt-on".

**Modification**- The package must be modified to meet the requirement.

**Does Not Meet** - The product is not able to meet the requirement.

If Proposer indicates "exception," the Proposer shall propose an alternate solution or equivalent specification. "Exception" also requires an explanation of 'Modification' or the 'Does Not Meet' criteria. The Proposer must explain how the alternate solution or equivalent specification satisfies a particular requirement and how the overall end objective will be met. Failure to meet

the specifications or to propose an equivalent specification acceptable to Santa Cruz METRO may constitute grounds for Santa Cruz METRO to reject a proposal.

- c. Please identify all hardware (to include proprietary and non-proprietary) and software (to include proprietary and non-proprietary) that is required or recommended to run your system, including detailed specifications such as hardware make/model and software version release numbers. For hardware, provide specifications in terms of processors, processor speed, memory requirements, and other sizing and capacity factors.

Please refer to the "Puridiom Hardware & Software Specifications".

- d. Please describe how your proposed solution accommodates growth and expansion (i.e. the ability to handle increased users and the ability to expand system features/capabilities). Identify any additional equipment or software required to support expansion.

Enterprise (unlimited) licenses are available or additional users can be purchased at any time.

#### 19 1.3 Implementation Plan (Scoring: 15 Points Possible)

- a. Proposers shall provide a detailed implementation plan describing their approach to installation and configuration of the Purchasing system. The implementation plan shall include a detailed timeline. The timeline shall address all tasks and the times/days required for each task, including: software delivery, software configuration, interface specification, development and testing, training, acceptance testing and a payment schedule by phase. The timeline should clearly identify the roles and responsibilities of Santa Cruz METRO and the vendor.

Please refer to the "Puridiom Implementation Methodology".

- b. Santa Cruz METRO requires that acceptance of the software system occur consistent with an acceptance testing plan mutually agreed to by Santa Cruz METRO and the vendor. The acceptance testing plan shall define a testing procedure and criteria to determine that the software system is operating properly. The acceptance testing plan will test that configuration of the software has been done correctly, and that any software modifications or interfaces with external systems are functioning properly.

Puridiom can provide a detailed testing plan based on Santa Cruz METRO's requirements. Please refer to the "Puridiom Implementation Methodology (User Acceptance Testing)".

#### 19 1.4 Warranty, Technical Support, Training and Documentation (Scoring: 15 Points Possible)

- a. The Proposer shall warrant that all software provided under this contract will be free from defects and suitable for the use intended. Please specify in your proposal the warranty period for the software from the date of acceptance of the system by Metro. The warranty period shall begin upon acceptance of the system. Santa Cruz METRO policy is not to begin paying annual maintenance until the warranty period has expired. Be advised that Santa Cruz METRO, as a recipient of federal funds, is prohibited from using Federal Transit Administration (FTA) funds to make payments to a third party contractor before the contractor has incurred the costs for which the payment would be attributable unless the costs incurred are for utility connections and services, rent, tuition, insurance premiums, subscriptions to publications, software licenses, construction mobilization costs, transportation, hotel reservations and convention registrations, or when Santa Cruz METRO can justify such an advance with a sound business reason for doing so and has obtained FTA's advance written concurrence. Please provide any required agreements. Submitted agreements are subject to negotiation by Santa Cruz METRO.

The Puridiom warranty is for 90 days after successful installation and extended warranties are available.

- b. Santa Cruz METRO is interested in acquiring technical support. Support may be provided via telephone and email as well as in-person. Proposer should describe alternative levels of support available. Please provide any required agreements. Submitted agreements are subject to

negotiation by Santa Cruz METRO. Describe how you provide technical support. For example, how would Santa Cruz METRO contact you? How are calls handled and routed? What are your escalation procedures?

The Puridiom Help Desk provides telephone support to a primary point of contact, a back-up contact and a technical contact within Santa Cruz Metropolitan Transit's organization. User telephone support is available for an additional monthly fee.

Email based support is provided directly to your user community for both operational and systematic inquiries. In addition, assistance for remedial and administrative tasks, such as setting up a new user, assigning/resetting passwords, data imports, approval criteria and general system table maintenance, managing application business validation rules, administering system access, and monitoring system interfaces are provided.

The Puridiom Help Desk also provides remote live assistance using a secured tunnel connection.

The Standard Puridiom Help Desk support is available from Monday through Friday, 8 AM – 8 PM, Eastern Standard Time. For an additional fee, Premium Help Desk support is available 24 hours.

- c. Please indicate how long your company plans to support the current version of your product and any options and what the typical schedule is for release of new software versions. Describe any policies you may have that require customers to stay current with software releases in order to maintain eligibility for the maintenance program.

Puridiom is constantly improving the application based on lessons learned, suggestions from our customers, and Puridiom sponsored enhancements. Our improvements focus on next generation issues, new approaches to increase overall performance and efficiencies, and changes within the industry.

Product upgrades/releases are planned and based on a 24 month release schedule for major updates and a 6 month release schedule for minor updates. As part of our hosting services, all software updates/releases will be performed by Puridiom technicians and will be coordinated with your organization. Updates/releases are done at off-peak hours according to Puridiom internal change management procedures to avoid or minimize negative impact on your organization's operations.

Subsequent procedures vary depending on the type of omission. Some problems can be readily corrected by a configuration setting or a change to a single file. More complex issues are provided as Emergency Bug Fixes or a scheduled patch. This depends on the urgency of the fix and will be handled in accordance with Puridiom's Service Levels.

- d. Proposer must provide the number of persons required to support the system internally and what their daily/monthly/annual responsibilities would be, as applicable.

Meets. Resource utilization is a key aspect addressed by our implementation approach. We are sensitive to the fact that we must be judicious in our requests and usage of your personnel during the implementation process. Typically, we require the following personnel to be involved. This level of involvement ensures a timely and successful implementation.

**Application System Administrator** - Typically a representative from Purchasing or a Business Analyst from IT to be in charge of managing administrative activities related to the software application and will be main point of contact.  
(Estimated involvement: 80 hours)

**Purchasing Key Stakeholder** - Representative from Purchasing, typically the Director of Procurement or Purchasing Manager, who can make decisions on how the software will be implemented.

(Estimated involvement: 60 hours)

**Accounts Payable Stakeholder** - Representative from AP that can make decisions on how the software will be implemented in relation to Invoice Vouchers and has operational knowledge of Financial system.

(Estimated involvement: 40 hours)

**Project Manager** - Individual responsible for managing the project implementation internally and working with Puridiom's project manager. (Estimated involvement: Average 15 hours a week until in production)

**Network/Security Administrator** - Individual responsible for network & internet connectivity, application servers, firewalls, etc.

(Estimated involvement: 3 to 5 hours)

**DBA Administrator** - Individual responsible for managing databases and running scripts. (Estimated involvement: None, unless required for integration which time would be limited)

**Web Administrator** - Individual responsible for managing intranet and websites. (Estimated involvement: 1 to 2 hours)

**Systems Analyst** - Individual responsible for supporting integrations to internal systems. (Estimated involvement: 60 hours)

For on-going application administration, Puridiom provides assistance to reduce your company's need for an application administrator.

e. Please describe training requirements and services:

- What training is required for the system?
- How do you propose that training be conducted?
- Who do you recommend to conduct the training?
- How long are the training programs/classes?
- Is any recurring training recommended? If so, please explain.
- What other related training is offered?
- Is customized training available?
- Is there a cost for regular or customized training? If so, delineate on Price Page.
- Include a training timeline, and the different phases involved in completing the training.

As part of your implementation services, Puridiom will provide administrative, power-user, and end-user training at key stages of the implementation process. These are targeted training sessions based on the users primary role (i.e. approver, buyer, AP, etc.) and will be a combination of hands-on classroom training and a series of webinars. As part of your service, Puridiom conducts free monthly webinars to your end-users for new users, refresher training, and highlighting new features.

The following training is recommended per user type:

Administrator – 1 day  
Requestors - 1 day  
Approvers - 1/2 day



Buyers - 3 days  
AP 1/2 day

f. Please describe documentation:

- What documentation is provided with the proposed solution?
- How many copies are provided and in what format?
- Are updates to the documentation provided?
- If so, how are the updates provided and how often are they provided?
- If possible, please submit sample pages of training material, user manual, or other documentation.

All manuals are electronic and online. No hard copies are provided; however, METRO may print the manuals if required.

19.1.5 Qualifications and Experience (**Scoring: 15 Points Possible**)

- a. Provide a general overview of your company, including statement of finances, number of years in business, corporate headquarter location, type of business, and where you do business. Include an annual report, if available.

Technical Services Associates, Inc. (TSA) is a privately owned business located in Mechanicsburg, PA that has been in business since 1983 that has customers all over the world. Today, TSA, or better known as Puridiom, named after our innovative e-Procurement software suite, continues to deliver compelling results and ignite the transformation of the procurement operation into a "Strategic Resource Savings Solution".

Additional information about TSA / Puridiom can be found on our website, <http://www.puridiom.com> or in our Corporate Profile located at [http://puridiom.com/brochures/Puridiom\\_Corporate\\_Profile.pdf](http://puridiom.com/brochures/Puridiom_Corporate_Profile.pdf)

Please see "Puridiom Financial Statements".

- b. Are you currently, or have you ever, been involved in litigation, bankruptcy proceedings, reorganization, etc.? If so, please describe your involvement in these.
- No.
- c. State your principal place of business and the location from which your staff will be traveling to Santa Cruz.
- Puridiom is located in Mechanicsburg, PA and all travel to and from METRO will be from this location.
- d. Summarize your experience in performing work similar to that outlined in this RFP. Provide a minimum of three (3) references for which you have provided similar services. Please include organization name, size of organization, address, phone, email, and a contact person. References to other public sector agencies, particularly municipal governments, are preferred. Please indicate when your system was installed at these reference locations.
- Please see "Puridiom References".
- e. Include the number of public transportation customers utilizing your application for the management of bus transit rolling stock if applicable and when installation was complete.
- None.
- f. Provide a listing of key personnel who will be assigned to the Santa Cruz METRO project. Include their title within your organization and a description of the type of work they would perform.

Albert Jacobs, Vice President of Operations – Project management, implementation and training of Puridiom.

Kelli Knisely, Sr. Systems Analyst – Design, development, and implementation of Puridiom.

Shelley Sherony, Sr. Support Technician – Implementation and training of Puridiom.

- g. Submit a resume and a reference for each individual (contractor and/or subcontractor) proposed to do work under this contract. Resumes shall describe the individuals' credentials, background, and relevant experience, such as the number of systems the individual has installed.

Please see “Puridiom Key Personnel Resumes”.

19.1.6 Cost Proposal (**Scoring: 40 Points Possible**)

- a. Proposers shall submit prices in accordance with the Price Page included herein. Additional information may be provided through an attachment. Pricing will be evaluated based upon the Grand Total.

Please see “Puridiom Price Proposal”.

- b. Please describe the pricing structure of your proposed system, your licensing price model, e.g. per named user, per site, per concurrent user, and Internet licensing.

Please see “Puridiom Hardware & Software Specifications”.

19.1.7 Disadvantage Business Enterprise Participation (**Scoring: 5 Points Possible**)

Puridiom is an 8(a) Certified Disadvantage Business Enterprise. We have included documentation.

Total Possible Evaluation Points: **145**

Module	Summary
Puridiom Requisitioning	<p data-bbox="459 306 677 340"><u>Online Requisitions</u></p> <p data-bbox="459 352 1432 569">Puridiom’s requisition process is a simple, easy-to-use online tool for all levels of users to compose, track, and review requests. Whether you are requesting goods and/or services for purchase, requiring a price for an item, ordering from internally managed catalogs or supplier catalogs, requesting inventory and forms from a warehouse, needing to return an item, buying something against a pre-established agreement, or purchasing unique and “one-off” type procurements, Puridiom enables the user to process these requests quickly and effortlessly from anywhere at anytime.</p> <p data-bbox="459 583 697 617"><u>Routing &amp; Approvals</u></p> <p data-bbox="459 630 1432 1150">The Requisition Routing and Approvals process allows Purchase Requests to be routed for approval based on the company’s departmental hierarchical structure and approval dollar level or a series of rules to govern who needs to approve a Requisition. Approval criteria may be established by users, departments, commodity codes, cost centers, projects, and much more. Multiple dollar level approvals are supported, along with approval groups and FYIs. This is great for project committees where multiple people need to be part of the approval process or informed of things happening against a project. Additionally, new approvers may be added to the approval queue on a discretionary basis. Since approvals cannot be bypassed by users and appropriate budget checks are performed, this process thereby institutes the proper controls, eliminating “Maverick Buying” situations, while maintaining the integrity of the request. Approval notifications are sent via HTML email. Now users no longer need to log into Puridiom to approve/reject/reroute Requisitions. This option sends an interactive email copy of a Requisition to the approver where they can approve or reject the requisition directly from their email application. This feature is very popular with management because it is a real time saver! Finally, approval reminders and escalation processes efficiently manage the approval workflow without causing bottlenecks. Electronic signatures are supported.</p>
Puridiom Punchout	<p data-bbox="459 1186 756 1220"><u>Supplier Catalog Punchout</u></p> <p data-bbox="459 1232 1432 1446">Puridiom’s web catalog punchout feature empowers end users to access supplier web sites directly and order from their online catalogs and then automatically creates requisitions in Puridiom. Our catalog punchout streamlines the purchasing process while providing a cost-effective way to contain maverick purchases. You control which items are restricted and which items are approved for end-users to request. Many of our large clients negotiate substantial discount savings with suppliers based upon item and volume, and minimizing the catalog to specific items drives savings.</p>
Puridiom Budgeting	<p data-bbox="459 1482 806 1516"><u>Budget Control &amp; Management</u></p> <p data-bbox="459 1528 1432 1713">This process automatically checks the availability of funds throughout each step of the procurement process. Budgets are managed for any account data combination, such as cost center, general ledger, project, job, etc. based on fiscal year. Authority to charge against pre-defined budgets can be controlled by department or by individual users. Budget balances are ‘consulted’ at various times including: Pre-encumbrance, Encumbrance, and Expense.</p>
Puridiom Buyer	<p data-bbox="459 1787 806 1820"><u>Order &amp; Contract Management</u></p> <p data-bbox="459 1833 1432 1892">This process allows for processing many types of orders, including blanket and service agreements, plus contracts. This process allows easy communication with your suppliers,</p>

auto-release ordering for contract items to free up procurement personnel to allow more focus on strategic endeavors, and increases the visibility to your spend. Additionally, consolidation of requisitions and solicitations into a single order reduces the number of transactions to track and manage, plus offers more buying advantages with the supplier.

Procurement warrant amounts help control order processing within Puridiom by forcing orders and contracts that exceed an individuals' warrant to be sent to authorized personnel for review and approval. Electronic signatures are supported.

Puridiom also provides an integrated contracts management and maintenance capability as part of its overall functionality. This capability maintains specific contract details related to suppliers that have been negotiated between the supplier and the buyer. Included in this are items such as the approval process/status of the contract, audit trail of contract changes and modifications, compliance requirements specific to the contract, insurance requirements, and associated contract dates and deliverables. This contract management capability is integrated within Puridiom to take advantage of routings, notifications, and reporting capabilities to ensure that key personnel are kept current on contracts due to expire, events, and compliance/insurance statuses.

#### Supplier Management

The Supplier Management process is a comprehensive process allowing organizations to maintain and manage pertinent information about suppliers, such as standard terms, contacts and addresses, compliance and contract information. Additionally, it becomes a central resource for checking performance and procurement history

Supplier Evaluations and Performance Ratings allow individual orders to be evaluated by designated users based on weighted criteria in order to calculate an overall supplier rating.

#### Document Management

Puridiom provides document repository capabilities for the storage and retrieval of related document attachments. This allows users to attach important documents, such as statements of work, contract terms, proposals, drawings, pictures and certificates, to procurement documents and suppliers within the Puridiom application. This robust tool secures this information for historical and legal purposes and organizes the documents in one central location

#### Action Alerts & Email Notifications

Puridiom supports a variety of electronic alerts that enhance and expedite the processing of business transactions. Users are notified via email or when they log into the system on their Procurement Workload Activity Center (PWAC) console of actions to be taken. This electronic messaging option enables users to be proactive and improve overall performance. In addition, Puridiom supports a message board capability that provides for collaboration among the contracting communities.

#### System Administration & Security

Puridiom provides for an efficient administrative process that allows the customer to tailor security protocols to their exact specifications. Security is role-based where groups or classes of users are given access to system functions throughout the entire application. This process also guides the development of user and department / regional office definitions, system defaults, table validation and maintenance, and business-defined rules that simplify the creation and workflow process.

**Puridiom Expeditor**     Receiving & Expediting

Puridiom offers receiving capabilities to accommodate a variety of ways in which organizations receive items. Puridiom's receipt by package capabilities can be utilized if items are shipped to a mailroom and then forwarded to the individuals responsible for final acceptance, typically the end-user. Additionally, Puridiom offers a one step receiving process in which the end-user can easily acknowledge the receipt of items or the entire order. Finally, Puridiom allows for items to be received through a central receiving area or warehouse. This process allows receivers to accept and indicate the quantities received for all items against an order on behalf of the original requester. Adjustments and returns complete the Receiving process, allowing authorized personnel to make corrections or initiate returns of items to suppliers. This process ensures timely delivery of goods and services while providing increased accountability.

**Puridiom Matching**     Invoice Matching

Puridiom provides an easy step-by-step process for recording invoices for the purpose of authorizing payment. Valuable order and receipt data is presented to the user, along with previous payment history allowing the user the ability to perform a visual 3-way match. However, Puridiom offers an automated matching process where exceptions are quickly identified based on system-defined settings and rules. These invoices and exceptions can be routed to end-users for review and payment certification.

**Puridiom  
EIPP**Electronic Invoice Presentment & Payment

Puridiom's EIPP portal is an easy-to-use, flexible, and secure process that allows suppliers to electronically send their invoices via XML, EDI or by some other electronic format (i.e. Excel). In addition, suppliers can enter the invoice online for PO and non-PO transactions. When entering invoices online against an existing PO, this process is simplified as the PO is turned into an invoice allowing the supplier to enter minimal information before submission. Whether the invoice is entered online or submitted electronically, the EIPP portal will automatically create an invoice voucher transaction and perform auto-matching, reconciliation, and validation processes to determine if all key information is complete to make payment. Any missing data, such as account information or discrepancies in the matching process will be presented to AP where they can enter this information and/or routed the invoice electronically for approval within Puridiom's Invoice Matching module. Once the invoice is approved, invoice voucher data is electronically sent to your AP system, based on custom integrations provided by Puridiom, for actual payment. This automated process improves efficiencies and cash flow while providing greater control over the financial supply chain.

In addition to Puridiom's EIPP portal, an optional outsourced service may be provided that will allow suppliers to submit paper invoices to Puridiom's Service Bureau where each invoice will be scanned, imaged, summary or detail data extracted and verified, then uploaded into Puridiom's Invoice Matching module for reconciliation and processing.

**Puridiom  
Supplier Portal**Supplier Online Registration

Puridiom provides an online supplier registration/pre-qualification process through our supplier portal, where new and existing suppliers can provide or update key information. Suppliers provide company address and contact information, commodity codes that best describe the goods or services they provide, business entity data (i.e. Federal Tax ID number), socio-economic classifications (i.e. DBE), professional certifications (i.e. ISO 9000/9001), and other pertinent data based on the requirements of your organization. Information is electronically submitted for review and approval by authorized personnel. Once the supplier is approved, they are seamlessly added to the master supplier table for future use on Requests and Orders.

Order Review & Acknowledgement

Suppliers can view the status and details of their orders online, plus acknowledge receipt of their orders automatically notifying the associated buyer. These options enable better communication with the supplier and eliminate excessive phone inquiries by the supplier.

**Puridiom  
Solicitations**Solicitations

The Solicitation process is comprised of functions for creating a Request for Quote, Request for Information, Request for Proposal or an Invitation to Bid. Each type of solicitation has its own printed document format that can be customized to your business needs. When preparing and managing solicitations, suppliers are selected for the bidder's list and responses are recorded for each supplier. A bid analysis tool provides spreadsheet style format evaluation of the bids to help determine the lowest bidder. The entire solicitation process is seamlessly integrated with Puridiom's Requisitioning and Buyer modules, providing for easy bid review and analysis, award to qualified suppliers, and line item consolidation. Additionally, a comprehensive amendment process and evaluation questions complete the process.

**Puridiom Sourcing**Solicitations

The Solicitation process is comprised of functions for creating a Request for Quote, Request for Information, Request for Proposal or an Invitation to Bid. Each type of solicitation has its own printed document format that can be customized to your business needs. When preparing and managing solicitations, suppliers are selected for the bidder's list and responses are recorded for each supplier. A bid analysis tool provides spreadsheet style format evaluation of the bids to help determine the lowest bidder. The entire solicitation process is seamlessly integrated with Puridiom's Requisitioning and Buyer modules, providing for easy bid review and analysis, award to qualified suppliers, and line item consolidation. Additionally, a comprehensive amendment process and evaluation questions complete the process.

Solicitation Posting

The dynamic process allows solicitations to be posted and made available online for suppliers. Established controls are defined as to which solicitations are posted, which ones can be downloaded, and those available for electronic submission of bids, as well as the suppliers that are authorized to view or bid. The entire solicitation process is seamlessly integrated with Puridiom's Requisitioning and Buyer modules, providing for easy bid review and analysis, award to qualified suppliers, and line item consolidation. Additionally, a comprehensive amendment process, auctioning capabilities, evaluation questions, bid rankings, and bid notifications complete the process.

Bidboard & eAuctions

Puridiom's Online Bidboard and eAuction process allows registered and pre-qualified suppliers to access a secured supplier portal to search and review information on procurement opportunities by your organization. Based on the supplier's access, qualifications, and solicitation restrictions, the supplier can select a solicitation to review and/or place a bid online. This process also allows for online collaboration between the buyer and suppliers through online questions and answers, exchange of documents, broadcasting, posting of solicitations/amendments, accepting and monitoring bids online, and providing instant feedback to bidders on ranking and award. Reverse auctions add to this dynamic process by stimulating competition, increasing market price visibility, and dramatically reducing costs.

**Puridiom Catalog  
Content Manager**Puridiom Catalog Content Management

Puridiom's Catalog Content Manager (CCM) tool meets the daily challenges faced by the supplier-partners of buying organizations by essentially creating a web marketplace easily accessible by buyer and supplier. CCM provides a single integration point in which buyers and suppliers can manage information and transactions across multiple trading partners.

For the supplier, the Puridiom Catalog Content Manager simplifies and accelerates the supplier data on-boarding process by integrating a supplier's electronic catalog into the Puridiom procurement system.

Product data is carefully checked to assure it is technically correct and meets the buyer's validation rules, and that content is correct. It is then integrated directly into the Puridiom catalog search engine. The direct release of up-to-date catalog data into the Puridiom catalog system further increases the collaboration between buyers and suppliers reducing the time between checking and importing catalog data.

For the buyer, the catalog system enables buyers to find, visualize, compare and order all the items they require with catalog data that is electronically available, of high quality, and up-to-date prices allowing buyers to react instantly to new offers. CCM also features extensive analysis and comparison functions allowing targeted selection from the thousands of available items. Catalog data can be also be integrated into Puridiom while the system is in operation enabling buyers to access new catalogs from suppliers in real-time. The suppliers' catalogs can be set up via the Puridiom Supplier Portal.

**Puridiom  
Fulfillment**

**Inventory & Warehouse Management**

Puridiom's Inventory and Warehouse Management process organizes and manages the stock levels for inventoried items and forms at individual bin locations (aisle, row, tier, bin) within multiple physical and virtual warehouses. Other important information, such as inventory costs (unit, issue, average, last), packaging/pull quantities, commodity and ABC code information for classification, and form specifications (i.e. sizes, positioning, bleeds, colors, perforations) for business forms, envelopes, marketing materials, pamphlets, and much more help control your inventory and requirements. Additionally, monthly usage and forecasting provide visibility to future needs and a clear picture into the rate of consumption which can be used to ensure an adequate supply is available, avoiding back order and out-of-stock situations. Full backorder processing is supported and can be initiated manually or automatically at time of receipt. A comprehensive disbursement process allows user requests to be fulfilled and finalized, providing charge back accountability. Other key features supported are online cycle counts, adjustments, moves between bin locations, and transfers from one warehouse to another.

**Puridiom  
Assets**

**Asset Tracking & Management**

This process allows organizations to address the fundamental questions of asset management: What do I have? Where is it located? Who has it? Puridiom answers these questions by maintaining configurations, custodial information, and service history for any asset or property item within your organization. Puridiom's Asset module quickly and easily identifies, tracks, and allocates assets more effectively and intelligently by building a central repository of information to allow the efficient management of the assets through their entire lifecycle, from receipt of the procurement to disposal. The support of bar coded labels also adds to the efficient automation and management process. Additionally, RFID capabilities may be integrated within Puridiom by TSA providing real time inventory tracking and location management. Finally, this process can be a front-end for fixed asset accounting integration.

**Puridiom Reporting**    Reporting & Analysis

Puridiom provides a multitude of pre-defined reports that enable all levels of system users to easily generate reports. These reports address a wide-range of areas such as buyer activity, procurement registers, purchase history, accounting, top performers, past due orders, blanket history, solicitation summary, statistical and work flow reports. All reports have filter options that can reduce or expand the information presented on the report. Additionally, each report can be easily scheduled for immediate, future, and repetitive processing where the report is automatically sent to the user via email.

Puridiom also supports the ability for the report to be produced in a variety of formats, such as Excel, PDF, and HTML. This further enhances the reporting capability as raw data can be extracted to be used in other applications or formatted to the user's preference.

**Puridiom  
Mobile**Wireless Device Interface

Out of the office, requests waiting your approval...No Problem; avoid approval bottlenecks by enabling users to approve requests while on the go. This provides a seamless integration with your portable wireless device, such as PDAs, Smart Phones, and Blackberry devices. An interactive email (depending on the device) with key Requisition information is sent to the approver's wireless device. The approver can approve or reject the requisition directly from their wireless device no matter where they are located, keeping the approval process moving along efficiently.



Puridiom provides a multitude of standard reports that enable all levels of system users to easily generate these reports. Here is a sample listing of our standard reports by process

**Requisition Reports**

- Requisition Header and Detail Reports (open, closed, partial shipment, etc.) – Used to analyze requisitions in the system. Primary use is to enable requisitioners and the buyers assigned to the requisition to easily see the status of requisitions.
- Requisition Account Transaction Report (Header and Detail) – Provides requisition numbers with account allocations, dates, supplier, buyer, etc. It is used for budgeting. The detail version includes line account allocations, which may be different from the header.
- Requisition Summary by Approver Report – Lists the requisitions that are within an approvers queue.
- Rejected Requisitions Report – Allows review of rejected requisitions with reason, including those that were rejected then approved at a later date.
- Approval History Report – Provides a history of requisition approvals
- Requisition Workload Report – Provides a summary status of requisitions; where they are situated in the workload. If not approved, prints the name of current approver.
- Approval Cycle Time Report – measures how long it took for a request to be fully approved
- Approval Tree Report – Lists each approval tree with approver's name, rule amount, and whether the rule is an individual rule or a pool (where there are several approvers for the same amount). An additional report lists the approval extended rules, which are approvers who approve for special conditions.
- Daily Workload Report – Lists all open requisitions and the current approver.

**Supplier Reports**

- Top Suppliers Report – List top 10 suppliers based on spend amount. Graph presentation available
- Supplier Activity Report – List order activity for each supplier. Summary report includes PO #s, totals per PO, and totals per supplier.
- Supplier Purchase History – List all purchases made with supplier and the current status of the order.
- Supplier Goods and Services Report – Allows review of the goods and services which are provided by each supplier.
- Supplier Detail Report (addresses and contacts) – Lists each supplier's addresses, contacts, and general supplier information.
- Supplier Analysis – Basic supplier statistics (aggregate and detailed spend analysis, over ship / under ship, on time delivery, rejections, purchased items, etc.)
- Over Shipments – Identifies where suppliers have shipped and / or invoiced quantities greater than those ordered or received. Enables identification of suppliers who try and over ship items repeatedly as well as those who bill for items in advance of their shipping and receipt.

- Late Shipments – Identifies suppliers who are chronically late with shipments. Supports follow-up on specific items.
- Overdue Purchase Orders Report – Identifies those orders per supplier that have not been received to-date but are past the order's required delivery date.
- Supplier Contract Report – List all contracts and associated insurance/compliance information.
- Supplier Address Labels – prints supplier's address and main contact on standard label formats.

**Purchase Order Reports**

- Blanket Order Register Report – Provides listing of blanket orders, vendor, blanket limit \$ amount, release limit amount, balance, buyer and order status.
- Item Purchase History Report – List item numbers, item description, PO date and number, and cost.
- Monthly Purchase Activity by Buyer (Summary & Detail) – Provides quick summary of purchase totals by month with number of transactions. The detail version provides PO information, department, status, etc. A quarterly activity report shows summary of activity performed for each buyer per quarter.
- Turn-Around Report – measures the time it took from when the initial request was forwarded for approval until it was awarded to the supplier.
- Open PO Report (Summary & Detail) – Summary version would include general PO information plus PO totals for open orders. Detail version would include summary information plus line item details with prices and account segments. Used to analyze open purchase orders in the system.
- PO Summary by Cost Center Report – Summary listing of orders grouped by cost center. Detail version includes line item data.
- Order Activity by Buyer Report – List order activity for each buyer.
- Top Cost Center by Order Total Report – Shows sum of all orders per cost center sorted from highest to lowest.
- Commodity Purchase History Report – Lists detailed spend activity for each commodity classification and summarizes the number of orders and total amount purchased by commodity.
- PO Account Transaction Report – This report provides PO account data, vendor, and totals provided at summary and detail levels (as PO lines may have different account allocations). Summary version shows accounts specified on the PO.
- PO Exception Report (Req vs. PO) – Compares requisition to PO and prints variances in quantities and prices.
- PO Register Report (Summary & Detail) – Similar to Open PO report, but for all POs regardless of status. This is for historical reporting.
- PO Payment History Report – Provides invoice and payment history on POs.
- PO Accrual Report (Summary and Detail) – Provides data on POs received but not yet invoiced. Summary report provides unpaid totals per PO. Detail report provides quantities, unpaid amounts for each received line, along with account allocation details.

- PO Approver Summary Report – Provides summary information about purchase orders pending approval and the current approver for each order.
- Delinquent / Aged Purchase Orders – Used to identify old or expired purchase orders.
- Committed versus Actual Spend Reports (Summary & Detail)– Provide actual and committed spend by account code segments for a period of time.
- PO Obligation Report – Shows summary order information and totals for all orders awarded to suppliers.
- PO Savings Report – List all orders with any savings identified on the order.
- Total Acquisition Report – measures the total time it took from when the request was generated to when it is fully received.
- Bid Waiver Report – List all orders that were waived from being put on bid and the reason why.

**Solicitation Reports**

- Solicitation Register Report – Lists current state of solicitations and award details, such as winning supplier, date awarded, and line item detail.
- Solicitation Summary Report – Provides general information for each type of solicitation and its current status.

**Receiving Reports**

- Orders Receipt Activity Report – Lists receipt date, received by, required by, PO number, quantity ordered – returned – received, and unit cost.
- Expected Receipts Report – Lists POs with open quantities that have not been received by their requested receipt date.
- Past Due Orders Report – Identifies those orders that have not been fully received and are past the order's required delivery date.
- Receipt Inspection Report – List all receipts and supplier information per inspection code. Used to evaluate suppliers and their shipments.
- Returned Items Report – List all items that have been returned to the supplier, includes date of return and RMA number.

**Voucher Reports**

- Voucher Account Allocations Report – Provides listing of vouchers, with account segments, voucher entry dates, PO number, vendor invoice numbers, and voucher totals. Detail version includes line allocation (which may be different than the header).
- Voucher Summary / Detail Report – Provides a listing of vouchers based on date range entered, with PO #, voucher #, invoice number & date, supplier, and total. Detail version also provides line information.
- Voucher Summary Report by Supplier – Lists each voucher, invoice number, PO #, and total by supplier.
- Voucher Matching Exceptions Report – Used to identify invoices not fully approved with matching exceptions. Will list exception along with assigned buyer and requisitioner.

- Voucher Approval History Report – Shows a list of all users that approved the voucher before being finalized.
- Voucher Shipping Charge Report – List all vouchers that have approved shipping charges and the accounts charged to.
- Voucher Accrual Report – Provides summary of POs received but not yet invoiced.
- Voucher Hold Balance Report – List all invoices that have been entered but not yet finalized / approved.
- Voucher Status Report – Provides summary information for each invoice including current status.
- Monthly Payment Report – Shows all payments made against invoices by month.
- Daily Invoice Export Report – Lists all invoices that were exported from Puridiom to other system. Report includes export file name and date exported.

**Administrative Reports**

- Approver Pool Membership Report – Lists all approvers defined within each approval group / pool. A general report only list the approval pool and description of the pool.
- Approval User Rules Report – Lists each defined approval rule for each approver.
- Catalog Items Register Report – List each item by catalog, which includes unit of measure, cost per item, commodity code, and item description.
- Security Group Profiles – List access rights to system functions by group
- User Register Report – List user information, such as department, ship-to location, phone number, email, security group profiles assigned, roles, etc.
- User Group Security Access Report – Lists what security access authority each user has.
- System Table Reports – List raw data for each table. Used to help validate correct table information.

Puridiom offers other standard reports not listed, including reports in the process areas defined above and other areas such as Budgeting, Inventory Management, and Asset Tracking.



## Security and Access Control

### Executive Summary

Puridiom is committed to the security and integrity of customer information stored as part of the Hosted Puridiom On-demand Services. Puridiom uses industry best-practice security measures to protect against the loss, misuse or alteration of the information under our control.

To prevent unauthorized access, maintain data accuracy, and ensure the correct use of information, we have put in place appropriate physical, electronic, and managerial procedures to safeguard and secure the information we collect within our Hosted Environment. These measures include the following:

- Multiple level firewalls to segregate and secure network segments based on system roles
- Data transmissions are encrypted using SSL technology
- Use of server-side and client-side digital certificates
- Role-based administrative access policies and procedures
- Primary co-location facility uses cipher-encoded access badges and 24-hour video surveillance
- Comprehensive in-house performance and security monitoring and auditing
- Intrusion detection, analysis and prevention of DDoS attacks

To provide for high and continuous availability of service and information, Puridiom implements the following components:

- A comprehensive disaster recovery plan
- Detailed backup strategy and secure off-site storage
- High availability clustered database servers
- Redundant systems, power supplies, and network connections
- Service level agreements with service providers to guarantee service levels
- Comprehensive change management and testing policies
- 24-hour x 7-day per week technical support staff at hosting facility

Puridiom provides for transaction integrity through the implementation of solid business practices, which include:

- Continuous real-time monitoring of failed transactions
- Detailed procedures for troubleshooting and resolving issues
- Policies and procedures on information privacy and disclosure

Please contact your support representative with any questions or concerns regarding these policies.

**Desktop Environment**

The Puridiom solution is 100% web browser-based and zero footprint implementation on desktop components. Any desktop computer that is web-browser enabled with proper security and access to the internet can run the Puridiom application with no desktop modifications.

Client Workstation

- ✓ Any Web Browser Enabled Computer
- ✓ IE or Netscape 6.x or higher

**Hosting Environment**

Application Hosting on a Puridiom.com provided server at our Data Center with no physical building or server access in production and UAT environments using the following software components and technical specifications:

## Software Component Specifications:

- Microsoft Windows 2003 Server Edition and Linux Redhat
- Apache Web Server
- HTTPS and FTPS Services
- Tomcat or JBOSS Application Server (Standard Edition)
- Oracle 10g Enterprise Edition – per processor license
- Adobe Acrobat
- Mailmax E-mail Server
- Jasper Reports

## Managed Shared Firewall Technical Specifications:

- Shared use of redundant Cisco PIX Firewalls
- Firewall configuration specific to user but subject to review and adjustment by Licensor Platform Administrator
- Only those ports necessary for standard web server / service operation will be open

## Managed Load Balancing Technical Specifications:

- Shared use of redundant Load Balancers (minimum of 2 ports)
- Load Balance configuration subject to review and adjustment by Licensor Platform Administrator.

## Managed Caching Service Technical Specifications:

- Shared use of Caching Service
- Managed Caching Service operates in an L7 Transparent Reverse Proxy environment meaning that regular requests are intercepted from a L2-7 switch (400MB/sec throughput) and the HTTP requests that are for static media content such as GIF images, JPG images, Macromedia Flash SWF and PDF files are redirected to a Caching Service which serves that content.
- All application traffic (asp, jsp) is directly forwarded to the server for execution.
- Caching Service operates in transparent mode. In event of failure, all traffic is sent directly to the web server.
- Depending on the amount of static media content on the site, secure servers generally handle twice the load they would without the Caching service. The service handles all static media requests for the web server.

**Basic Customer Monitoring and Notification Technical Specifications:**

- Licensor uses monitoring software and notification systems.
- Monitors include https and ping

**User Bandwidth Technical Specifications:**

- Average bandwidth per user is 100K per transaction.

**Customer Data Backup and Recovery Technical Specifications:**

- Licensee data backup is provided on a nightly basis using a Standard System File backup process. Data backups are performed during our Scheduled Maintenance period. The data is fully backed up on a daily basis to disk at Licensor's primary data center and backup data files are electronically transferred to our backup data center. In addition, our primary data center performs daily differential backups of the web/application and database servers during the Scheduled Maintenance period. Full backups of these servers are performed every Friday night. All backups are stored to tape and retained for a two week period.
- Restoring the most recent nightly backup and application of the current transaction log will provide recovery services.
- Off-site data backup options to be discussed and agreed upon by Licensor and Licensee (includes weekly data backups supplied to Licensee for internal data warehousing which is made available on our FTP site).
- Average data storage for an Enterprise client will use approximately 250 MB annually

**Licensed Environment**

The following is the basic architectural model and system requirements for optimal performance and operation of the Puridiom solution as they directly relate to a client installed licensed model. Test/Development platforms may use less CPU and memory; however, it is recommended to use the same memory configuration to provide similar performance to your production environment.

External Web Server<sup>1</sup>

- ✓ Any J2EE Server with Java Servlet & JSP Web Container supporting 2.3 servlet & 1.2 JSP specifications (i.e. BEA WebLogic 7.0 or higher, IBM WebSphere 5.0 or higher, SunOne 6.1 or higher, Tomcat 5.0 or higher)
- ✓ OS – Any Operating System supported by the J2EE Server
- ✓ CPU – 3GHz or higher (minimum requirements based on J2EE Server & OS configuration)
- ✓ Memory – 4 GB RAM
- ✓ JDK 1.4.2\_06 or higher
- ✓ Hard Disk Space – 20 GB

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<sup>1</sup> External Web Server required when using Puridiom's Supplier Portal and Bidboard.

Web/Application Server<sup>2</sup>

- ✓ Any J2EE Server with Java Servlet & JSP Web Container supporting 2.3 servlet & 1.2 JSP specifications (i.e. BEA WebLogic 7.0 or higher, IBM WebSphere 5.0 or higher, SunOne 6.1 or higher, Tomcat 5.0 or higher)
- ✓ OS – Any Operating System supported by the J2EE Server
- ✓ CPU – Dual, 3GHz or higher (minimum requirements based on J2EE Server & OS configuration)
- ✓ Memory – 4 GB RAM
- ✓ JDBC client drivers as required by your DBMS server
- ✓ JDK 1.4.2\_06 or higher
- ✓ Hard Disk Space – 40 GB
- ✓ Access to E-mail SMTP Server

DBMS<sup>3</sup>

- ✓ CPU – Dual, 3GHz or higher (minimum requirements based on DBMS configuration)
- ✓ Memory – 4 GB RAM
- ✓ DBMS – MS SQL Server 200x, Oracle 9i or higher
- ✓ Hard Disk Space – 40 GB

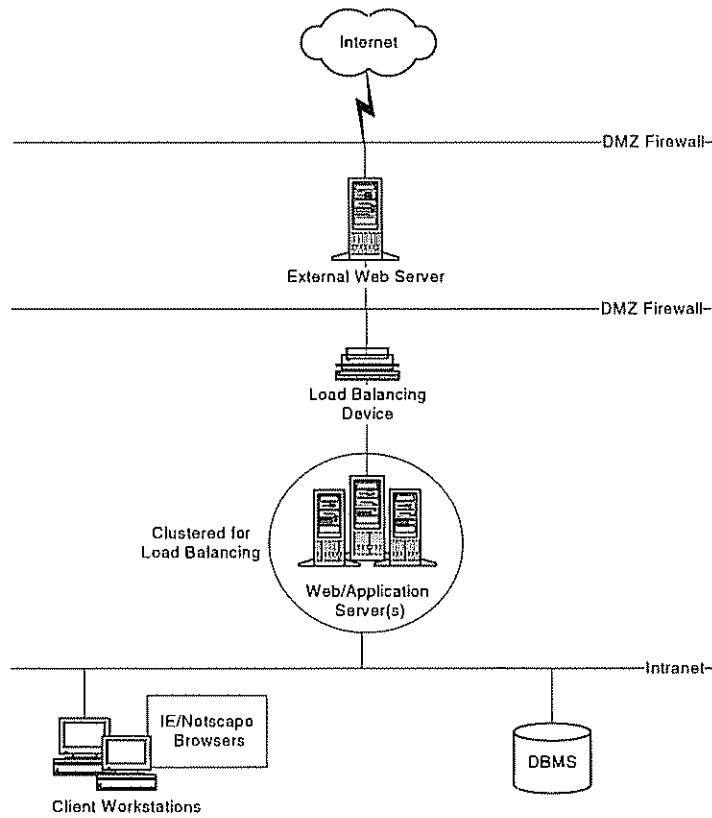
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<sup>2</sup> Additional Web/Application Server is required if current server exceeding 100 concurrent users. Multiple Web/Application Servers must be clustered and a hardware load balancing device is required.

<sup>3</sup> DBMS license only required for CPU.



System Architecture Diagram





U.S. Small Business Administration  
Washington, D.C. 20416

FEB 23 2004

Jesus Ramos, President  
Technical Services Associates, Inc.  
2 Kacey Court  
Mechanicsburg, PA 17055

Dear Mr. Ramos:

Congratulations! Your firm has been certified as a Participant in the U.S. Small Business Administration's (SBA) 8(a) BD program. Your nine (9) year program term begins on the date of this letter.

Additionally, your firm has been certified as a Small Disadvantaged Business (SDB) in the Federal Government's SDB program. Your term of participation in the SDB program is concurrent with your 8(a) BD certification.

During participation in the 8(a) program, you will receive business development assistance from an assigned Business Opportunity Specialist in the Philadelphia District Office located at 900 Market Street, 5<sup>TH</sup> Floor, Philadelphia, Pennsylvania 19107. The phone number is 215/580-2711. The District office will also be able to provide you with information on the SDB program and its benefits.

Your firm will become eligible to receive 8(a) contracts after you submit a business plan using SBA Form 1010C and receive SBA's approval of the plan. We are sending a copy of this certification letter to the SBA Philadelphia District Office. That office will send you the business plan form.

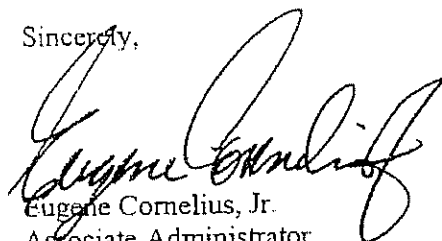
SBA requires that the President or Chief Executive Officer sign a Participation Agreement to show that he or she understands the conditions of 8(a) program participation. Please read the Agreement carefully, sign and date one copy and return it to the SBA Philadelphia District Office at the address shown in the third paragraph above. The second copy is for you.

Even though your firm's approved North American Industry Classification System (NAICS) Code is 541511, your firm may be awarded contracts under other NAICS Codes, as long as the firm is qualified to perform. In this regard, please note that contracts awarded under 8(a) BD program authority generally result from the self-marketing efforts of the 8(a) firm. While your firm's acceptance into the 8(a) BD program is not a guarantee of contract support, SBA will make every effort to provide you with assistance in your marketing efforts.

If you have not already done so, we strongly suggest that you acquire access to e-mail to enhance your communication abilities with public and private sector buyers. Also, you should consider setting up a merchant account with a credit card company which will give you the ability to accept credit card orders for your goods and services from over 1,000 Federal buying offices. Finally, please contact your local SBA District Office to update your enrollment in PRO-Net, an SBA online procurement listing of small businesses utilized by public and private sector buyers.

We welcome you as an 8(a) program participant and look forward to working with you.

Sincerely,



Eugene Cornelius, Jr.  
Associate Administrator  
for Business Development

Enclosures

## PRICE PROPOSAL SHEET

The Proposer shall present all pricing information in this section. This Price Proposal Sheet represents Santa Cruz METRO's official request for price quotation and MUST be completed by the Proposer. The cost proposal below shall include all work necessary to effectively conduct and complete the Scope of Services. The costs stated herein **must be a firm fixed fee that includes ALL necessary costs** including, but not limited to: labor, installation, materials, overhead, administrative charges, taxes, profit, insurance and any other expenses associated with the system or required services. Proposers must attach an itemized breakdown of all proposed goods and services. Where applicable, the breakdown should state the quantity, make/model, and days/hours of all required items/tasks.

ITEM #	ITEM	PROPOSAL COST
1	Automated Purchasing Software Management System	\$ 36,000
2	System Setup/Configuration	\$ 8,000
3	Data Conversion and Migration (Existing Purchasing System)	\$ 5,000
4	Training and Documentation	\$ N/A*
5	Interface MaintStar Fleet/Facilities Inventory Information	\$ 3,000
6	Interface with ABS Accounting Software	\$ N/A*
7	Maintenance Agreement (including technical support and version updates)	
	Year 1	\$ 7,200
	Year 2	\$ 7,200
	Year 3	\$ 7,200
	Year 4	\$ 7,000
	Year 5	\$ 7,000
8	Other (please specify)	\$ -3,600
<b>GRAND TOTAL</b>		<b>\$ 84,000</b>

**OPTIONAL ITEMS  
(TO BE PURCHASED SOLELY AT SANTA CRUZ METRO'S DISCRETION)**

**Consulting Services Per Hour:** On a separate sheet, please provide a complete listing of consulting services offered, including position and hourly rate.

Please see "Puridiom Consulting Services".

**Company Name:** Technical Services Associates, Inc. (dba Puridiom)



<b>POSITION</b>	<b>HOURLY RATE</b>
Application Programmer	\$85.00
Applications Systems Analyst / Programmer	\$100.00
Business Systems Analyst	\$100.00
Consultant	\$150.00
Database Administrator	\$140.00
Help Desk Agent	\$65.00
Help Desk Specialist	\$160.00
Project Manager	\$140.00
Quality Assurance Analyst	\$100.00
Software Developer	\$120.00
Sr. Software Developer	\$140.00
Support Technician	\$120.00
Sr. Support Technician	\$140.00
Training Specialist	\$120.00

**THE CINCINNATI INSURANCE COMPANY**  
 A STOCK INSURANCE COMPANY  
**COMMERCIAL GENERAL LIABILITY COVERAGE**  
**PART DECLARATIONS**

Attached to and forming part of POLICY NUMBER: CPP 082 44 81 Effective Date: 04-28-2009

Named Insured: **IS THE SAME AS IT APPEARS ON THE COMMON POLICY DECLARATIONS**

**LIMITS OF INSURANCE**

EACH OCCURRENCE LIMIT	<u>\$ 1,000,000</u>	
GENERAL AGGREGATE LIMIT	<u>\$ 2,000,000</u>	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	<u>\$ 2,000,000</u>	
PERSONAL & ADVERTISING INJURY LIMIT	<u>\$ 1,000,000</u>	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT \$100,000 limit unless otherwise indicated herein:	<u>\$ REFER TO GA210</u>	ANY ONE PREMISES
MEDICAL EXPENSE LIMIT \$5,000 limit unless otherwise indicated herein:	<u>\$ REFER TO GA210</u>	ANYONEPERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE A - Area B - Payroll C - Gross Sales D - Units E - Other	RATE		ADVANCE PREMIUM		
			Products / Completed Operations	All Other	Products / Completed Operations	All Other	
BROADENED COVERAGE	20291			2.5%		150	MP
ADDITIONAL INSUREDS	29953					35	
COMPUTER CONSULTING OR PROGRAMMING INCL PROD AND/OR COMP OP	41675	B 220,908		3.777		834	
ELECTRONIC DATA PROCESSING INCL PROD AND/OR COMP OP	43151	A 4,300		24.181		104	

The General Liability Coverage Part is subject to an annual minimum premium.

**TOTAL ANNUAL PREMIUM \$ 1,123**

**FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:**

GA101	12/04	GA325PA	10/95	GA210	02/07	GA4078	10/01
GA4250	11/05	CG2233	07/98	CG2275	07/98	CG2277	07/98
CG2288	07/98						

# THE CINCINNATI INDEMNITY COMPANY



WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY  
INFORMATION PAGE- RENEWAL

POLICY NUMBER	FROM	TO	RENEWAL	CARRIER	RISK ID NO.	AGENCY
WC 1816397-12	05/01/09	05/01/10	WC 1816397-11	27197	2725469	37-035 00
THE INSURED AND ADDRESS			AGENT			
ITEM TECHNICAL SERVICES ASSOC INC 1. 2 KACEY COURT MECHANICSBURG PA 17055  FEIN 232264503			ENDERS INS ASSOCIATES 5912 LINGLESTOWN ROAD PO BOX 6118 HARRISBURG PA 17112			

ENTITY - CORPORATION

AGENCY BILL

2. THE POLICY PERIOD IS FROM 05/01/09 TO 05/01/10 12:01 AM STANDARD TIME AT THE INSURED'S MAILING ADDRESS.
- 3A. WORKERS COMPENSATION INSURANCE: PART ONE OF THE POLICY APPLIES TO THE WORKERS COMPENSATION LAW OF THE STATES LISTED HERE:  
PENNSYLVANIA
- B. EMPLOYERS LIABILITY INSURANCE: PART TWO OF THE POLICY APPLIES TO WORK IN EACH STATE LISTED IN ITEM 3A. THE LIMITS OF OUR LIABILITY UNDER PART TWO ARE:
- |                           |                         |
|---------------------------|-------------------------|
| BODILY INJURY BY ACCIDENT | \$100,000 EACH ACCIDENT |
| BODILY INJURY BY DISEASE  | \$100,000 EACH EMPLOYEE |
| BODILY INJURY BY DISEASE  | \$500,000 POLICY LIMIT  |
- C. OTHER STATES INSURANCE: PART THREE OF THE POLICY APPLIES TO ALL STATES EXCEPT NORTH DAKOTA, OHIO, WASHINGTON, WYOMING, STATES DESIGNATED IN ITEM 3A OF THE INFORMATION PAGE AND ALASKA, CALIFORNIA, CONNECTICUT, DISTRICT OF COLUMBIA, HAWAII, IDAHO, LOUISIANA, MAINE, MASSACHUSETTS, MISSISSIPPI, MONTANA, NEVADA, NEW HAMPSHIRE, NEW JERSEY, OKLAHOMA, OREGON, RHODE ISLAND AND UTAH.
- D. THIS POLICY INCLUDES THESE ENDORSEMENTS AND SCHEDULES:  
SEE EXTENSION OF INFORMATION PAGE
4. THE PREMIUM FOR THIS POLICY WILL BE DETERMINED BY OUR MANUALS OF RULES, CLASSIFICATIONS, RATES, AND RATING PLANS. ALL INFORMATION REQUIRED BELOW IS SUBJECT TO VERIFICATION AND CHANGE BY AUDIT.

SEE EXTENSION OF INFORMATION PAGE

MINIMUM PREMIUM	\$265	TOTAL ESTIMATED ANNUAL PREMIUM	\$3,057
		DEPOSIT PREMIUM	\$3,057
		PA EMPLOYER ASSASSMENT 2.41%	\$74
		<b>PREMIUM DUE</b>	<b>\$3,131</b>

RECEIVED

AUG 27 2009

NO INTERIM ADJUSTMENTS SCHEDULED

COUNTERSIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2009

ENDERS INS ASSOC  
AUTHORIZED REPRESENTATIVE

REPRESENTATIVE COPY

WC 00001A (02/00)

ISSUE DATE 05/05/09

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Robyn Slater, Manager of Human Resources

**SUBJECT: CONSIDERATION OF AWARD OF CONTRACT WITH SPECTRUM HUMAN RESOURCES SYSTEMS CORPORATION FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES MANAGEMENT SYSTEM FOR AN AMOUNT NOT TO EXCEED \$250,000**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Spectrum Human Resources Systems Corporation for purchase and implementation of a Human Resources Management System for an amount not to exceed \$250,000 and report back to the Board of Directors with the final contract amount pending implementation negotiations with the Contractor's technical staff.**

## II. SUMMARY OF ISSUES

- A formal request for proposals (RFP) was conducted to solicit proposals from qualified firms.
- The current Human Resources Information System (HRIS) is twenty-five (25) years old and there is no external support or maintenance available
- The new system will increase the efficiency, capability, and accuracy of the Human Resources department
- The new system will also allow historic information maintenance, and report writing capabilities not available in the current system.
- Two firms submitted proposals for Santa Cruz METRO's review.
- A three-member evaluation committee comprised of Santa Cruz METRO management staff reviewed and evaluated the proposals.

## III. DISCUSSION

Santa Cruz METRO issued an RFP to qualified firms for the purchase and implementation of a Human Resources (HR) Software Management System. The current Santa Cruz METRO HR system was purchased in 1985, is character based (non-Windows), and runs on UNIX. The

current HRIS system requires manual input of data in almost every aspect of the HR process including recruitment, evaluation, hiring, benefit processing, affirmative action tracking, report writing, contract changes, adhoc analysis, etc. The new Windows based HR management software system will improve the overall efficiency and accuracy of the HR function by eliminating duplication of data entry for multiple processes, provide easier and more proficient report preparation, streamline and expedite data entry functions and facilitate improved management of HR responsibilities at all leveled within the HR Department.

Currently, Santa Cruz METRO's HRIS system is not integrated. Separate functions require that the same information be entered multiple times. For example, input of personal information must be entered into the recruitment screen, the benefits screen and then manually entered into the system by payroll. The new HRIS system will be integrated so input of information will be done once for all areas of the data base to be populated. The new HRIS system will also be configured to download information into the payroll system electronically. This efficiency will save hours of employee time and reduce data entry errors.

The current HRIS system has no end user accessible report writing feature. All reports must be "hard coded" through the IT department which may take several days. Staff time is taken up with report configuration details between the end user and the IT department personnel instead of analysis of the information. This has proven to be problematic, especially when information is needed for grants, budgets or other time sensitive issues. Many reoccurring and ad hoc reports must be created manually by searching fields within the current system. Some examples of reports which are manually compiled or not available at all include:

- Triennial Equal Employment Opportunity (EEO) report
- All Drug and Alcohol (DOT) testing reports and information
- Retiree benefit information
- Leave of Absence tracking and reports
- All applicant tracking
- Training records
- All Workers Compensation tracking

The recommended HR software allows the end user to create reports based on the users needs within the system.. The HR system is fully integrated and will include historic information for all areas of Human Resources, EEO, DOT, Workers Compensation and leaves which will expand the kinds of reports that can be generated in the future.

The recommended software allows the user to export data to multiple software programs such as Excel and Word with a push of a button within the HR system. This will save hundreds to staff hours creating informational reports for reoccurring reports and requests as well as ad hoc requests which we receive every day and may take an hour or more to compile with our current system. Within the new HRIS system project, we have budgeted for 5 years of maintenance.



On December 11, 2009, Santa Cruz METRO RFP No. 10-17 was: mailed to forty-five (45) software vendors; was legally advertised; and a notice was posted on Santa Cruz METRO's web site. On January 27, 2010, proposals were received and opened from two firms. A list of these firms is provided in Attachment A. A three-member evaluation committee comprised of Santa Cruz METRO management staff have reviewed and evaluated the proposals.

The evaluation committee used the following criteria as contained in the Request for Proposals:

EVALUATION CRITERIA	POSSIBLE POINTS
1. <b>Solution Architecture</b> – including the maturity of the software solution, the use of current technology that is in line with METRO's direction (e.g. MS-SQL, Windows and / or browser, .NET, runs in virtual server environment, etc.), the proposed environment, and the overall architecture. These is a pass or fail score.	PASS or FAIL
2. <b>Solution Functionality</b> – including how well the system meets the overall needs of METRO. The majority of points will be awarded based on the scoring of the Requirements matrices described in Attachment A.	25
3. <b>Responsiveness to RFP</b> – The vendor will be evaluated on the quality, clarity, and completeness of proposal in conforming with instructions, conditions and format set forth in this RFP.	25
4. <b>Cost Proposal</b> – Pricing is an important aspect of the overall evaluation of the proposer's response. All items not defined in the scope must be shown separately as optional modules or tasks, and priced separately. Proposers are being requested to provide on-going product costs for a 10 year period. METRO will consider only the first 5 years as part of their pricing evaluation. METRO also requires each proposer to provide a rate schedule for each type of resource to be used for pricing any out-of-scope work that arises out of the implementation of the proposer's proposed solution. These rates will remain in effect for the duration of the implementation effort.	75
5. <b>Vendor's Ability / Willingness to Sign METRO's Contract</b> – including the vendor's ability to sign the contract "as is" and acknowledgement that the vendor will be held responsible for ensuring that the proposed solution is in line with the vendor's proposal and responses to the Requirements matrices and their willingness to incorporate their responses as part of the contract.	20
6. <b>Work Plan and Schedule</b> – including the vendor's demonstrated understanding of the overall scope of work for this project, the proposed project approach and methodology, as well as the thoroughness and completeness of the implementation, integration, testing, training, and deployment plans. Please submit total onsite and offsite time dedicated to the project.	20
7. <b>Project and Organizational Staffing</b> – including the experience level and competence of the proposed consultants and organizational staff in performing similar work for other clients and the comparability of that experience to the business and technical environment of METRO.	15
8. <b>Vendor Profile</b> – including the firm's financial and organizational stability, as well as the firm's experience performing work of a similar nature to that solicited in this RFP.	20
9. <b>Client References</b> – including the quality and timeliness of work performed by the vendor and its proposed consultants for previous clients and the comparability of such work to the requirements of this RFP.	20
10. <b>Software Maintenance, Updates, and Support</b> – including the vendor's process and methodologies for software maintenance and updates, as well as the vendor's methodology, experience, and infrastructure for providing technical support.	15
11. <b>Site Visits and Reference Calls (top rated vendors only)</b> – METRO will conduct reference calls and may visit customer sites recommended by the vendor.	25
12. <b>Disadvantaged Business Enterprise participation.</b>	5
<b>Total Points Possible</b>	240

Both firms were invited to provide a demonstration of their software to the evaluation committee, HR staff, and Payroll personnel. Vendor provided references were contacted.

13.3

The evaluation committee unanimously chose Spectrum Human Resources Systems Corporation as the proposal they would recommend to the Board of Directors. The cost proposal received from this firm was under \$165,000. However, there are some unknown cost aspects that will be determined after vendor's technical staff and Santa Cruz METRO staff are able to meet and discuss the details of the software implementation and conversion. It is recommended that the Board of Directors approve the contract with a not to exceed amount of the approved Capital budget of \$250,000, and require staff to report back to the board when the final cost amount of the contract has been negotiated.

Staff recommends that the Board of Directors authorize the General Manager to execute a contract with Spectrum Human Resources Systems Corporation for purchase and implementation of a Human Resources Management System for an amount not to exceed \$250,000 and report back to the Board of Directors with the final contract amount pending implementation negotiations with the Contractor's technical staff. Contractor will provide all software and services meeting all Santa Cruz METRO specifications and requirements.

#### **IV. FINANCIAL CONSIDERATIONS**

Funds to support contract are included in the FY10 Final Capital Budget, IT Projects. The money for this project is designated for Capital only and can not be used for Operating purposes.

#### **V. ATTACHMENTS**

- Attachment A:** List of firms that submitted a proposal  
**Attachment B:** Contract with Spectrum Human Resources Systems Corporation

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 12, 2010

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

13.4

**REQUEST FOR PROPOSALS NO. 10-17  
FOR PURCHASE AND IMPLEMENTATION OF A  
HUMAN RESOURCES SOFTWARE MANAGEMENT SYTEM**

**LIST AND RANKING OF FIRMS THAT SUBMITTED A PROPOSAL**

1. Spectrum Human Resource Systems Corporation of Denver, Colorado
2. Hagel and Company of Puyallup, Washington

**CONTRACT FOR PURCHASE AND IMPLEMENTATION OF A  
HUMAN RESOURCES SOFTWARE MANAGEMENT SYSTEM (10-17)**

THIS CONTRACT is made effective on April 15, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and SPECTRUM HUMAN RESOURCE SYSTEMS CORPORATION ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

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

1.02 Santa Cruz METRO's Need for Purchase and Implementation of a Human Resources Software Management System

Santa Cruz METRO has the need for the purchase and implementation of a human resources software management system. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated December 11, 2009, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide for purchase and implementation of a human resources software management system and whose principal place of business is 707 Seventeenth Street, Suite 3800, Denver, Colorado. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for the purchase and implementation of a human resources software management system, which is attached hereto and incorporated herein by reference as Exhibit "B."

1.04 Selection of Contractor and Intent of Contract

On March 26, 2010, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide for purchase and implementation of a human resources software management System described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

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

A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated December 11, 2009

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

Contractor's Proposal to Santa Cruz METRO for Purchase and Implementation of a Human Resources Software Management System signed by Contractor and dated January 27, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued December 11, 2009.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued December 11, 2009.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

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

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$250,000 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

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

6. NOTICES

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

Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

Spectrum Human Resources Systems Corporation  
707 Seventeenth Street  
Suite 3800  
Denver, CO 80202-3438  
Attention: Peter M. Howley, Account Manager

7. AUTHORITY

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

Signed on \_\_\_\_\_

Santa Cruz METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR – SPECTRUM HUMAN RESOURCE SYSTEMS CORPORATION

By \_\_\_\_\_  
Sybll K. Romley  
President and CEO

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

# EXHIBIT - A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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### Request for Proposals (RFP)

### For Purchase and Implementation of a Human Resources Software Management System

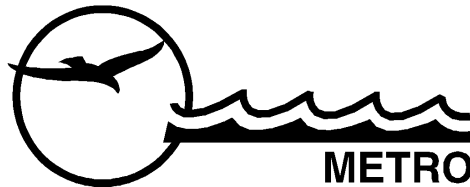
**METRO RFP No. 10-17**

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**Date Issued: December 11, 2009**

**Proposal Deadline: 5:00 P.M., January 27, 2010**

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### Contents of this RFP

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



## **PART I**

### **INSTRUCTIONS TO OFFERORS**

1. **GENERAL:** These instructions form a part of the contract documents and shall have the same force as any other portion of the contract. Failure to comply may subject the proposal to immediate rejection.
2. **OFFEROR RESPONSIBILITY:** METRO has made every attempt to provide all information needed by offerors for a thorough understanding of project terms, conditions, and requirements. It is expressly understood that it is the responsibility of offerors to examine and evaluate the work required under this RFP and the terms and conditions under which the work is performed. By submitting a proposal, Offeror represents that it has investigated and agrees to all terms and conditions of this RFP.
3. **DELIVERY OF PROPOSALS TO METRO:** Proposals (1 unbound original and 5 copies) must be delivered to METRO Purchasing Office, 110 Vernon Street, Santa Cruz, California, 95060 on or before the deadline noted in the RFP.

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

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

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

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

that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for proposals, unless a longer time period is specified by METRO in the RFP.

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

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

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

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

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

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

19. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 et. seq.).
- B. The Bidder may label information as “Trade Secret”, “Confidential” or “Proprietary”. METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to METRO marked “Trade Secret”, “Confidential”, or “Proprietary”. However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold METRO harmless from all costs and expenses, including attorney’s fees, in connection with such actions.

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

**PART II**

**GENERAL INFORMATION FORM**

**FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES  
SOFTWARE MANAGEMENT SYSTEM SERVICES**

**RFP No. 10-17**

(To be completed by the offeror and placed at the front of your proposal)

---

Legal Name of Firm

---

Date

---

Firm's Address

---

Telephone Number

---

FAX Number

---

Type of Organization (Partnership, Corporation, etc.)

---

Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.

---

Signature of Authorized Principal

---

Name of Principal-in-Charge and Title

---

Name of Project Manager and Title

---

Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

---

Addresses Where Correspondence Should Be Sent

---

Areas of Responsibility of Prime Contractor



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

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

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

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

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

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

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

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

\_\_\_\_\_  
Signature and Title of Authorized Official

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

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

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

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

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

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

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

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

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

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

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

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

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

**BUY AMERICA CERTIFICATE**

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_



# CONTRACTOR DBE INFORMATION

CONTRACTOR'S NAME \_\_\_\_\_ CONTRACTOR'S ADDRESS \_\_\_\_\_  
 DBE GOAL FROM CONTRACT \_\_\_\_\_ % \_\_\_\_\_  
 FED. NO. \_\_\_\_\_  
 COUNTY \_\_\_\_\_ PROPOSAL AMOUNT \$ \_\_\_\_\_  
 AGENCY \_\_\_\_\_ PROPOSAL OPENING DATE \_\_\_\_\_  
 CONTRACT NO. \_\_\_\_\_ DATE OF DBE CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

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

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

TOTAL CLAIMED DBE  
 PARTICIPATION      \$ \_\_\_\_\_ %

\_\_\_\_\_  
SIGNATURE OF CONTRACTOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
AREA CODE/TELEPHONE

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

\* If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.

\*\* DBE's must be certified on the date proposals are opened.

\*\*\* Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

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

# CONTRACTOR DBE INFORMATION

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

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## **PART III**

### **SPECIFICATIONS FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES SOFTWARE MANAGEMENT SYSTEM**

#### **1. INTRODUCTION**

The Santa Cruz Metropolitan Transit District (METRO) is requesting proposals from qualified firms to undertake the following activities related to the purchase and implementation of a Human Resources Software Management System. Proposers must have extensive and successful experience in the development and installation of Human Resources Management Systems. METRO **will not** entertain proposals from firms that intend to produce a custom human resources software management system as opposed to an existing established system.

This procurement is governed by the following primary directives:

- METRO shall embrace process improvement strategies, and shall encourage the implementation of out-of-the-box functionality (often referred to as “vanilla”) and best business practices embedded in the software.
- METRO shall embrace HR best practices.
- Decisions related to project activities and system implementation shall be developed for the betterment of METRO.
- Stakeholder input from departments will be sought throughout the project.
- At the time this RFP is released, METRO plans on acquiring and implementing a solution that meets its Human Resources system needs (please see Article 3. Scope of Work for further details). However, due to potential budget constraints or other reasons, after the release of this RFP METRO reserves the right to modify the scope at any time prior to final contract signing with the selected vendor(s).
- Proposals submitted in response to this RFP, including the proposer’s responses to the Requirements matrices, will be included as part of the final contract terms for the selected proposer.

#### **2. BACKGROUND**

##### **2.1 ORGANIZATION OVERVIEW**

METRO is an independent public transit agency. It is the sole public transit operator in Santa Cruz County. METRO operates service on 40 fixed routes and jointly operates Highway 17 Express service with the Santa Clara Valley Transportation Authority. METRO operates a fleet of 110 buses. Services are also operated for METRO under contracts with private transportation companies. METRO’s service area is the entire Santa Cruz County, an area of 441 square miles, with a population estimate of over 253,137 (according to a 2008 estimate by the U.S. Census Bureau). METRO was formed in 1968 and is a political subdivision of the State of California.

METRO has an operating budget of nearly \$40 million with approximately 350 active employees, 200 retirees, and a payroll of approximately 16 million annually. Employees are divided into four major subdivisions, three of which are covered by collective bargaining agreements. The groups are as follows:

- Management (non-union)
- Administrative/Maintenance (SEIU Local 415 which is subdivided into 3 units: PSA, SEA, and VMU)
- Bus Operators (UTU Local 23)
- Paratransit Operators (UTU Local 23)

## 2.2 METRO HUMAN RESOURCES OVERVIEW

The HR system currently serves approximately 350 METRO employees and 200 retirees in 2 different unions, 5 bargaining units and management, providing all human resource management functions in-house.

## 2.3 CURRENT SYSTEM OVERVIEW

The current METRO HR system was purchased in 1985, is character based (non-GUI) and runs on Unix. It uses Informix SE and has been extensively modified by METRO's Information Technology staff. The current HR system tracks recruitment, EEO, employee wages, history, employee evaluations and benefit information. It also tracks information by bargaining unit and allows group updates to wages by bargaining unit. EEO4 statistics are produced annually via the HR system and a more comprehensive EEO report is produced every three years.

The following table highlights staffing and transactional volume statistics:

Category	Value
Number of full time employees	350
Number of retired employees	200
Number of COS processed each year	1,000
Number of transaction codes	50
Number of deduction codes	50
Number of bargaining units	6
Number of job class specifications	100
Number of job applications received per year	1,200

*\* METRO estimates 7 concurrent licenses will be needed for the new system, not including access to self-service features by part-time users.*

## 2.4 TECHNOLOGY STANDARDS

METRO has approximately 130 computer users working in 5 locations. The client work stations are primarily Neoware (now HP) thin clients with a few desktop and laptop workstations. Virtually all work is done on shared Windows 2003 servers via Citrix desktop sessions. The current database standard is MS SQL Server 2000, but METRO is in the process of converting to SQL 2005. METRO's current web site runs on Unix and Apache. METRO is in the process of redesigning the web site to be a content management driven system using Joomla! running on Unix and Apache. Currently METRO uses Office 2000 but we plan to switch to Office 2007 early in 2010.

To support technology efforts at METRO, the current Information Technology staff consists of a Manager, Data Base Administrator, System Administrator and a Technician.

The primary standards at METRO are the database platforms, operating system platforms, and server, desktop, notebook computer, and needed network infrastructure hardware. Together, these elements form the foundation for METRO's computing infrastructure upon which the majority of METRO's business systems are constructed and deployed. The strategy in maintaining this foundation represents a balanced approach that allows for flexibility and variation in Information Technology solutions while allowing METRO to maintain a manageable set of needed technologies and the skill sets required to support them. It is highly desirable that the new Human Resources system be compatible with METRO's following Information Technology standards:

- **Hardware standards:** METRO's Windows servers run on a combination of dual processor servers from Dell and Sun.
- **System software standards:** METRO has standardized on Windows 2003 Server for Windows platforms.

- **Database standards:** METRO will be standardizing on Microsoft SQL 2005.
- **Workstation Standards:** Workstations are primarily diskless thin clients. Virtually all work is done via Citrix desktops with data stored centrally on shared file servers.
- **Networking Standards:** METRO has standardized on the TCP/IP protocol running on 100mb Ethernet with a gigabit backbone. Remote sites are connected via a combination of T1 point-to-point and high speed (25+\_mbs) point-to-point wireless LANS.
- **Security Standards:** METRO requires that the system be capable of providing field-level security. In addition, application security needs to extend to the database to prevent unauthorized access to data from other data access tools, such as ODBC.
- **System Failure and Disaster Recovery:** For the purposes of disaster recovery, METRO performs nightly cross-system backups of databases which allow data recovery with no more than one day's work lost. Due to the size of staff, METRO has found this to be an acceptable balance between risk and cost. Auto fail over is not required.

## 2.5 PROJECT DRIVERS

METRO has examined its current operating environment and the marketplace, and has, as a result of these analyses, identified fundamental considerations that are driving it to focus on replacing its current Human Resources system. The following drivers represent some of the factors leading to this selection effort:

- The current system, purchased in 1985, is written in Informix SE running on Unix. METRO has access to all source files.
- The current system runs on character-based Unix system using terminal emulation rather than a GUI such as Windows.
- Increasing needs and expectations of vendors and internal personnel require improved access to information that is not readily available in the current environment.
- Management requires better access to data, information, and reporting than is currently available.
- Internal personnel, particularly new users, find the current system difficult to use in comparison to other technologies available today.
- Efficiencies in the areas of HR, benefits management, EEO information, workers compensation, leaves and employee self-service are needed.
- Due to system limitations, departments and individual users throughout METRO have begun developing work-arounds.
- The system requires substantial levels of support by limited programmer staff.
- Some needed enhancements to existing functionality cannot be accomplished without a major re-write to the needed applications.
- METRO is being exposed to increased risks of not being able to meet increasing legal obligations or compliance with State or Federal programs (e.g. EDD, CalPERS, EEOC etc.).

## 2.6 PROJECT TIMELINE

In order to develop a realistic phasing and timeline of activities, it is imperative for METRO and the software vendor to factor the level of complexity, resource constraints and funding considerations. For planning purposes, METRO has identified a total implementation timeframe spanning approximately 7 months for the successful

completion of activities required before initial live use of the system. The vendor is requested to assess and confirm this timeframe or suggest other optimum timelines that more readily support the vendor’s proposed solution and associated resource requirements. See Article 3. Scope of Work for further details.

**3. SCOPE OF WORK**

**3.1 METRO SOFTWARE SYSTEM REQUIREMENTS**

METRO intends to acquire and implement applications that will meet present and future needs. The selected vendor will implement a system that is based on proven solutions that use current technologies. The system provider’s solution must specify all required hardware, software and professional services. METRO expects to award a maintenance contract for five (5) years with five (5) one-year options to renew.

The following objectives have been identified for this procurement:

- The selected software must be a commercial off-the-shelf (COTS) solution that has been successfully implemented in at least 5 public agencies, with at least two in California within the past five years, who are similar in size, requirements, and function to METRO.
- METRO prefers that the new system be comprised of a set of integrated modules offered by a single system provider.
- METRO prefers solutions that require no modification to base code, but are highly configurable to meet METRO’s needs.
- METRO will consider, but prefers to limit the number of, third party modules as part of the System Provider’s solution.
- The use of custom software components will be permitted only when COTS solutions are not available.
- METRO requires that the solution provides a web based or client-server architecture that supports a thin client environment.
- METRO requires that the solution uses MS SQL Server 2005 as its database, running on a Windows 2003 server platform.
- The proposer must provide a Graphical User Interface (GUI) or Browser/Portal Based User Interface (BUI) for system use, but must also allow for efficient data entry and high volume data access through keypads, hot keys, etc. without utilization of a mouse.

**3.2 SOFTWARE SOLUTION**

The following table depicts the components identified in the scope for this project. Components identified as “Needed” are the highest priority and are expected to be included as part of the initial implementation. For components identified as “Desired”, METRO plans to carefully evaluate each vendor’s ability to provide those components and then make a determination as to whether it will pursue the selected vendor’s solution for the “Desired” items or if it will pursue an alternate, or maintain an existing, 3<sup>rd</sup> party or custom-built solution to meet those needs.

HR Needed Components
Labor Relations (including Tracking and Projecting Salary and Benefit Costs)
Benefits Management (including retirees)
Pay Rate Tracking and Reporting

Personnel Management
Training history
Recruitment
Applicant Tracking / Online Job Apps
EEO information
Workers Compensation data/history
Employee Evaluation Tracking
<b>HR Desired Components</b>
Web based options such as:
Benefits Sign-up and Management
Employee and Manager Self-Service
On line applications
Mass email applications
Leave Management

Proposers should address as many of the items listed above as possible in their RFP response.

METRO has prepared requirements worksheets by functional area to be completed by the proposer. These worksheets will form part of the basis for scoring the proposer’s overall response. The worksheets are meant to determine how much of the needed and desired functionality each proposer’s product can provide. The features are weighted and will be scored based on the proposer’s response. The entire set of requirements worksheets are subject to verification at any time during the procurement process. If such verification determines that a proposer misrepresented its product functionality, they may be disqualified. It is therefore very important that proposers complete the worksheets accurately as it will affect their opportunity to be considered further in this procurement. The requirements worksheets are provided in Attachment - A and need to be completed and be included in the RFP response. An electronic version of this document can be downloaded via the “Bids” link on METRO’s website: <http://www.scmd.com/bids/bids.html>. Please note that each functional area identified in the “Needed” and “Desired” table in this section is not necessarily broken out in the same manner as the Requirements Worksheets; however, this table should provide vendors with an idea of the key high-level areas METRO needs addressed with the new system.

**3.3 PROJECT MANAGEMENT SERVICES**

The vendor shall assign a single Project Manager dedicated and available for the entire duration of the project. This Project Manager may only be replaced upon approval by METRO. METRO’s project team, under the direction of a designated METRO Project Manager, will work with the vendor’s Project Manager to coordinate all project activities.

At a minimum, the vendor’s Project Manager shall be responsible for the following:

- Managing the activities required to successfully implement the vendor’s solution.
- Providing periodic updates to the Project Work Plan and Schedule. Minor changes to the plan are subject to approval by METRO’s Project Manager. Major changes must be approved in a written change order to the Contract.
- Developing a Project Staffing Plan that includes vendor and METRO staffing, level of participation in the project, and timing on when the staff members need to be available to work on the project.

METRO requires the vendor to staff the project with seasoned professionals with relevant public sector experience.

- Submitting weekly Status Reports, including periodic reports to METRO's Project Manager.
- Taking part in status and communication meetings.
- Working with METRO's Project Manager to prepare agendas for project status meetings that highlight plans and major issues.
- Leading the combined project team to identify, manage, and address issues that arise throughout the course of the implementation.
- Communicating and coordinating the activities of the vendor's staff.
- Working with METRO's Project Manager to ensure that the project stays on-track and within the established budget.
- Developing a Risk Management Plan that includes risk assessment, project and organizational impact and mitigating actions. The plan shall be reviewed periodically throughout the implementation process.
- Developing a Project Scope Change Plan to include:
  - ✓ Change Request Recording
  - ✓ Change Request Evaluation
  - ✓ Assessment of impact of the change to the project
  - ✓ Change Request acceptance procedures
  - ✓ Integration of the changes into the implementation
  - ✓ Documentation of the changes

### **3.4 PLANNING**

The vendor shall work with METRO staff and will be responsible for planning and executing all phases of the system life cycle. This includes, but is not limited to Planning, Analysis, Design, System Implementation, Data Conversion, Testing, Training, and System and Program Documentation.

As part of planning, the vendor shall include an Implementation Plan that includes the implementation strategy, cultural change management plan, and the strategy for transitioning from existing legacy systems to the new Human Resources system while considering interim interfaces and the impact on METRO operations, as the legacy system is phased out.

### **3.5 IMPLEMENTATION PLAN**

METRO requires that each proposer prepare a detailed Implementation Plan outlining the required tasks, estimated hours, responsibility, major deliverables, and timing. At a minimum, the RFP response will cover the following areas, with the vendor working closely with Information Technology:

- Implementation approach.
- Assist IT as required with installation, including supporting software (OS, DBMS, etc.) and hardware platform installation and configuration. The vendor shall be responsible for assisting METRO with configuring all the required environments, including testing, training, and production.
- Installation of proposed application solution in a test, training, and production, environment.
- Train and assist IT with application set-up (tailoring, configuration, end-user set up).
- Workflow design and configuration.
- Forms design and configuration.
- Application-level security design and configuration.
- Design and development of customized reports.

Each implementation task should define the level of resources required, timing of resource needs and deliverables for both the system provider and METRO.



### 3.6 SYSTEMS INTEGRATION PLAN

The Systems Integration Plan shall include:

- Integration approach
- Plan to address any custom code and 3<sup>rd</sup> party integrations included in the Vendor's overall solution.
- Methods used to gather and document detailed requirements, and translate the detailed business requirements to the design of the software configuration, customization and integration of the business rules, workflow, user interfaces, and reports.

### 3.7 DATA CONVERSION PLAN

The vendor shall utilize their data conversion tools/methodology to perform database conversions for METRO's existing database and other ancillary systems. METRO's project team has determined the degree of data conversion/migration necessary on a module by module basis. For modules that are deemed to need data imported/migrated from existing applications, METRO's Information Technology (IT) staff will export data fields in a flat file format (e.g. CSV, ASCII) suitable for import into the new system and allow the vendor the ability to develop their mapping and conversion routines.

The vendor will be required to provide all tables and field mapping, conversion, and import routines to METRO's IT staff for verification and validation review. The vendor is ultimately responsible for data conversion.

The following table is not necessarily all inclusive, but is intended to provide an idea regarding the data METRO anticipates needing to be converted to the new system:

HR Modules:	Data to Convert
Benefits	Current fiscal/calendar year
Applicant Tracking	6 years
Personnel Administration	All history
Position Control	Current records
EEO	All history

### 3.8 DATA/SYSTEM INTERFACES PLAN

The ability to transfer certain data at will to a select number of external applications is essential. That data includes but is not limited to: employee fields such as employee number, current pay rate, last, first and middle names, date of birth, lottery number (also known as seniority number), and termination date available by organizational sub-group, such as Maintenance, Paratransit, or by job classification. (Lottery number is assigned to each bus operator at the time of hire to differentiate them from others hired on the same date for the purposes of bid sequencing.)

It is METRO's objective to design and implement interfaces which will enable METRO to take advantage of improved processing and technology wherever possible. To this end, the vendor shall include an Interfaces Plan that describes the vendor's methodology and implementation approach to address required interfaces.

At a minimum, all components identified in Article 3.2 Software Solution must be integrated, and the following systems need to be interfaced to the new Human Resources system:

#### Overview

METRO requires a flexible interface methodology. The modules identified as both needed and desired, regardless if they are part of this procurement, a future procurement or are written in-house, must be able to work together without replication of effort. METRO may also have some other system needs which are not identified as part of this project that will require interfaces to function effectively. One of these

systems remain in Informix and will not be immediately replaced, while another Informix application is being replaced over the next 18 months with a SQL 2005 database solution. To this end it is imperative that we have a flexible interface methodology which allows a certain amount of user configuration. There are several standard interfaces which address most of the needs. Where there is flexibility on the part of the subsidiary system, we would prefer to use the standard interfaces. We recognize that some of the “other interface” needs may not actually require interfaces, but rather direct query access to the appropriate views, tables or may be handled as reports or saved as a .csv file. Real-time data transfer, where practical is more desirable than batch.

<b>Standard Interface Requirements</b>	<b>To</b>	<b>From</b>
1. Crystal Reports access (with field level security)	X	
2. Microsoft Office compatible outputs (Excel, Word mailing ...)	X	
3. METRO requires an Interface which allows 3 <sup>rd</sup> party system access to employee rosters which include employee login ID, job class, job title, organization number, and various other integer fields.	X	X
<b>Specific Interface Requirements</b>	<b>To</b>	<b>From</b>
<b>Other Interface Needs</b>		
1. Comma Separated Variable (.csv) import/export	X	X
2. Desired real-time output of selected fields to HASTUS 2009	X	
3. Desired bi-directional data transfer of selected fields to/from Assure ID 2009 for ID Badge printing.	X	X
4. METRO currently links a separate employee ID clock field with our timekeeping system, TimeForce from Qqest. This number appears as a bar code on METRO ID Cards which are scanned and used for time tracking.	X	
5. It is desirable to have the HR System be able to upload/download salary, benefit, and job specification data to METRO’s Inter- and Intranet sites.	X	X

**To** = Interface TO the vendor’s HR system, FROM the listed application / sub-system.

**From** = Interface FROM the vendor’s HR system, TO the listed application / sub-system.

### 3.9 TEST PLAN

User Acceptance – The vendor shall include a User Acceptance Test Plan, test data, sample test scripts, plan for maintaining test data, and methods to track reports and fixes for system malfunctions.

Final Acceptance – The vendor shall include a Final Acceptance Test Plan, test data, sample test scripts, and methods to track and ensure all detailed requirements of the program are tested and approved by METRO.

### 3.10 TRAINING PLAN

The vendor will be responsible for training METRO’s team of 9 persons, consisting of IT, and Human Resources personnel. This training is required to allow METRO’s team to understand system capabilities before set-up and configuration activities begin. This team will be responsible for performing and documenting system testing, documenting business processes and procedures and includes end users. Vendor’s training schedules, locations and costs should also be provided in the event that training is required in the future.

The vendor must offer Instructor-led hands-on classroom training (on-site)

The vendor shall provide copies of all training materials necessary for the vendor-conducted training. METRO retains the right to reproduce training materials for internal training, refresher courses or for sessions for new staff following implementation. Training schedules, locations and costs should also be provided in the event that training is required in the future.

### **3.11 DOCUMENTATION**

Sample documentation does not need to be provided as part of the initial RFP proposal due January 27, 2010; however, short-listed vendors will be asked to provide, at minimum, the Table of Contents and sample chapters of key user documents, such as the Administrative and End-user manuals, systems and application diagrams, etc. Ultimately, the selected vendor must provide complete printable documentation of the vendor's software.

The documentation shall include standard software materials as well as specific user documents. Standard software is defined as that which fully satisfies the requirements of this RFP without the need for modification. Examples include operating systems, database management systems, and software diagnostic programs. Database design documentation shall completely describe both the logical and physical structure of the system's database. The documentation shall define and describe the individual elements (files, tables and fields) and the relationships between them. This requirement is for a complete and thorough description of the physical and logical database schematic. This will permit METRO staff to develop and maintain interfaces between the Vendor's system database and other applications subsequent to project completion, and will facilitate the development of complex customized reports.

User documents are those that describe the Vendor's software from a system administrator and end-user's point of view. All primary users must be provided with printed and online user documentation that ideally includes both a User's Guide (tutorial format) and a Reference Guide. All future system updates and changes must be accounted for in revised pages for manuals. This must occur simultaneously with distribution of a software patch, system update or version release.

For the successful vendor, METRO will require a copy of all vendor-supplied documentation in a file format compatible with commercially available Microsoft Windows software, such that it can be maintained, customized, and updated. Final documentation shall be easily reproducible by METRO and METRO shall be granted the rights to reproduce any document supplied under this contract for its own needs.

### **3.12 SYSTEM DEPLOYMENT PLAN**

The vendor shall be responsible for deployment of the Human Resources solution in METRO's environment. The Deployment Plan shall include a description of the vendor's methodology including site preparation, roll-out strategy, legacy system transition, system phasing and other related system deployment requirements.

### **3.13 PRE AND POST GO-LIVE SUPPORT**

The vendor will be responsible for assisting METRO in such tasks as planning, preparation, pre go-live issue resolution, conversion, post go-live issue resolution, communications, etc. during the weeks leading up to and weeks / months shortly after go-live. The vendor should describe the resources, approach, and plans that will be used to assist METRO during this critical time in the project.

Please note that requested information regarding the vendor's long term Support and Maintenance plans are addressed elsewhere in this RFP. This section should focus specifically on the pre go-live, conversion, and post go-live support offered by the vendor.

## **4. RFP GUIDELINES AND REQUIREMENTS**

### **4.1 GENERAL REQUIREMENTS**

- METRO requires a "not-to-exceed" price contract for this procurement. The proposer is expected to complete the statement of work for the negotiated price.
- Cash discounts must be shown on proposal; otherwise prices will be considered net. Unless prices and all information requested are complete, proposal may be disregarded and given no consideration.
- METRO will retain 15% of service costs from each invoice and will release the retention 90 days after go-

live.

- METRO will hold the vendor to total contract price. Phase and task cost reconciliation will not be performed.
- In case of default by the vendor, METRO may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the vendor, the difference between the price named in the contract or purchase order and the actual cost thereof to METRO.
- All prices and proposals must be in ink, typewritten, or computer generated. No pencil figures or erasures are permitted. Mistakes may be crossed out and corrections inserted adjacent thereto and must be initialed in ink by the person signing the proposal.
- All proposals must be signed with the vendor's name and by a responsible officer or employee. Obligations assumed by such signature must be fulfilled.

#### 4.2 SUBMISSION OF PROPOSALS

Responses to the requirements worksheets (Attachment – A) must be completed using the templates provided by METRO – which can be downloaded via the following link on METRO's website:

<http://www.scmtd.com/bids/bids.html> . Your proposal response must be submitted with one (1) unbound original and five (5) numbered and bound copies to METRO. The original must be sent to METRO's address, clearly marked and contain original signatures and must be easily reproducible on a standard copying machine.

#### 4.3 CONTRACT

The successful proposer will be asked to sign a METRO contract substantially similar to PART V – Contract/Agreement. Additionally, the final contract terms will also include a copy of the proposer's proposal, including responses to the requirements matrices, and require that the successful proposer's software is compliant with those responses. Proposals should include a statement indicating the vendor's willingness/ability to sign this contract "as is," including proposed insurance requirements and acknowledgement that the proposer's proposal and responses to the requirements matrices will be included as part of the contract terms, or detailing the reasons why they are not willing or able to do so.

#### 4.4 TENTATIVE SCHEDULE

EVENT	DATE
RFP Issue Date	December 11, 2009
Final Date for Vendors to Request Clarifications to RFP	October 16, 2009
METRO's Response to Requested RFP Clarifications Published	October 21, 2009
Proposal Due Date	January 27, 2010
Anticipated Short List Selection	November 6, 2009
Solution Demonstrations to METRO by Short-Listed Vendors (1 day per short-listed vendor)	November 10, 2009
Approval of Contract by METRO Board of Directors	November 20, 2009
Anticipated Project Start Date	December 1, 2009

### 5. EVALUATION

#### 5.1 EVALUATION METHOD

- 5.1.1 **Short List Selection.** METRO may select 2 or more top rated proposers to continue with further evaluation. The short list will be selected by evaluating the proposer's response covering criteria outlined

within this RFP. Additional discovery may be performed to assist in selecting the short list proposers. The short list proposers will be contacted in writing regarding their status as short-listed proposers.

- 5.1.2 **Demonstration Scenarios and Site Visits.** METRO may further evaluate proposer’s solutions by utilizing scripted scenarios and site visits. Each short-listed proposer will be provided the scripted scenarios that they are to use to prepare for an on-site 1 day solution demonstration. The short-listed proposers will be further evaluated on their performance during the 1 day scripted scenario demonstrations, reference checks, additional discovery and, at the option of METRO, organized site visits at proposer’s customer sites. Proposers will provide METRO with a list of two (2) potential customer sites.

Please note that on-site demonstrations for short-listed vendors will be conducted by November 10, 2009. Specific days and times for each short-listed vendor will be determined at a later date, but vendors should be prepared to conduct the on-site demonstrations during this timeframe. It is expected that the proposed Project Manager take part in the entire on-site demonstration sessions.

- 5.1.3 **Final Selection.** The finalist will be selected by compiling the qualifications, solution demonstrations, site visits, references and price evaluation criteria and selecting the one top ranked proposer that METRO feels would make the best system provider partner. METRO may, at its discretion, select two finalists if it believes that two proposers are so close as to consider the evaluation a draw. In this case, the two proposers will be taken through negotiation. The best-negotiated solution will become the finalist and will be contracted to provide the proposed solution. If agreement cannot be reached with the top ranked proposer, METRO will dismiss the proposer and begin negotiation with the second ranked proposer.

- 5.1.4 **Contract Negotiation.** At the conclusion of solution confirmation and best and final offer, METRO will enter into contract negotiations with the finalist. The final negotiated contract, along with the best and final offer, will be submitted to METRO’s Board of Directors for approval.

## 5.2 EVALUATION AND SCORING CRITERIA

The intention of METRO is to procure a functionally complete and cost effective Human Resources system. Responses to this RFP will be evaluated and scored according to the following criteria:

EVALUATION CRITERIA	POSSIBLE POINTS
1. <b>Solution Architecture</b> – including the maturity of the software solution, the use of current technology that is in line with METRO’s direction (e.g. MS-SQL, Windows and / or browser, .NET, runs in virtual server environment, etc.), the proposed environment, and the overall architecture. This is a pass or fail score.	PASS or FAIL
2. <b>Solution Functionality</b> – including how well the system meets the overall needs of METRO. The majority of points will be awarded based on the scoring of the Requirements matrices described in Attachment A.	25
3. <b>Responsiveness to RFP</b> – The vendor will be evaluated on the quality, clarity, and completeness of proposal in conforming with instructions, conditions and format set forth in this RFP.	25
4. <b>Cost Proposal</b> – Pricing is an important aspect of the overall evaluation of the proposer’s response. All items not defined in the scope must be shown separately as optional modules or tasks, and priced separately. Proposers are being requested to provide on-going product costs for a 10 year period. METRO will consider only the first 5 years as part of their pricing evaluation. METRO also requires each proposer to provide a rate schedule for each type of resource to be used for pricing any out-of-scope work that arises out of the implementation of the proposer’s proposed solution. These rates will remain in effect for the duration of the implementation effort.	75
5. <b>Vendor’s Ability / Willingness to Sign METRO’s Contract</b> – including the vendor’s ability to sign the contract “as is” and acknowledgement that the vendor will be held responsible for	20

ensuring that the proposed solution is in line with the vendor’s proposal and responses to the Requirements matrices and their willingness to incorporate their responses as part of the contract.	
6. <b>Work Plan and Schedule</b> – including the vendor’s demonstrated understanding of the overall scope of work for this project, the proposed project approach and methodology, as well as the thoroughness and completeness of the implementation, integration, testing, training, and deployment plans. Please submit total onsite and offsite time dedicated to the project.	20
7. <b>Project and Organizational Staffing</b> – including the experience level and competence of the proposed consultants and organizational staff in performing similar work for other clients and the comparability of that experience to the business and technical environment of METRO.	15
8. <b>Vendor Profile</b> – including the firm’s financial and organizational stability, as well as the firm’s experience performing work of a similar nature to that solicited in this RFP.	20
9. <b>Client References</b> – including the quality and timeliness of work performed by the vendor and its proposed consultants for previous clients and the comparability of such work to the requirements of this RFP.	20
10. <b>Software Maintenance, Updates, and Support</b> – including the vendor’s process and methodologies for software maintenance and updates, as well as the vendor’s methodology, experience, and infrastructure for providing technical support.	15
11. <b>Site Visits and Reference Calls (top rated vendors only)</b> – METRO will conduct reference calls and <b>may</b> visit customer sites recommended by the vendor.	25
12. <b>Disadvantaged Business Enterprise participation.</b>	5
<b>Total Points Possible</b>	240

## 6. PROPOSAL RESPONSE REQUIREMENTS AND FORMAT

Please use the following format to structure your proposal response. Your response should include each section detailed below in the order presented. The detail represents the items that are to be covered in each section of your response. Failure to address all items will impact the evaluation and may classify the response as non-responsive and preclude it from further consideration. Please refer to Article 3. Scope of Work for additional information.

Section	Title
	Title Page
	Letter of Transmittal
	Table of Contents
1.0	Executive Summary
2.0	Company Background and Experience
3.0	Project Understanding
4.0	Project and Organizational Staffing
5.0	Project Work Plan and Schedule
6.0	System Description and Functionality
7.0	Software Maintenance, Updates, and Support

8.0	Cost Proposal
9.0	Client References
10.0	Appendices

## 6.1 TITLE PAGE

The title page should include, at minimum, the following:

- Name of Project – Santa Cruz Metropolitan Transit District Human Resources Systems Replacement
- Submitted by - Company's Name
- Date of Submittal

## 6.2 LETTER TRANSMITTAL

The transmittal letter will:

- Indicate the intention of the Proposer to adhere to the provisions described in the RFP without modification;
- Identify the submitting organization;
- Identify the person, by name and title, authorized to contractually obligate the organization;
- Identify the contact person responsible for this response, specifying name, title, mailing address, phone, fax, and email address;
- Explicitly indicate review and acceptance of METRO's sample contract (see Section VI), and provide acknowledgement that the proposal submitted, including responses to the Requirements worksheets, will be included as part of the contract terms, and identify exceptions or "deal breakers";
- Acknowledge the proposal is considered firm for one hundred and eighty (180) days after the due date for receipt of proposals or receipt of the last best and final offer submitted;
- Acknowledge that Price Proposal has been submitted under separate cover;
- Provide the original signature of the person authorized to contractually obligate the organization.

## 6.3 TABLE OF CONTENTS

The table of contents should outline Sections 1.0 thru 11.0, as described previously in this section.

## 6.4 EXECUTIVE SUMMARY

The Proposer will provide an Executive Summary that presents in brief, concise terms a summary level description of the contents of the proposal response. In addition, the Proposer must clearly and specifically detail all exceptions to the exact requirements imposed by this RFP.

## 6.5 COMPANY BACKGROUND AND EXPERIENCE

This section of the proposal should establish the ability of the vendor to satisfactorily perform the required work by reasons of experience in performing work of a similar nature, demonstrated competence in the services to be performed, strength and stability of the firm, staffing capability, and record of meeting expectations on similar projects. METRO, at its option, may require a vendor to provide additional support and/or clarify requested information.

The vendor should also provide:

- A brief profile of the company
  - ✓ A brief description of the organization structure and primary products and services provided
  - ✓ Other major products or services offered

- ✓ Company's strategic direction in software design and support.
  - ✓ Company's dedication and commitment to serve public sector clients.
- A general description of the company's financial condition
    - ✓ Provide three years of financial statements
    - ✓ Provide information regarding any pending litigation, contract defaults, planned office closures, impending mergers, bankruptcies, or other conditions related to the financial health of the company
  - Company's experience in performing work of a similar nature to that solicited in this RFP
    - ✓ Highlight participation in such work by the key personnel proposed for assignment to this project.

## **6.6 PROJECT UNDERSTANDING**

This part of the Proposal shall contain a description of how the vendor intends to organize its approach to the project. The vendor should discuss how its software solution meets METRO's requirement for an integrated system, as requested in this RFP. The vendor shall relate how it perceives its role in carrying out the responsibilities required by this implementation. The vendor shall also provide examples of challenges encountered on similar engagements and discuss their approach in handling some of the specific challenges and opportunities it foresees for this project.

## **6.7 PROJECT STAFFING AND ORGANIZATION**

This section shall identify key personnel who will be assigned to the project, assuming a December 1, 2009 start date. An organization chart for the project shall be provided. The chart shall indicate how the vendor intends to structure the project effort, and identify the Project Director/Engagement Manager, Project Manager, Technical Team Members, Trainers and all other key personnel.

The Project Director/Engagement Manager designated by the vendor shall have the overall responsibility to **METRO**. The Project Manager shall have the responsibility for the day-to-day communications with **METRO**, to coordinate the activities of the installation and implementation team, and to accomplish the scope of work within the contract budget and project schedule. The Project Manager must have at least three (3) years of experience in administering project management services of the proposed software in a public entity. A resume of the Project Manager must be provided detailing the work history for the last 10 years.

Each team member included in the project organization chart shall be identified by name, and a resume or profile shall be provided for each key person. Each resume or profile shall be complete and concise, featuring experience that is most relevant to the task responsibility the individual will be assigned. If an individual is assigned to more than one position, the relevant experience shall be indicated for each task assigned. The project technical team must have a minimum of three (3) years of experience with an installation of the current (or one previous) version of the proposed software.

Please also indicate the anticipated percentage of time each team member will be dedicated to METRO's implementation throughout the course of the project.

The specific staff identified in the original Proposal may not be changed prior to commencement of work or during the course of the project without the specific approval of METRO and two weeks notice. Replacement candidates must have the same or higher level of similar experience as the original project team member they replace. Resumes of replacements shall be submitted with all applicable information.

## **6.8 PROJECT WORK PLAN AND SCHEDULE**

In this part, the vendor is requested to provide details of its methodology and implementation strategy along with a schedule for the performance of the tasks identified in Article 3. Scope of Work, of this RFP. The Work Plan shall



provide a narrative description of the plan for implementing the work tasks as well as any substantive or procedural innovations used by the vendor on similar projects that are applicable to the services described in this RFP. The Work Plan and Schedule shall take into consideration METRO's resources to be provided. It is anticipated that METRO will assign three to five near full-time project members focused on supporting the project and a ¾ time Project Manager.

The Work Plan and Schedule shall address the following (Note: Please reference Article 3. Scope of Work, for additional details on the following components):

1. Detailed Implementation schedule, assuming a **December 1, 2009** project start date
2. Project Management Services
3. Planning
4. Implementation
5. System Integration Plan
6. Data Conversion Plan
7. Data / System Interface Plan
8. Test Plan
9. Training Plan
10. Documentation
11. System Deployment
12. Pre and Post Go-Live Support

The detailed Work Plan and Schedule must be prepared with suggested major tasks and payment milestones. These payment milestones should clearly identify quantifiable, measurable, sub-tasks to allow determination of milestone completion status during all phases of the project. The Schedule should indicate critical path tasks and dependencies between tasks.

The Work Plan and Schedule should be of sufficient detail to provide METRO the necessary task, resource, and sequence information to allow for logistics and staff allocation planning. The vendor's Work Plan must state any facilities, data, and other requirements that METRO will be expected to provide.

METRO understands that each vendor will have their own implementation methodology derived from their industry experience and software requirements. It is the desire of METRO to have consistency of detail within the Work Plan and Schedule across respondents to allow for an objective determination by staff as to the quality and feasibility of each respondent's Work Plan and Schedule.

At a minimum, this chart must show phases, tasks, sub-tasks, and staff utilization (including METRO and Consultant Project Management resources). METRO may request task expansion or contraction, additional task details, and/or scheduling modifications within the Work Plan or Schedule prior to award of the contract.

The vendor's plan should specify the recommended time period for each phase. The vendor should cite instances of actual implementation time frames (where the proposed strategy was applied) on previous similar engagements.

The Work Plan must include the proposed responsibilities of the Project Manager. The Work Plan must describe the vendor's program control methods for demonstrating vendor's performance, adherence to and control of the project schedule and budget.

The vendor's Work Plan should list any specialized system personnel that would be required at METRO to maintain and operate the proposed system.

The Project Work Plan and Schedule must include the time and resource commitment for testing and accepting the system components and configuration. The vendor must include the testing and acceptance strategies in the proposed Work Plan.

The Work Plan must include the vendor's recommended Training Plan for end users of the selected software and for IT staff responsible for ongoing system maintenance and support. The plan must include detailed listings of training

programs for technical staff, configuration staff/core users, senior management and information/end users. Additionally, the Work Plan must state the method of training (instructor-led hands-on classroom training, train-the-trainer, offsite public classroom training, web-based training, etc.), the number of training hours to be provided for each implementation phase.

The Work Plan and Schedule must include the vendor's recommended Deployment Plan for converting from the testing environment to the "live mode" of operation. This effort must describe the final steps of the process and the amount of resources required to successfully complete this task. The procedure must include vendor's site preparation, roll-out, migration, turnover to production and organizational transition strategies. It must also include contingency plans for falling back to the old system should there be an unexpected problem with the new system.

The Work Plan must include a description of the vendor's post-implementation technical support programs. This must include the types of programs available, the hours and days of operation and information on response time for urgent and non-urgent assistance requests.

## **6.9 SYSTEM DESCRIPTION AND FUNCTIONALITY**

Vendors should address the following:

### **6.9.1 OVERVIEW OF SYSTEM DESCRIPTION**

- Identify the supplied software modules, system architecture and development tools.
- Discuss how each of the components identified in the table in "Section II / B. Software Solution" will be addressed. Please indicate where modules are available "out of the box" versus modules that would primarily require custom development or 3rd party solutions.
- Identify other software that is required for the proposed solution.
- Identify the recommended hardware for all environments, including test, training, production, and disaster recovery. (Note: METRO may make appropriate substitutions in the actual implementation.)
- Describe recommended redundancy and fault tolerance guidelines.
- Identify any additional recommended operating environments: production, test, training, disaster recovery, etc.
- Describe the application security environment.
- Describe the User Interface.
- Describe your future direction and plans for the software.
- Describe how program exits or other external process logic is applied to the system.
- Describe all pre-existing interface points.
- Describe your approach to writing and managing interfaces.
- Identify existing functional deficiencies based on the scope and requirements.
- Describe the required skills needed to technically support and maintain the system.
- Describe your upgrade policies, frequencies and costs.
- Describe software licensing (server, user, processor based, etc.)
- Describe warranty and support.

### **6.9.2 DETAILED TECHNICAL DESCRIPTION**

This section should contain all pertinent information about the proposed hardware and operating system, utilities, and tools used in the development of the software, the database management system, the user interface, and the architecture of the system. At a minimum, the vendor shall discuss the following:

- Scalability – analyze current and projected future system volumes
- Security – comply with METRO mandated security protocols and standards that apply
- Required system capacity and performance - recommend the hardware solution to handle the transaction and user load based on the information provided in this RFP and accompanying Requirements worksheets

- Application architecture – multi-tier distributed system architecture where screens, report and transactions are provided through a web browser or other technology. Please also indicate the primary programming language(s) used within the proposed solution (e.g. .NET, C++, Java, etc.)
- Presentation architecture – technology such as browser-based, thin-client, smart-client; client-server; etc.
- Application configuration and support components – (application development tool kit, load testing, automated scheduling, utilities to monitor resource utilization, web development tool kit, report generation scripts, audit and system logging, migration/change control tools, etc.)
- Database architecture - utilize utilities for database performance monitoring and tuning that comply with industry standards
- Database integrity – history tracking within the database, logging options, record locking, etc.
- Server architecture – include a full description of the recommended and supported hardware solutions for all environments such as test, training, disaster recovery, production, etc. In addition to providing the “Recommended System Requirements”, please also provide the “Minimum System Requirements” for each environment needed by METRO to achieve the requirements detailed in this RFP
- Network architecture – include the preferred network topology, hardware and software required to achieve this architecture
- Configuration tool kit – include Database Configuration Tools, Business Process Management Tools, User Interface Management Tools, etc.
- Any applicable system diagrams to more clearly explain requirements and options.
- End user experience – include expected response time benchmark test results based on recommended configuration.

**6.9.3 DETAILED FUNCTIONAL DESCRIPTION**

This section should address the detailed attributes of the application software. In Attachment – A of this RFP, refer to the requirements worksheets that define needs for the new system by functional area. Vendors will be rated how well they can meet each need by indicating whether they can support the functionality “out-of-the-box”, with modifications, via a third party solution, via customization, in a future release, or not at all. The requirements worksheets can be downloaded from METRO’s website : <http://www.scmtd.com/bids/bids.html>

INSTRUCTIONS	RATING LEGEND	
Complete the worksheet by placing an <b>X</b> in the appropriate column for each criterion. The <b>X</b> 's should represent the current state of a particular product or service.	<b>SUP</b>	Supported as delivered "out-of-the-box"
	<b>MOD</b>	Supported via modifications (screen configurations, reports, GUI tailoring, etc)
	<b>3RD</b>	Supported via a third party solution
	<b>CST</b>	Supported via customization (changes to source code)
	<b>FUT</b>	Will be supported in a future release (within 18 months of response date)
	<b>NS</b>	Not supported

Vendors are required to complete the Requirements worksheets and include them with their submittal in the following formats:

- In hard copy as an Appendix to the proposal.
- In electronic format (Microsoft Excel).

**6.9.4 SOFTWARE MAINTENANCE, UPDATES AND SUPPORT**

At a minimum, the proposal must include information and pricing associated with all aspects of ongoing support and maintenance activities. This proposed support must include: software maintenance, product help desk (9 hours/day, 5 days/week), product fixes, product enhancements and regular product releases based on a defined on-going maintenance fee. The vendor should discuss its upgrade policies and upgrade history of the proposed solution. The vendor must have the ability to connect to the customer’s system remotely to diagnose and correct problems real-

time. The vendor should describe the process for METRO to request future product enhancements. The vendor must propose the on-going costs for product maintenance and upgrades for a 10 year period in the pricing response. However, only the first 5 years will be considered for pricing evaluation purposes.

The vendor is also requested to provide details of its software maintenance and update methodology, including how software updates are distributed and recommended approaches for METRO to test and install software updates prior to rolling them into production. The vendor should provide information regarding the types of vendor and METRO skill sets required to implement incremental and major updates to METRO's production environment as well as how the vendor recommends ensuring that custom configuration and custom code is addressed during the upgrade to ensure that no METRO-specific changes are lost. The vendor should also describe the Quality Assurance measures in place to ensure code is thoroughly tested prior to releasing it to METRO.

Additionally, the vendor should discuss how much influence customers have in product direction, including technology used, enhancements, and new features, including the process used to provide input, feedback, and software roadmap reviews.

Vendors should also provide details on their Technical Support and Help Desk infrastructure, staffing levels, organizational structure, and abilities, including hours of operation, issue management and tracking tools, and a general description on how METRO would interact with Technical Support and Help Desk staff.

#### **6.9.5 COST PROPOSAL**

Pricing is an important aspect of the overall evaluation of the vendor's response. Only the pricing provided for "Needed" items will be considered for pricing evaluation purposes, however, METRO reserves the right to purchase "Desired" items, if desired. Vendor is to use their own document format to provide cost information for "Needed" items.

The vendor shall submit a "Total Not-to-Exceed" amount in their cost proposal to perform implementation, integration, roll-out, and other work identified in this RFP.

The vendor is expected to use their own document format to discuss any additional information or supporting schedules that would clarify any ambiguities and assist METRO in obtaining a better understanding of the vendor's cost philosophy.

#### **6.9.6 CLIENT REFERENCES**

Vendors should provide at least five (5) client references, at least two (2) of which must be from California cities or agencies where HR systems were implemented, that most closely reflect similar projects to the scope of work for METRO, as described in this RFP. These references should be sites at which the software has been implemented within the past 5 years. METRO prefers references for previous implementation of the same base version that will be proposed for METRO (i.e. if the vendor is proposing version 8.5, references for versions 8.0 thru 8.5 would be preferred).

#### **6.9.7 RESERVED**

#### **6.9.8 APPENDICES**

Under this section, vendors shall provide all legal documents and compliance reports, including but not limited to the following:

- Software Licensing Agreement
- Standard Support/Maintenance Agreement

Additionally, vendors shall carefully examine the RFP for required documentation not specifically covered in PART III, and shall place such documentation in an appendix. Information considered by the vendor to be pertinent to this project, but not specifically requested in this RFP, may also be placed in an appendix. The vendor is reminded that

this is not an invitation to submit voluminous amounts of extraneous material. Examples of documents to be included in this section include:

- Sample from Training Manual
- Sample Standard Reports
- Sample of Actual Implementation Plan (used at previous client sites)

## **PART IV**

### **GENERAL CONDITIONS TO THE CONTRACT**

#### **1. GENERAL PROVISIONS**

##### **1.01 Governing Law & Compliance with All Laws**

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

##### **1.02 Right to Modify Contract**

METRO 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 METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever METRO determines that such termination is in METRO's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by METRO, 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 METRO in the manner, at the time, and to the extent directed by METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case METRO 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 METRO, to the extent METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to METRO and deliver in the manner, at the time, and to the extent, if any, directed by METRO 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 METRO; (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 METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to METRO 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 METRO 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 METRO 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 METRO has or may acquire an interest.

## 2.02 Termination for Default

2.02.01 METRO 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, METRO may procure, upon such terms and in such manner as METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to METRO, the Contractor shall be liable to METRO 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 METRO shall be considered to have been terminated pursuant to termination for convenience of METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of METRO 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 METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

### 3.02 Notification by Contractor

Contractor shall notify METRO 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 METRO to evaluate any Contractor request for relief under this Article 3. METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. METRO shall notify the Contractor of its decision in writing. METRO'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 METRO 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. METRO 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 METRO 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 METRO 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 METRO (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 METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct 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 METRO and any insurance or self-insurance maintained by METRO shall be excess of Contractor's insurance coverage and shall not contribute to it.



## 7.02 Types of Insurance and Minimum Limits

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

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

## 7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by METRO.
- (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 METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify METRO 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 METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.
- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to METRO.

## 8. SINGLE PROPOSAL

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

## 9. NO DISCRIMINATION

The Contractor, sub recipient 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 METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the Contractor shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

### I. PROMPT PAYMENT

#### 11.01 Prompt Progress Payment to Subcontractors

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

#### A. Prompt Payment of Withheld Funds to Subcontractors

METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by METRO 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 METRO. Any delay or postponement of payment may take place only for good cause and with METRO'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 METRO 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 METRO Liability

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

### 13.04 Drug and Alcohol Policy

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

### 13.05 Publicity

Contractor agrees to submit to METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein METRO's name is mentioned or language used from which the connection of METRO'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 METRO.

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

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify METRO 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 METRO; and any such action by Contractor without METRO'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 METRO. Any such action by Contractor without METRO'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 METRO 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 METRO premises or in a METRO vehicle.

13.17 Responsibility for Equipment

13.17.01 METRO 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 METRO.

13.17.02 Contractor is responsible to return to METRO in good condition any equipment, including keys, issued to it by METRO pursuant to this Agreement. If the contractor fails or refuses to return METRO-issued equipment within five days of the conclusion of the contract work METRO 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 METRO.

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 METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

## PART V

### CONTRACT FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES SOFTWARE MANAGEMENT SYSTEM (10-17 )

THIS CONTRACT is made effective on \_\_\_\_\_, 2009 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("METRO"), and \_\_\_\_\_ ("Contractor").

#### 1. RECITALS

##### 1.01 METRO's Primary Objective

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

##### 1.02 METRO's Need for Purchase and Implementation of a Human Resources Software Management System

METRO has the need for Purchase and Implementation of a Human Resources Software Management System. In order to obtain these services, METRO issued a Request for Proposals, dated December 11, 2009, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

##### 1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide For Purchase and Implementation of a Human Resources Software Management System and whose principal place of business is \_\_\_\_\_. Pursuant to the Request for Proposals by METRO, Contractor submitted a proposal for For Purchase and Implementation of a Human Resources Software Management System, which is attached hereto and incorporated herein by reference as Exhibit "B."

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, METRO selected Contractor as the offeror whose proposal was most advantageous to METRO, to provide the For Purchase and Implementation of a Human Resources Software Management System described herein. This Contract is intended to fix the provisions of these services.

METRO and Contractor agree as follows:

#### 2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

##### 2.01 Documents Incorporated in this Contract

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

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated December 11, 2009

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

Contractor's Proposal to METRO for Purchase and Implementation of a Human Resources Software Management System, signed by Contractor and dated January 27, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by METRO for this project in accordance with the Request for Proposals issued December 11, 2009.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued December 11, 2009.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

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

5. COMPENSATION

5.01 Terms of Payment

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

5.02 Invoices

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

6. NOTICES

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

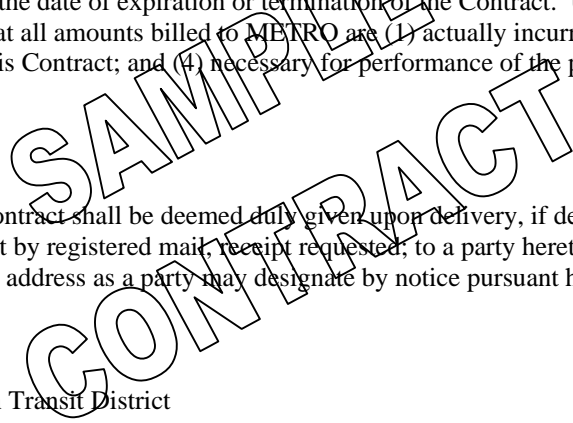
METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_





7. AUTHORITY

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

Signed on \_\_\_\_\_

METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR -

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## **PART VI**

### **FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS**

#### **1.0 GENERAL**

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

#### **2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS**

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

#### **3.0 INELIGIBLE CONTRACTORS**

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

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

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

#### **5.0 TITLE VI CIVIL RIGHTS ACT OF 1964**

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

##### **5.1 Compliance with Regulations**

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

##### **5.2 Nondiscrimination**

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

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by METRO 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 METRO, 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, METRO 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 METRO 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 METRO to enter into such litigation to protect the interests of METRO, 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 METRO, 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 METRO 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 METRO 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 METRO 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, METRO 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 METRO (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

#### 11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by METRO 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

METRO 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, METRO 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. METRO 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 METRO 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. METRO'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 METRO 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 METRO.

## 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

METRO 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 METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when METRO 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. METRO 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, METRO, 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 METRO 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 METRO 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 METRO 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, METRO (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 METRO, 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. METRO 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, METRO 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.

METRO 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.

METRO 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 METRO 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 METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by METRO or Contractor at the time of delivery of such work.

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

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

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

### 20.2 Disclosure

- (a) Each person who requests or receives from an agency a Federal contract shall file with that agency a certification, included in Form of Proposal or Bid Forms, that the person has not made, and will not make, any payment prohibited by Section 20.1 of this clause.
- (b) Each person who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using non- appropriated funds (to include profits from any covered Federal action), which would be prohibited under Section 20.1 of this clause if paid for with appropriated funds.
- (c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:
  - (i) a cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

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

### 20.3 Agreement

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

### 20.4 Penalties.

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

### 20.5 Cost allowability

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

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and METRO policies.

METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

**"Common Grant Rules"** refers to the Department of Transportation regulations "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

**"Interested Party"** means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an "interested party".

**"Protest"** means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See "Types of Protests" below.

**"Protester"** means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an "interested party".

**"Types of Protests"**: There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.

## **STANDARDS.**

All Protests must be filed in writing with the METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmtd.com](mailto:financemanager@scmtd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of METRO's administrative remedies before pursuing a protest with the FTA.

METRO's Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager's Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors' decision shall constitute METRO's final administrative determination.

In the event that the Protester is not satisfied with METRO's Board of Directors' final administrative determination, he/she 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 the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of METRO's Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before METRO issues a final decision.

If METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) METRO's failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under METRO's protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726

## **METRO RESPONSIBILITIES TO FTA**

METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the

FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

METRO's Finance Manager will provide the following information to FTA:

- a. Subjects: A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. Details: The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. When and Where: METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. FTA Officials to Notify: When METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)**

**For Purchase and Implementation of a Human  
Resources Software Management System**

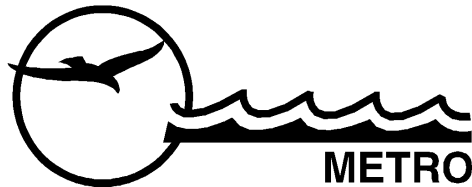
**METRO RFP No. 10-17**

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**ATTACHMENT - A**

**REQUIREMENTS WORKSHEETS**

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**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an <b>X</b> in the appropriate column for each criterion. The <b>X</b> 's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

PERSONNEL			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
PA1		The system should provide the ability to maintain individual employee data for the following, but not limited to:							
PA1	1	Date of hire.							
PA1	2	Date of rehire.							
PA1	3	New: Alternate First Name							
PA1	4	First name.							
PA1	5	Middle initial.							
PA1	6	Last name.							
PA1	7	Former last name.							
PA1	8	Social Security Number (SSN).							
PA1	9	Employee Number							
PA1	10	Date of birth.							
PA1	11	Gender.							
PA1	12	Primary address.							
PA1	13	Secondary address.							
PA1	14	Mailing address.							
PA1	15	Primary phone number.							
PA1	16	Mobile phone number.							
PA1	17	Emergency contact information.							
PA1	18	Employee Status.							
PA1	19	Current job title.							
PA1	20	Current assigned position.							
PA1	21	Current assigned FTE value.							
PA1	22	Current rate of pay.							
PA1	23	Alternate rate of pay.							
PA1	24	Current Supervisor or Manager.							
PA1	25	Current department(s), including ability to maintain multiple departments for an employee.							
PA1	26	Current union/bargaining unit/employee association affiliation at the rate class level rather than individual level.							
PA1	27	Length of service from date of hire.							

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**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

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PERSONNEL			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
PA1	28	Languages and proficiency							
PA1	29	Out of state residences.							
PA1	30	Performance evaluation schedule.							
PA1	31	Next performance evaluation date.							
PA1	32	Disciplinary actions.							
PA1	33	History of disciplinary actions within user defined parameters.							
PA1	34	Seniority status and/or ranking based on user defined criteria per employee or employee group.							
PA1	35	Seniority credit based on user defined criteria per employee or employee group.							
PA1	36	Visa Status.							
PA1	37	Driver's License Number and expiration date if required by position.							
PA1	38	Pre-defined reason codes for employee separation.							
PA1	39	User-defined reason codes for employee separation.							
PA1	40	Length of time in position(s) and organizational unit(s).							
PA1	41	All related data to positions occupied other than primary position of employee.							
PA1	42	Home and Work e-mail addresses							
PA1	43	The system should provide robust processing functionality for the management of employee's employment cycle from hire to separation.							
PA2		The system should maintain transactional history for current and former employees for a specified time period.							
PA3		The system should provide the ability to access and report on employees' transactional history.							
PA4		The system should provide the ability to manually assign or automatically generate an employee/applicant/retiree number.							
PA5		The system should provide the ability to allow rehired employees to use their previous employee ID based on the organization's defined criteria and identify the applicant as a former employee using their former number.							
PA6		The system should provide the ability to configure manager self service tools via the organization's Intranet or via an Internet portal.							



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**RFP No. 10-17**

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	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

PERSONNEL		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
PA7	The system should provide the ability to create paperless workflows for personnel transactions and authorizations.							
PA8	The system should provide the ability to create evaluations forms and process forms electronically with full update to the employee's HR							
PA9	The system should provide the ability to create performance evaluations based on a position's current job description and user defined criteria.							
PA10	The system should provide the ability to flag employees under a Supervisor or Manager's responsibility who have an approaching performance evaluation.							
PA11	The system should provide the ability to escalate unperformed or late performance evaluations to the next level of authority for review.							
PA12	The system should alert the designated authorities if an employee's required licensure or certificate will expire with a user defined parameter such as 30 days, 90 days, etc.							
PA13	The system should provide the ability to rehire an employee by accessing the deactivated record and uploading current data without re-entering the employee's information or creating a new hire record.							
PA14	The system should provide the ability for an employee to be assigned to multiple positions simultaneously with one position designated as primary.							
PA15	The system should provide the ability to manage alternate pay rates in addition to the employee's assigned rate of pay for work within a specific function or role that is in addition to the primary or secondary position.							
PA16	The system should provide the ability to consolidate multiple positions within one EIN assigned to one employee to calculate eligibility and base the level of benefits, leave accrual, premium costs, retirement benefits, etc.							
PA17	The system should provide the ability to base benefit eligibility on a calculated, separate FTE value from the actual position FTE value.							
PA18	The system should provide the ability to perform mass changes by user-defined criteria, including but not limited to, bargaining unit, class code, compensation structure, etc. and update the employee record or appropriate databases.							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

INSTRUCTIONS		RATING LEGEND	
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PERSONNEL		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
PA19	The system should provide the ability to flag and notify Human Resources if an employee's inactive status (e.g., leave status) has exceeded a user-determined amount of time.							
PA20	The system should provide the ability to establish a standard rounding method.							
PA21	The system should provide the ability to indicate reason code and description for personnel actions when action is initiated.							
PA22	The system should provide the ability to enter multiple personnel actions per employee per payroll cycle.							
PA23	The system should provide the ability to enter personnel transactions with a future effective date.							
PA24	The system should provide the ability to apply a warning to a user who enters a personnel transaction with an effective date that is retroactive.							
PA25	The system should provide the ability to view pending personnel transactions based on their status in an automated workflow/approval process.							
PA26	The system should date and time stamp each personnel transaction when it is created and each time it is processed through an approval conduit.							
PA27	The system should stamp each personnel transaction with the source of the action and the source of any user processing the action through an automated workflow process.							
PA28	The system should provide the ability to escalate any personnel transaction to the appropriate next level if the assigned processing time period expires at its current point in an automated workflow process.							
PA29	The system should provide automatic assignment of bargaining units based on job classes or job codes with override capability.							
PA30	The system should provide seamless integration with other modules within the vendor's suite such as Benefits to automatically update systems.							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

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PERSONNEL			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
PA31		The system should provide the ability to automatically calculate a salary change by entering a percentage or calculate a percentage by entering an increase amount.							
PA32		The system should provide the ability to perform salary "what-if" modeling.							
PA33		The system should provide the ability to build automated salary increases based on user defined criteria (e.g., union, department).							
PA34		The system should provide a user defined compensation table to accommodate multiple salary structures.							
PA35		The system should provide the ability to record disciplinary actions by employee and to track the employee's progress through any probationary process.							
PA36		The system should provide the ability to create salary schedules tied to job classifications.							
PA37		This system should provide data validation tables to ensure data entry accuracy							
PA38		The system should provide security authorization levels for users based on roles and responsibilities and to the detail of screens and/or individual fields.							
PA39		The system should provide security authorization levels to protect employee social security numbers.							
PA40		This system should provide the ability to attach scanned documents/images to an employee's master record.							
PA41		The system should provide point-in-time reporting.							
PA42		The system should allow users to track multiple user defined breaks in service, for example breaks resulting from a legal settlement, reduction in hours, lay-off, or disciplinary action.							
PA43		The system should provide the ability to track data attributes specific to a job code that include, but are not limited to, the following:							
PA43	1	Salary range.							
PA43	2	Fair Labor Standards Act (FLSA) status.							

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PERSONNEL			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
PA43	3	Workers compensation code.							
PA43	5	Employee type/bargaining unit/employee association							
PA43	6	Record of job classification code(s).							
PA43	7	Licenses, certificates and registration requirements.							
PA43	14	Exempt/Non-exempt							
PA43	15	History of Exempt/Non-exempt							
PA43	16	Employee Group							
PA43	17	History of Employee Group							
PA43	18	History of salary range							
PA43	19	Job Title							
PA43	20	History of Job Title							
PA44		The system should be able to create mailing lists for use in communication to groups of employees with common user defined criteria.							
PA45		The system should provide robust reporting capabilities to support the management of employees and provide decision support data as needed.							
PA46		The system should provide turnover reporting by organizational unit which lists separately but can include transfers between units.							
PA47		The system should provide turnover reporting by budgeted class, including temporary employees.							
PA48		The system should provide the capability to report on work related injuries including employee name, work location, job code, department, Supervisor, etc.							
PA49		The system should provide the ability to track employees in all possible states of employment status: recruitment, hiring, assigned positions, paid leaves, unpaid leaves, separated, barred (prevented from being hired or rehired), absences, etc.							
PA50		The system should provide checklists for employee hire and termination processes to ensure all steps are completed (checklist should include policy and agreement documents).							
PA51		The system should provide a report of vacancies and hires by class and department within a user defined date range.							
PA52		The system should provide a report(s) documenting current employees on leave with user defined parameters.							

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PERSONNEL		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
PA53	The system should provide the ability to create an employee history report (date hired, date of increases, promotions, hourly rates, date of evaluations, department changes, etc.).							
PA54	The system should provide the ability to report using data from all positions, both primary and otherwise, for all employees.							
PA55	The system should provide the ability to allow employees with authorization to access limited reports via the web or their desktop computer.							
PA56	The system should provide detailed recap and summary reports for EEO reporting.							
PA57	The system should provide the ability to create all required state and federal reports.							
PA58	The system should provide the ability to create an anniversary date report by department, month/year, etc.							
PA59	The system should provide the ability to create a COLA History Report by bargaining unit, COLA, effective date, etc.							
PA60	The system should provide the ability to create a New Hire Report with user defined data attributes.							
PA61	The system should provide the ability to create a Termination Report with user defined data attributes.							
PA62	The system should provide the ability to create a Job Class Report.							
PA63	The system should provide the ability to create an Average Salary Report by class, bargaining unit, etc.							
PA64	The system should provide the ability to create a report for tuition reimbursement usage.							
PA65	The system should provide the ability to create tickler reports for forthcoming service awards.							
PA66	The system shall provide the ability to create a turnover rate report by gender, age, appointment to class, date, disciplinary release, promotion, race, classification, probation release, transfer and/or resignation, etc.							
PA67	The system should provide robust ad hoc reporting tools that easily access any employee data field.							
PA68	The system should provide for the creation of a detailed report of number of people hired by job class, class code, subject area, department, fiscal year, calendar year, month, year, etc.							

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APPLICANT TRACKING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
AT1		The system should provide the ability to support the management and tracking of each applicant and/or candidate through the recruiting and application process by tracking, at a minimum, the following data item attributes for each applicant/candidate:							
AT1	1	Requisition (or recruitment) number.							
AT1	2	Job title for which applicant applied.							
AT1	3	Social security number of applicant.							
AT1	4	Name - First, MI, Last, Jr. etc.							
AT1	5	Date application was submitted.							
AT1	6	Internal or external recruitment.							
AT1	7	Referral source.							
AT1	8	Qualified/Non-qualified.							
AT1	9	Current and historical records of employment.							
AT1	10	Current and historical records of any disciplinary, dismissal actions or failed background checks with warning for reason dismissed or terminated.							
AT1	11	Testing requirements.							
AT1	12	Applicant/Candidate's schedule of tests, interviews, etc.							
AT1	13	Scoring results based on user-defined criteria.							
AT1	14	Current testing/scoring results.							
AT1	15	Historical test scores and banked scores.							
AT1	16	Interview results/scoring/comments per interviewer.							
AT1	17	Interview history.							
AT1	18	Reference checks and results.							
AT1	19	Criminal Background Check							
AT1	20	Education verification (transcripts, required coursework).							
AT1	21	License verification.							
AT1	22	Certifications							
AT1	23	Languages and Proficiency							
AT1	24	Veterans status.							
AT1	25	Response to job offer, if extended..							

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APPLICANT TRACKING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
AT1	26	User defined rejection reason codes.							
AT1	27	Address							
AT1	28	Home, work and cell phone numbers							
AT1	29	Home and work e-mail addresses							
AT1	30	Driver's License - State, Class, Number							
AT1	31	User defined comments field.							
AT2		The system should provide the ability to track applicants by occupational category and job groups through the entire personnel process according to the requirements for EEO reporting including, but not limited to the following information:							
AT2	1	EEO Classification							
AT2	2	Selection (Sigma Applicant Flow Analysis) (NEW)							
AT3		The system should provide robust processing functionality for the management and tracking of each applicant and/or candidate through the recruiting and application process.							
AT4		The system should provide the ability to integrate with other applications within the same suite seamlessly, i.e. Personnel Administration, Payroll, Benefits, Budget, etc. when needed.							
AT5		The system should provide the ability to transfer applicant data directly from the Applicant Tracking Module into the Personnel Administration Module and create a new hire record to prevent duplicate data entry.							
AT6		The system should provide the ability to retain applicant information for those applicants not selected for future consideration.							
AT7		The system should provide the ability to notify an applicant if additional documentation is needed to complete the evaluation process (e.g., degrees, certifications).							
AT8		The system should provide the ability to generate test invitations to specifically identified applicants/candidates.							
AT9		The system should provide the ability to interface with a web-based application and to download data from this application directly into the Applicant Tracking Module via the Internet.							

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APPLICANT TRACKING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
AT10	The system should provide the ability to print and post job announcements in HTML format.							
AT11	The system should provide the ability to upload job listings to the Internet or the Intranet.							
AT12	The system should provide the ability to create job listings which are e-mailed to a specific distribution list.							
AT13	The system should provide the ability to generate appropriate correspondence (e.g., letters, e-mails) to qualified/ non-qualified and applicants based on status in the application process.							
AT14	The system should provide the ability to archive applicant and/or candidate data after the position closing date for a specified time period.							
AT15	The system should provide the ability to assign a user defined expiration date to applicant data, an eligibility list and/or an applicant on an eligibility list (e.g., continuous filing list).							
AT16	The system should provide the ability to designate the applicant as successful in testing automatically after test results are entered.							
AT17	The system should provide the ability to provide access to real-time and/or archived interactive data in multiple areas for viewing on screen or in reports on screen prior to printing and/or other interaction with all the applicant/candidate data.							
AT18	The system should provide the ability to generate customized notices using Microsoft standard products or other editing capabilities.							
AT19	The system should provide the ability to revise and update any table driven attributes through a user friendly interface such as class codes, exam locations, department/division numbers and/or titles without complete re-creation of the table.							
AT20	The system should provide the ability for HR or a Manager to enter job related or interview related comments about applicants and/or candidates.							
AT21	The system should provide the ability to run multiple batch processes for printing and scanning.							



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APPLICANT TRACKING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
AT22	The system should provide the ability to customize job postings by adding detailed specifics to each opening.							
AT23	The system should provide the ability to generate paper, e-mail and Web posting notices of positions to be filled.							
AT24	The system should provide the ability to attach electronic documents in Word, RTF or .PDF format to the applicant record.							
AT25	The system should provide the ability for applicants to apply for two or more positions at once using data already entered and saved.							
AT26	The system should provide the ability to provide automated inclusion of previous applicants who are eligible for new openings in hiring evaluations.							
AT27	The system should provide the ability to provide tracking of and management of test scheduling for applicants where tests are required.							
AT28	The system should provide the ability to warn the user and prevent the entry of a duplicate SSN or applicant number.							
AT29	The system should provide the ability to allow rehired employees to use their previous employee ID based on the organization's defined criteria and identify the applicant as a former employee using their former number.							
AT30	The system should provide the ability to provide warnings and errors when trying to rehire employees terminated or disqualified for cause.							
AT31	The system should provide the ability to change expiration dates on lists based on user defined criteria.							
AT32	The system should provide the ability to produce an individual applicant profile.							
AT33	The system should provide the ability for applicants to log into their online application (at a later date) to make changes to their information.							
AT34	The system should provide the ability to provide applicants a self-service module so they can view the status of their application(s) and receive test results.							
AT35	The system should provide the ability to track all applicant history under one master record.							

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APPLICANT TRACKING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
AT36		The system should provide the ability for the hiring manager to do online searches for applicants and view the applications and scanned documents.							
AT37		The system should provide the ability to ensure adequate security of all confidential information and systems.							
AT38		The system should provide a web based method for individuals to request future notification when applications are being accepted. (Job Interest Cards)							
AT39		The system should support scanning of written test answer sheets.							
AT40		The system should provide robust reporting functionality for the management and tracking of each applicant and/or candidate through the recruiting and application process.							
AT40	1	The system should provide for the reporting on applications received and grouped by user defined criteria (e.g.position number, job title, department)							
AT40	2	The system should provide for the reporting on applicants tested (e.g., written, practical, oral).							
AT40	3	The system should provide for the reporting on applicants passed/failed (e.g., written, practical, oral).							
AT40	4	The system should provide for the reporting on applicants interviewed.							
AT40	5	The system should provide for reporting on the number of eligible applicants qualified/certified for hire in each stage of the process (e.g., meeting minimum requirements, passing tests, successful in the assessment process).							
AT40	6	The system should provide for the reporting on applicants medically examined, drug tested and background checked.							
AT40	7	The system should provide for the reporting on applicant(s) selected for interviews.							
AT40	8	The system should provide for the reporting on applicants to whom job offers have been extended.							
AT40	9	The system should provide for the reporting on the status of selected applicants per position number or job title and related attributes (i.e., background checks, budget constraints).							

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APPLICANT TRACKING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
AT40	10	The system should provide for user defined analytical reports to analyze, sort, select and report on candidates using specific attributes such as education, experience, skills, references, past performance, test results, work location preference, veterans status, etc.							
AT40	11	The system should provide for reporting on activity per position number including number of applicants, status of applicants, average length to hire, qualifications, credentials, etc.							
AT40	12	The system should provide for reporting for EEO reports on applicants (tracking of race, sex, position applied, etc.).							
AT40	13	The system should provide for the creation of candidate lists in a variety of sort orders including, but not limited to job title, skill mix, position/requisition number, application date order, alphabetical name order, zip code or city order, etc.							
AT40	14	The system should provide for the creation of a vacancy requisition report documenting vacant positions and related requisitions to fill.							

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TRAINING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
TR1		The Training module should be fully integrated with Personnel Administration, Applicant Tracking							
TR2		The system should provide the ability to track all required and optional training, licenses, certifications, skills, etc., per employee, by the topic and department.							
TR3		The system should provide the ability to track the history of all training/licensing related activity by department.							
TR4		The system should provide the ability to track the last activity date and next required action date per employee and per training and licensing requirement.							
TR5		The system should provide the ability to provide automated reminder notices of internally scheduled training courses.							
TR6		The system should provide electronic registration with validation of course capacity, transfer of registrants to wait list, and validation of attendee qualifications such as position, recent training, status, rate class, identification of paid professional development.							
TR7		The system should provide the ability to provide automated notification that certifications, contracts and licenses, etc. are about to expire.							
TR8		The system should provide the ability to maintain course development data, including, but not limited to:							
TR8	1	Course Title							
TR8	2	Course ID number/code number							
TR8	3	Course description							
TR8	4	NEW: Course capacity							
TR8	5	Course category							
TR8	6	Course learning objective							
TR8	7	Course duration							
TR8	8	Course prerequisite							
TR8	9	Facility requirements							
TR8	10	Equipment requirements							

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TRAINING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
TR9	The system should provide the ability to track employees who have completed a class, no shows, cancellations, etc.							
TR10	The system should provide for employee self service access to review individual training and licensing information on file, as defined by the users.							
TR11	The system should provide the ability to generate reports for individuals, departments, and divisions showing individual training history for employees and user defined group statistics.							
TR12	The system should provide the ability to notify supervisor when training is expected.							
TR13	The system should provide the ability to notify supervisor when employee completes the training; automatically send a follow up form to the supervisor XX days (as defined by the supervisor) after completion of designated training to assess the impact of the training on performance.							
TR14	The system should provide employees the ability to evaluate the course, the instructor and provide constructive comments for improvement.							
TR15	The system should provide the ability to print certificates for those employees who are in (or who successfully completed) the course.							
TR16	The system should provide the ability to track training costs							
TR17	The system should be able to track classes employee has taken through the Tuition Reimbursement program							

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LEAVE MANAGEMENT		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>								
LM1	The system should provide the ability to seamlessly integrate with all other modules within the vendor's suite such as Benefits, Personnel Administration, Training, etc.							
LM2	The system should provide the ability to track leave/absence by type (i.e., vacation, sick time, comp time, FMLA, State Leave Statute, Administrative, Jury Duty, Disability, Military, Workers Compensation, Personal, Unpaid etc.), by accrued hours, accrual rate, accrual frequency, hours used by type, balance of hours by type, etc.							
LM3	The system should provide authorized users (including employees, supervisors, Department Administrative Services Officer, etc.) the ability to view on-line and report individual employee leave/absence accrual and leave/absence taken data (leave/absence types include sick, vacation, holiday, PTO, etc.).							
LM4	The system should provide the ability for an employee to "donate" leave hours to another employee according to the Organizations Catastrophic Leave Policy.							
LM5	The system should provide the ability to track any required documentation and approval forms of the leave/absence (e.g., FMLA documentation, Doctor's Certificate of Authorization, etc.)							
LM6	The system should provide the ability to generate letters and forms using Microsoft editor capability for management of employees' leaves and informational use by Leave Management.							
LM7	The system should provide the ability to track eligibility and qualifications for each type of leave/absence based on user defined criteria.							
LM8	The system should provide the ability to adjust leave/absence plan accruals, time taken, balances etc. with appropriate security.							
LM9	The system should provide the ability to create user defined leave/absence accrual structures based on employee attributes (attributes may include years of service, job assignment, bargaining unit, etc.).							
LM10	The system should provide the ability to define parameters, carryover amounts, ceilings, etc. for leave/absence plans.							

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LEAVE MANAGEMENT			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
LM11		The system should provide the ability to track historical data per employee on each leave plan such as type of leave, leave start date, leave ending date, estimated return to work date and date paperwork received for approval.							
LM12		The system should provide the ability to track paid and unpaid leaves of every kind including accrual based and government required.							
LM13		The system should provide the ability to create e-mail notices or form letters for automated mailings regarding user defined events including, but not limited to:							
LM13	1	Initiation of Leave.							
LM13	2	Expiring leave.							
LM13	3	Leave without pay letters.							
LM13	4	Family leave letters (FMLA).							
LM14		The system should provide the ability to notify Leave Management, the employee's Supervisor and/or Manager and any other personnel deemed with a "need to know" upon the approaching expiration of a type of leave/absence status (e.g., FMLA, expiration of a temporary position).							
LM15		The system should provide the ability to prorate leave accruals for part-time employees.							
LM16		The system should provide the ability to perform fiscal year end updates on employee records based on defined criteria (i.e., years of service, vacation earning factor, bargaining unit, employee group, seniority, etc.).							
LM17		The system should provide the ability to report attendance data including but not limited to Absence by:							
LM17	1	employee.							
LM17	2	department.							
LM17	3	work location.							
LM17	4	job code.							
LM17	5	supervisor.							
LM17	6	project code.							
LM17	7	date							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an <b>X</b> in the appropriate column for each criterion. The <b>X</b> 's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

LEAVE MANAGEMENT			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
LM17	8	type (illness, vacation, jury duty, etc.)							
LM17	9	frequency.							
LM17	10	Job title							
LM17	11	leave/absence status (medical, non-medical, disabled, comp time, etc.							
LM18		The system should provide the ability to create a leave/absence profile based on user-defined criteria for a department, a date range, an employee, a Supervisor, or other user defined parameters.							
LM19		The system should provide the ability to automatically fill in dates in a range for leave. For example, the user would enter a start date and an end date and the system would fill in the days in between provided the absence code is the same and the days are consecutive.							
LM20		The system should provide a field in which to indicate an employee's leave status for reporting purposes. At a minimum, the system must have the ability to enter and save history for multiple leaves taken by an employee such as type of leave, leave start day, etc.							
LM21		The system should provide the ability to enter employees' upcoming leave and allow the Supervisor to inquire who will be off in the future.							



**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

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	NS	Not supported	

BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
BN1		The system should provide the ability to seamlessly integrate with other modules within the vendor's suite such as Personnel Administration, Leave Management, etc. providing one point of entry and processing that updates throughout integrated modules.							
BN2		The system should provide the ability to establish, manage and change multiple benefit plans.							
BN3		The system should provide the structure to designate the following data item attributes related to the Organization's employee benefit programs including, but not limited to:							
BN3	1	Fiscal year.							
BN3	2	Budget cycle.							
BN3	3	Benefit plans covering dependents.							
BN3	4	Benefit plans covering retirees.							
BN3	5	Benefit plans covering retiree beneficiaries.							
BN3	6	Benefit plans requiring COBRA management.							
BN3	7	Pre-tax designation if benefit plan deductions are non-taxable.							
BN3	8	Definition of rounding rule for calculations							
BN3	9	Definition of employee groups for benefit eligibility calculations.							
BN3	10	Annual limitations on benefit plan deductions (401k, 403b, spending accounts, etc.)							
BN3	11	Vendor identification for each benefit plan.							
BN3	12	Budgeted expense per benefit type per budget year.							
BN3	13	Budgeted expense per benefit type per benefit plan year.							
BN3	14	Employee statuses eligible for benefit plan participation.							
BN4		The system should provide the structure to designate the following data item attributes related to each employee benefit program including, but not limited to:							
BN4	1	Plan type.							
BN4	2	Plan name.							
BN4	3	Plan vendor.							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

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BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
BN4	4	Vendor policy identification.							
BN4	5	Plan beginning date.							
BN4	6	Plan ending date.							
BN4	7	Coverage type (options, salary based, default, etc.)							
BN4	8	Contribution type (flat, table driven, salary based, age graded, etc.)							
BN4	9	Eligible employee groups.							
BN4	10	Covered participants (employees, dependents, retirees, COBRA, etc.)							
BN4	11	Coverage options.							
BN4	12	Premiums per eligible employee group.							
BN4	13	Premium cost sharing between employer/employee per eligible employee group.							
BN4	14	Personnel actions impacting benefit plan coverage (hire, transfer, change of status, etc.)							
BN5		The system should have the ability to calculate premiums based on a flat amount, a percentage, age graded, or other calculations as required by the benefit plan.							
BN6		The system should have the ability to track vesting and breaks in service as defined by each benefit plan.							
BN7		The system should have the ability to track deferred retirement benefit plans through the benefit plan set up.							
BN8		The system should provide the ability to report on budgeted vs. actual costs based on user defined criteria by benefit plan, by plan year, by budget year, including employer and employee costs, etc.							
BN9		The system should provide the ability to project the cost impact to changes in benefits, accruals, allowances, etc. for current employees and retirees.							
BN10		The system should provide the ability to create a disability retirement report by name, SSN, department, month/year, bargaining unit, etc.							
BN11		The system should provide the ability to generate automated billings to vendors based on enrollment data.							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

INSTRUCTIONS		RATING LEGEND	
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BENEFITS		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
BN12	The system should provide the ability to maintain dependent and/or beneficiary information including but not limited to relationship, date of birth, address, and phones.							
BN13	The system should provide the ability to track survivor coverage.							
BN14	The system should provide Social Security Number (SSN) on all benefit screens for employee, beneficiary or dependent with security allowing only authorized personnel to have visibility to the SSN.							
BN15	The system should provide a master screen including name, address, phone number, date of birth, date of hire, status date, employee identification number, SSN, plan enrollment, etc., with additional screens for plan enrollments.							
BN16	The system should automatically calculate balance due from employee/retiree and create an arrears amount when payroll deduction is less than full amount due.							
BN17	The system should not allow a rehired employee to be automatically enrolled in old benefits.							
BN18	The system should provide the ability to enroll employees in multiple plans with one point of data entry.							
BN19	The system should "pend" online request for changes or updates if participant is required to submit proof/documentation.							
BN20	The system should provide electronic enrollment process with user defined frequencies.							
BN21	The system should allow users to program/configure benefits reports.							
BN22	The system should provide the ability to print benefits statements as needed or on a user defined frequency basis.							
BN23	The system should provide automated notice when employee / retiree / term / beneficiary becomes Medicare eligible.							
BN24	The system should provide mass change process for current and retroactive benefit adjustments.							
BN25	The system should provide the ability to calculate benefit deduction amounts based on user defined table of rates, formulas, and eligibility/coverage rules.							

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**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

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BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
BN26		The system should provide the ability to track benefits costs from employees on leave.							
BN27		The system should provide benefit eligibility tracking by employee group.							
BN28		The system should provide the ability to assign benefit plan codes, deduction codes, and related premiums based on employee groups and employee statuses.							
BN29		The system should provide the ability to track employee's coverage and coverage level based on bargaining unit.							
BN30		The system should provide the ability to track beneficiaries (e.g., for life insurance, final paycheck, retirement contributions).							
BN31		The system should provide the ability to prorate benefits for part-time employees based on user defined formulas.							
BN32		The system should provide the ability to generate automated feeds to vendors for benefit plan billing reports including, but not limited to, the following:							
BN32	1	Employee name.							
BN32	2	Employee social security number.							
BN32	3	Employee date of birth..							
BN32	4	Employee address.							
BN32	5	Employee coverage election.							
BN32	6	Effective date of employee coverage.							
BN32	7	Covered dependents, if applicable for benefit plan.							
BN32	8	Covered dependents' names.							
BN32	9	Relationship of covered dependents.							
BN32	10	Covered dependents dates of birth.							
BN32	11	Covered dependents social security numbers.							
BN32	12	Eligibility status of dependent(s).							
BN32	13	Effective date of each covered dependent's coverage.							
BN32	14	Covered dependents' address if different from employee.							
BN32	15	Covered Retirees participants							

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BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
BN33		The system should provide the ability to create automated feeds to vendors to process updates to benefit plan eligibility and billing on a weekly, biweekly, monthly, quarterly, or annual basis.							
BN34		The system should provide the ability to include all covered individuals in any automated vendor feed including, but not limited to, employees, employees' dependents, retirees, retirees' dependents, COBRA, COBRA beneficiaries, employees on leave, etc.							
BN35		The system should provide the ability to create online benefits information and eligible enrollment options for the employee and/or organization.							
BN36		System should provide the ability to view the following information online including, but not limited to, the following:							
BN36	1	Employee leave balance information.							
BN36	2	Employee benefits enrollment history.							
BN36	3	Employee time record history.							
BN37		The system should provide the ability to capture information on eligible participants who do not normally reside in the HR database (e.g., retirees, retiree beneficiaries).							
BN38		The system should provide the ability to process benefit retirement plan eligibility based on employee groups.							
BN39		The system should provide the ability to track retirement benefit cost by plan and by employee.							
BN40		The system should provide the ability track and query the following, but not limited to, name, identification number and social security number of participant.							
BN41		The system should provide the ability to track employees not eligible to participate in the pension system.							
BN42		The system should provide the ability to track and maintain benefit information and changes in status for retired employees, surviving spouse and dependents that includes, but is not limited to, the following:							
BN42	1	Retirement date							
BN42	2	Date of death							
BN42	3	Type of retirement (e.g service, early, disability)							

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BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
BN42	4	Name, social security number, address, telephone number, and date of birth of beneficiaries both primary and contingent							
BN42	5	Dependent coverage eligibility and expiration dates							
BN42	6	Last day paid updated from payroll system							
BN42	7	Last day worked tied to leave status							
BN42	8	Retire/ rehire status							
BN42	9	Medical coverage provider eligibility and expiration dates							
BN42	10	Medical coverage							
BN43		The system should provide the ability to generate a list of retirees and benefit information.							
BN44		The system should provide the ability to configure and change employee and employer contribution rates for current calculations (e.g., calculation of benefits, eligibility rules, retirement plan, retirement plan eligibility date etc.)							
BN45		The system should provide the ability to configure and change employee and employer contribution rates for retroactive calculations (e.g., calculation of benefits, eligibility rules, retirement plan, retirement plan eligibility date etc.)							
BN46		The system should provide the ability to manage retroactive adjustments to employee data based on retroactives changes to contribution levels, calculation of benefits, etc.							
BN47		The system should provide the ability for the system to update an employee's retirement plan eligibility based on plan rules and the personnel actions processed on the employee's record.							
BN48		The system should provide the ability to generate reporting on a pay period, monthly, quarterly, annual, and fiscal year basis.							
BN49		The system should provide the ability to generate a "Newly Enrolled/Change Report."							
BN50		The system should provide a report of terminated employees with the reason for termination, date of termination, and benefits code.							

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-17**

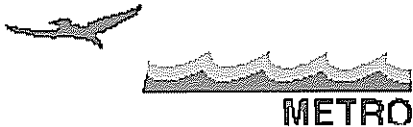
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	FUT	Will be supported in a future release (within 18 months of response date)
	NS	Not supported

BENEFITS			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
BN51		The system should provide participant reports, including but not limited to, enrollment, dependent names and relationships, department name, <b>union affiliation</b> , social security number, etc. that can be generated by individual or group.							
BN52		The system should provide the ability to track employees by hire date, insurance plan, gender, department, and bargaining unit, etc.							
BN53		The system should provide the ability to generate insurance billing reports including, but not limited to, the following:							
BN53	1	type of coverage,							
BN53	2	class code,							
BN53	3	employee name							
BN53	4	amount							
BN53	5	number of insured,							
BN54		The system should provide the ability to generate a Pay Period Insurance Report.							
BN55		The system should provide the ability to generate an Enrollment Report.							
BN56		The system should provide the ability to calculate the premium for life and disability insurance each month based on age, coverage level, salary and waiting period.							

## EXHIBIT - B

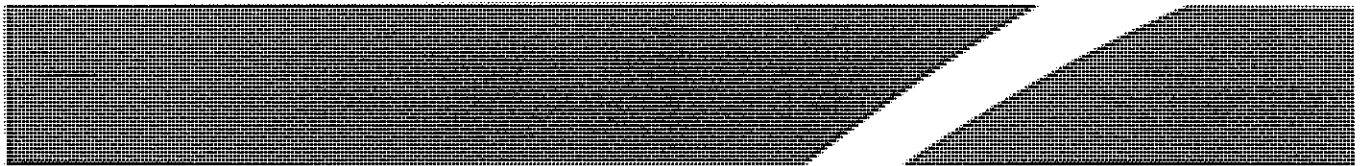


PERPETUAL LICENSE PROPOSAL



# Santa Cruz Metropolitan Transit District

January 27, 2010



**Peter Howley | Regional Account Manager**

Headquarters  
707 Seventeenth Street | Suite 3800  
Denver, Colorado 80202-3438

Local Office  
4 La Hacienda Street  
Watsonville, California 95076  
P | (831) 761-1814  
F | (831) 761-1897  
phowley@spectrumhr.com

 **SPECTRUM**  
Human Resource Systems Corporation







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

(Contractor) SPECTRUM Human Resource Systems Corporation 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;

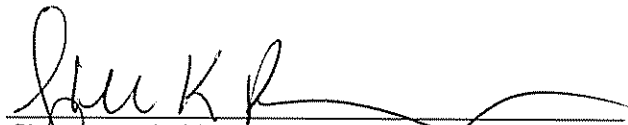
Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public 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) SPECTRUM Human Resource Systems Corporation CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS 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  
Sybil K. Romley, President and CEO

**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," 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 civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Bidder/Offeror certifies or affirms that 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 SPECTRUM Human Resource Systems Corporation

Signature of Authorized Official 

Name and Title of Authorized Official Sybil K. Romley, President and CEO

Date October 30, 2009

**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 America 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.

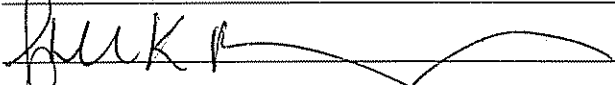
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

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: October 30, 2009  
Signature:   
Company Name: SPECTRUM Human Resource Systems Corporation  
Title: President & 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 49 CFR 661.7.

Date: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## CONTRACTOR DBE INFORMATION

Not Applicable – SPECTRUM is not a certified DBE.

CONTRACTOR'S NAME \_\_\_\_\_ CONTRACTOR'S ADDRESS \_\_\_\_\_  
 DBE GOAL FROM CONTRACT \_\_\_\_\_ % \_\_\_\_\_  
 FED. NO. \_\_\_\_\_  
 COUNTY \_\_\_\_\_ PROPOSAL AMOUNT \$ \_\_\_\_\_  
 AGENCY \_\_\_\_\_ PROPOSAL OPENING DATE \_\_\_\_\_  
 CONTRACT NO. \_\_\_\_\_ DATE OF DBE CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

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

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

Not Applicable – SPECTRUM performs all work in-house and does not utilize sub-contractors.

TOTAL CLAIMED DBE  
 PARTICIPATION \$ \_\_\_\_\_ %

\_\_\_\_\_  
SIGNATURE OF CONTRACTOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
AREA CODE/TELEPHONE

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

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

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

## CONTRACTOR DBE INFORMATION

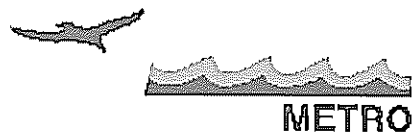
CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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N/A

TOTAL CLAIMED DBE  
PARTICIPATION    \$ \_\_\_\_\_ %

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RFP 10-17  
Human Resource Software Management System

Submitted by  
SPECTRUM Human Resource Systems Corporation  
iVantage version 4.2 Web-based HRIS

Peter Howley  
Regional Account Manager

SPECTRUM Human Resource Systems Corporation  
707 Seventeenth Street | Suite 3800  
Denver, Colorado 80202-3438  
p: 303.592.3274 | f: 303.595.9970  
p: 831.761.1814 | f: 831.761.1897  
[phowley@spectrumhr.com](mailto:phowley@spectrumhr.com)

**The information provided in this RFP is confidential and proprietary to SPECTRUM Human Resource Systems Corporation and has been prepared exclusively for the use of Santa Cruz Metropolitan Transit District.**



January 27, 2010

Lloyd Longnecker  
Purchasing Agent  
Santa Cruz Metropolitan Transit District  
370 Encinal Street, Suite 100  
Santa Cruz, CA 95060

Dear Lloyd:

Thank you for giving SPECTRUM Human Resource Systems Corporation the opportunity to provide METRO with a response to your Request for Proposal for a new HRIS solution RFP 10-17.

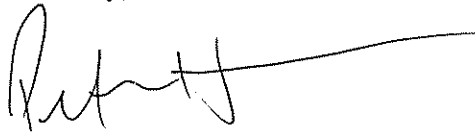
When making a decision as important, and with as much impact, as selecting a new Human Resource Information System, please consider both the short range and strategic advantages of the system, as well as the vendor. Spectrum has supported our clients directly for over 24 years. Spectrum is a vendor with proven stability, financial strength, demonstrated commitment to technological innovation, and the most professional, proactive client/product support capabilities on the market.

It's very important to realize that SPECTRUM products are sold, implemented, and supported exclusively by our employees so that SPECTRUM can control the quality of service our clients have come to expect from us. This exclusivity of partnership between METRO and "Spectrum only" employees ensures consistent communication throughout the entire process from RFP through implementation to your ongoing utilization of and satisfaction with your iVantage HRIS

After you and your evaluation team have had an opportunity to review this RFP response, please do not hesitate to call me with any questions or to take the next step in setting up time to review the iVantage system again.

Thank you again, and I look forward to working with you in the near future.

Sincerely,



Peter Howley  
Regional Account Manager  
SPECTRUM Human Resource Systems Corporation



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## **Section 1. Executive Summary**

Executive management at leading organizations recognizes that having a talented, motivated, and capable workforce is a crucial factor for long-term success. Thus, having HR systems that offer the tools to easily track and report on important employee data while facilitating the management, acquisition, development and retention of talented employees is a critical component of any organization's success.

Since our founding in 1984, SPECTRUM Human Resource Systems Corporation has been a provider of innovative Human Resource Information Systems. SPECTRUM specializes in helping medium to large sized businesses realize a rapid Return on Investment for our solutions by providing HRIS functionality that can be implemented quickly while providing easy to assimilate and highly efficient HRIS processes.

As a Microsoft Gold Level partner, SPECTRUM has grown into a recognized leader in HR solutions that meet the ever-changing needs of forward thinking companies. iVantage, our web-based HRIS, is built using industry-leading Microsoft SQL Server technology. The iVantage product suite is a fully integrated HR system which offers "best of breed" functionality, ease of use, automated workflow processes, management controls, robust security, automated data interfacing, and reporting capabilities that successful organizations demand.

SPECTRUM and our iVantage HRIS can successfully meet the needs of Metro Santa Cruz Transit today as well as the challenges of the future, and we look forward to the opportunity to provide you the best in HR Software and Services.

## Section 2. Company Background & Experience

### Company Information

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#### Overview

Since our founding in 1984, SPECTRUM Human Resource Systems Corporation has emerged as a highly respected, leading provider of software solutions for use in Human Resource management, benefits administration, training management and applicant tracking. Using Microsoft® technology, SPECTRUM-developed systems have been designed to be easy to use, maintain, modify, and integrate with other Microsoft tools such as Microsoft Office and Outlook as well as third party systems such as Payroll and Benefit Providers.

As professionals in the Human Resource field, SPECTRUM takes great pride in offering superior HR Software functionality along with unmatched service and Customer support. SPECTRUM and our iVantage HRIS are consistently selected by leading HR professionals, Executives, and Technical professionals for our superior functionality, ease of use, Customer Support and value.

With a sole focus on maintaining a "best of breed" position in HR systems, SPECTRUM is committed to meeting the needs of the HR organization. Our staff includes a substantial number of individuals with prior HR and HR systems experience who bring a unique breadth and depth of relevant real world HR experience to the solutions we provide our Clients/Partners.

SPECTRUM's standards of excellence demand that we meet your needs in the highest quality manner. We are committed to the highest possible level of professionalism and performance as the basis for creating the confidence that you should expect in a long lasting business relationship with your HRIS vendor. Our mission statement says it clearly, "Create and maintain Client enthusiasm for our products and services."

#### A Few Facts:

- Founded in 1984 by Jim Spoor, Chairman of the Board.
- Headquartered in Denver, Colorado.
- 20 offices throughout the United States.
- Approximately 125 team members, all directly employed by SPECTRUM.
- 50% of SPECTRUM's staff is dedicated to supporting our clients.
- More than 6,000 organizations worldwide in all industries have licensed SPECTRUM's applications.
- For more than 25 years, SPECTRUM's sole focus has been providing HRIS that meets the needs of HR professionals.
- SIIA CODIE Award Winner for "Best HR Software"
- Microsoft Certified Gold Partner – Microsoft's highest level of partnership

### Culture and Leadership

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#### Our Organization

SPECTRUM's high quality products and services are only part of our success story. Even more important are our team members and the culture behind our products and services. The SPECTRUM team is made up of talented, creative, independent-thinking individuals who want to make a difference. Our core values, high standards of integrity, dedication to professional excellence, and commitment to achieving Client enthusiasm are our common hallmark.

SPECTRUM's staff consists of approximately 125 full time employees who can be easily divided into three functions:

- Development (25%)
- Customer Services (50%)
- Administration, Sales and Marketing (25%)

A substantial number of our employees are experienced HR, payroll, benefits and HR system professionals.

The average tenure of staff members at SPECTRUM is almost seven years, a testament to our organization's stability and the value that we place on the long term relationships that we build internally and externally with our Customers.

## Our Executive Staff

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Providing the vision and leadership for the SPECTRUM team is a highly experienced executive team. Many of our executives have been with the company for over 10 years and have more than 20 years of related HR and HRIS experience. No other best of breed HR systems provider has the same depth of knowledge.

Name	Title	Hire Date	HR/HRIS Experience PRIOR To Joining SPECTRUM
Jim Spoor	Founder	1984	25 years in HR
Sybil Romley	President, CEO	1984	2 years in HR
Matt Keittlen	Vice President, COO	1992	5 years in HRIS
Joe Romley	Vice President, General Counsel	1992	2 years in Labor Law
Mark Sherock	Vice President, Controller	1999	
Lori Ericson	Vice President of Product Development	1997	5 years in HR
Matt Flynn	Vice President of Technology	1991	7 years in HR, SPHR Certified

## Our Mission

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"To create and maintain Client enthusiasm for SPECTRUM's human resource management systems and services. "

### Our Priorities, Values and Standards

Achieving Client enthusiasm is the paramount personal commitment and obligation of every SPECTRUM team member, above personal convenience or even short-term profitability, because only through hard work, commitment and dedication can Client enthusiasm and consistent profitability be sustained.

## Financial Viability

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As every investment is scrutinized, the financial stability of your vendors is very important. Your HRIS vendor needs to have a proven track record of profitability and stability to be an organization that you can depend on to support you today as well as in the future.

SPECTRUM is a private, closely held corporation. As such, detailed financial information is not disclosed. However, the company's capitalization has been provided entirely by its founders and through limited bank financing. SPECTRUM operates profitably, generating ample revenues and cash flow to provide for operating expenses, capital expenditures and continued research and development activities to ensure that future product offerings are competitive and functionally rich.

SPECTRUM's five-year plan reflects continued well-managed growth of revenues with respectable profitability. SPECTRUM's strategic plan calls for a combination of internally generated revenue growth, prudent acquisition of competitor organizations, and careful international expansion.

## **Innovation and Customer Input**

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SPECTRUM is a Microsoft Certified Gold Solution Provider Partner, Microsoft's highest level of partnership, and SPECTRUM uses standard Microsoft technology throughout iVantage. The use of standard Microsoft technology means that our systems are easy to use, easy to modify, easy to maintain, and easy to administer using standard technology that most Customers already have in house. Additionally, iVantage has built in links to the Microsoft Office products and email and data can be easily integrated with other systems using industry standard data integration methods.

Innovation is critical to the success of our business as well as to the success of our Customers. SPECTRUM strives to keep our organization and products at the forefront of HRIS innovation. As we look to future iVantage product offerings the iVantage Product Manager along with the SPECTRUM executives and department heads work together with input from Client focus groups, Customer requests, support logs, Users Groups, HR Industry Groups and the HRIS market to define the content of future iVantage releases. SPECTRUM continually monitors trends in the HRIS marketplace as well as technological innovation and government compliance requirements, and our executives are board members of local and national HR Industry Groups and frequent contributors to HR conferences and publications.

SPECTRUM provides frequent and regular contacts with our Customers to help disseminate best practices for using iVantage. SPECTRUM provides a Customer Newsletter, online Customer Area, National Users Groups, and monthly web seminars on specific topics in HR and how to use iVantage for those processes (e.g. Open Enrollment, Performance Management, etc.). Our Client Advocate reaches out to Customers on a regular basis to check in on how Customers are doing, and our Professional Services, Support, and Sales staff are available resources to assist Customers in getting the most out of our products and services.

## Section 3. Project Understanding

The SPECTRUM iVantage HRIS will provide software tools to enable METRO and its Human Resources department to perform its critical HR tasks and strategic HR functions with a high level of efficiency and effectiveness.

iVantage is very easy to use and takes advantage of the best in Internet and Microsoft technology. iVantage provides powerful analysis tools, automated workflow processes, and secure Employee and Manager Self Service capabilities that enable Human Resources to go beyond record keeping to providing the process efficiencies and decision support needed to make your organization as efficient, effective and successful as possible.

The SPECTRUM iVantage HRIS will help facilitate improved processes in the following areas:

- Increased Core HR Efficiency and Accuracy
- User-Friendly Benefits Enrollment
- Improved Reporting Capabilities
- Increased Talent Management Capabilities
- Improved Training Administration/Tracking and Reporting
- Labor Relations
- Benefits Management
- Pay Rate Tracking and Reporting
- Personnel Management
- Training history
- Recruitment
- Applicant Tracking / Online Job Apps
- EEO information
- Workers Compensation data/history
- Employee Evaluation Tracking
- Email and Letter Templates
- Leave Management

In addition, the iVantage online Self Service functionality will help facilitate the following:

- Benefits Sign-up and Management
- Employee and Manager Self-Service
- Online applications

### Data Conversion

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A standard part of any iVantage implementation is a data conversion to populate iVantage with data from your current systems. A major portion of this task is data validation and cleanup to make sure that the data that is imported into iVantage is reliable. Data that will be converted can include, but is not limited to, the following:

- Benefits data from the Current fiscal/calendar year
- Applicant Tracking data for the last six years
- Personnel Administration current and historical data
- Position Control data
- EEO data

### Reporting

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iVantage provides over 250 standard reports (Crystal Reports, Business Objects™ XI) that cover all areas of the system. iVantage User Security applies to reporting. You can use the standard reports as is, or as a starting point for modifications to meet your specific business reporting needs. Standard reporting areas include:

- Compensation Analysis
- Benefit Statements
- Performance and Pay Distribution
- Government Compliance including the EEO 1, 4, 6, EO Survey, OSHA 300, 301, Vet 100, and I-9
- Candidate Search and Applicant Profile
- Employee Profile
- Turnover Analysis
- PTO and Leave analysis

In addition to the standard reports, iVantage makes it easy to get information from your HR data in the system. Additional iVantage analysis tools include:

- **iVantage Query:** This English language query report writer allows you to get answers fast. Simple questions such as "How many active employees?" or "Show me all employees hired since June" give you immediate information.
- **iVantage Analysis:** For all of your metrics and analytical needs, these pivot tables or OLAP cubes with dynamic graphs give you instant access to summary data. With a click of a button, the data can be exported to Excel.
- **Ad Hoc:** Every company has its own unique reporting requirement and with Crystal Ad Hoc, you can create custom, presentation quality reports using any of the data in iVantage.

Finally, iVantage reports and analyses can be easily exported to standard formats such as Excel, Word, PDF, etc.

## Interfaces

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iVantage can be interfaced with any software system that can share data using a standard format. Data can be exported or imported depending upon your interface requirements. iVantage can interface data using web services, file transfer interfaces, or database to database connectivity depending upon the interface requirements of the other interfacing system.

Sample interface capabilities include:

- An Interface which allows 3rd party system access to employee rosters which include employee login ID, job class, job title, organization number, and various other integer fields.
- Comma Separated Variable ( csv) import/export
- Real-time output of selected fields to HASTUS 2009
- Bi-directional data transfer of selected fields to/from Assure ID 2009 for ID Badge printing.
- Linking a separate employee ID clock field with your timekeeping system, TimeForce from Qquest
- Data upload/download to METRO's Inter- and Intranet sites.
- Payroll Interfacing
- Benefit Carrier Interfacing



## Section 4. Project and Organizational Staffing

### Project Team

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The SPECTRUM Professional Services department works with Customers to implement iVantage. The Professional Services staff typically have at least five years experience in HRIS implementations and additional backgrounds in HR, HRIS, Payroll, Technology, Programming and the like. Unlike many HRIS vendors, SPECTRUM uses only employees to provide the critical services our Customers need including Implementation, Training, Support and even Sales. Using only employees rather than third party VARS allows SPECTRUM to maintain the highest levels of product knowledge and expertise, professionalism, and accountability.

The Project team for the iVantage implementation at METRO will consist of up to five SPECTRUM Professional Services Staff as follows:

- Professional Services Project Lead/Project Manager – Works with Customers and the other SPECTRUM team members throughout the implementation and “life of the Product” to define and refine implementation tasks and phases and to make sure that iVantage is implemented to meet your expectations, on time, and within budget. Over 97% of our implementations come in at or under our projected costs.
- Professional Services Interface Developer – Works with Customers and the other SPECTRUM team members to define the specifications for interfaces as well as designing and testing the interfaces.
- Professional Services Customization Developer – If your needs require system customizations beyond the abilities of the iVantage front end Tailoring Tools the Customization Developer will work with the team to define the specifications for customizations as well as designing and testing the customizations.
- Professional Services Manager – The PS Manager works with the Project Lead to make sure the project is keeping to schedule and expectations. The PS Manager is an available resource for any questions or to allocate additional resources as needed throughout the implementation.
- Professionals Services Regional Director – The PS Director typically works with a Customer and the SPECTRUM Sales staff to define the entire Implementation Services Scope of Work as part of the presales process. It is this presales Services Scope document that is used to define the initial project phases and tasks that SPECTRUM will perform to implement iVantage. The PS Director is responsible for all implementations in a given region of the country and has detailed knowledge of all the implementations and as such can allocate resources as needed to any implementation.

## Section 5. Project Work Plan and Schedule

### Proven Implementation Methodology

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SPECTRUM's proven methodology has resulted in over 6000 successful system implementations. We demonstrate our commitment to client enthusiasm through the amount of time and effort we have dedicated to perfecting our implementation model.

Working side-by-side with our implementation experts, you play a critical part in ensuring your system operates properly with your business rules and processes. Our knowledgeable staff guides you through the entire process — ensuring common obstacles are avoided during the technology implementation.

The first step to this proven methodology begins with setting the right expectations during the sales cycle. Your Account Manager and one of our Professional Services Directors listen closely to your needs to develop a scope document. This scope document outlines the key areas of the system that you will use and provides an estimate of the level of effort involved in implementing your iVantage® system. Because we invest the time up front, we are able to deliver 97% of our implementations at or under estimate.

Once you license iVantage, a formal transition from Sales to Services happens in the form of a kick-off call. During this call, we review the HR and business reasons for purchasing iVantage and any critical dates that you want to meet. We introduce you to your Professional Services Project Manager, and we schedule your Project Planning Visit.

If you are hosting the system at your offices, you will need to install the software prior to the project planning visit. Because iVantage is delivered on a DVD with an installation wizard, our clients are usually able to complete this step on their own. If you have any questions, or need assistance, our product support staff is available to help you through this process.

During the Project Planning Visit, typically a three day visit, our teams agree on the tasks that need to be completed for a timely implementation, free of obstacles. A thorough review of the scope document ensures proper expectations are continuing to be set. Your Professional Services Manager will ask a lot of questions and may request supporting documentation. Much of this is outlined in our Implementation Workbook so you can prepare prior to the visit. The result of this meeting is a solid project timeline and plan with all tasks, responsible parties and dates clearly identified and agreed upon.

With a solid plan in place the implementation goes very smoothly. Since each client is different, each plan is tailored to their situation. A typical implementation includes the following tasks:

#### **Data Conversion**

There is no need for manual data entry if you have the information stored electronically or housed in multiple systems. We have a proven process for converting data, and depending on your system, may already have a template. The most common sources are payroll systems and Legacy HR systems.

#### **Benefit Implementation**

Your representative reviews your benefit plans and works with you to set up your eligibility rules, premium calculations, and employee/employer contributions for your health and welfare benefits.

#### **System Tailoring**

Since no two companies are alike, we can tailor iVantage to fit your business needs. Your Professional Services Manager works with you to make any unique system modifications. These modifications include adding new forms, fields and reports. The possibilities are endless in iVantage. Your system expert helps to ensure everything you need is supported by your HRIS.

#### **Payroll Interface**

Since 1984, SPECTRUM has helped thousands of companies interface their human resource information systems to their payroll providers. While we offer standard interfaces to most payroll service bureaus, there are always changes that need to be made. We help you implement and test your interfaces.

The iVantage implementation is typically divided into two phases:

- Phase 1:
  - Implementing Core HR functionality
  - Data conversion
  - Benefits implementation
  - Link Module implementation (interfacing to payroll)
- Phase 2:
  - Implementing other "non-core" HR Functionality
  - Other Module Implementation and Self-service
    - Training and Development Module
    - Manager Self-Service
    - Connect (employee and applicant self-service) Module
  - Other 3<sup>rd</sup> party interfaces

SPECTRUM provides an Implementation Guide with your iVantage system which outlines the tasks typically associated with an HRIS implementation. The following is an example of a high-level implementation timeline for iVantage.

Week(s)	Tasks	Resources
	Purchase iVantage	CLIENT:
1	Kick-off Call Introduce implementation team members, exchange contact information, and establish dates	CLIENT: Project Manager, SysAdmin(s) SPECTRUM: PS, Training
2	<u>Installation &amp; Testing</u> Install software in your environment	CLIENT: SysAdmins
1-3	Phase I Planning Your assigned Client Services consultant formalizes plan with your team	CLIENT: SysAdmins SPECTRUM: PS
3-4	<u>Research</u> Perform fact-finding for data sources, workflows, etc.	CLIENT: SysAdmins & Users
4	Training System Administrators attend 3 day iVantage Level I training class in Denver	CLIENT: SysAdmins SPECTRUM: Trainer
6-8	<u>Implementation Visit</u> 3 Days on site	CLIENT: SysAdmin & Users SPECTRUM: PS
8-9	<u>Specifications</u> Cost estimates for data conversion and system customizations	SPECTRUM: PS
10	<u>Approval</u> Sign off on specifications and finalize your project plan	SPECTRUM: PS
11-12	Test Conversion SPECTRUM converts preliminary data files and finalizes customizations	CLIENT: IT SPECTRUM: PS
12-13	Install & Review Install and verify test data, and test customizations	CLIENT: SysAdmin & Users
13-14	<u>Live Conversion</u> SPECTRUM converts final data files	CLIENT: IT SPECTRUM: PS
15-16	<u>Install &amp; Review</u> Receive, install, and verify live system data on network	CLIENT: IT, SysAdmin & Users
16+	Phase II Planning Implementation of interfaces to payroll system and/or other applications, Employee and Manager Self Service	CLIENT: SysAdmin, Payroll & HR SPECTRUM: PS

## Section 6. System Description & Functionality

### Product Overview

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Everyone's world increasingly revolves around the Web. Online, real time access to information anywhere and anytime is the new standard. SPECTRUM's iVantage product brings you unequaled integration of HR knowledge, industry experience and technology to improve your utilization of human capital and achieve improved organizational effectiveness. No matter where your people — line managers, executives, and your HR department — are located, they can now have access to the data they need. With iVantage, you can put data access and responsibility for upkeep at the closest point to the people using the information.

iVantage will enable **METRO** to better manage your organization's critical HR and workforce management functions, including:

- Applicant Self-Service
- Compensation Management
- Benefits Administration
- Performance Management
- Employee Development
- Staffing and Recruitment
- Employee and Manager Self Service
- Time and Attendance, including timesheets
- Position Control and Budgeting
- Health and Safety

In addition to the functionality listed above, iVantage also provides you with over 250 standard reports. You can use the standard reports as is, or as a starting point for modifications and customizations to meet **METRO** specific business reporting needs, including:

- Compensation Analysis
- Benefit Statements
- Performance and Pay Distribution
- Government Compliance including the EEO 1, 4, 6, EO Survey, OSHA 300, 301, Vet 100, and I-9
- Candidate Search and Applicant Profile
- Employee Profile
- Turnover Analysis
- Position FTE Variance

In addition to the standard reports, iVantage makes it easy to get information. Our report writers include:

- **iVantage Query:** This English language query report writer allows you to get answers fast. Simple questions such as "How many active employees?" or "Show me all employees hired since June" give you immediate information.
- **iVantage Analysis:** For all of your metrics and analytical needs, these OLAP cubes with dynamic graphs give you instant access to summary data. With a click of a button, the data can be exported to Excel.
- **Ad Hoc:** Every company has its own unique reporting requirement and with Ad Hoc, you can create custom, presentation quality reports using any of the data in iVantage.

Finally, iVantage can be easily interfaced to your existing payroll provider. This eliminates the issue of duplicate data entry without tying your HR system to the payroll provider. If Payroll changes systems in the future, your HRIS is safe as iVantage will walk wherever you walk, eliminating re-investment of HRIS dollars for another HRIS and eliminating re-investment of time to learn another HRIS.

## **Manager Self-Service**

Manager self-service reduces paperwork, streamlines tasks and improves workflow processes. With controlled access to specific HR data for the employees in their department, such as salary, performance review history and career goals, managers can make more informed decisions. HR administrators can choose the information managers can view, edit or approve without giving them access to the entire system.

## **Employee and Applicant Self-Service**

The self-service features in iVantage Connect can help you manage your workforce by empowering employees and applicants with controlled access to the data elements you want them to view or maintain.

Self-service improves corporate communications and uses resources more effectively by enabling applicants, employees and managers to access information without having to take time from HR, and thus improving overall company efficiency.

Applicants can use self-service to fill out a profile, upload a resume and samples of their work, and search for and apply for jobs—all online. They can also see the qualifications you set for each position, including education, work experience and proficiency levels in specific competencies and other aspects of the position.

Connect is a dynamic HR communications portal where employees can access information ranging from benefits to compensation to succession planning, reducing the number of phone calls and e-mails to HR and eliminating the use of paper forms. Connect gives employees a sense of ownership over their own information and enables HR to administer and add content to the HR site without IT support.

iVantage self-service allows your employees to facilitate the onboarding process. iVantage Connect enables you to automate many tasks associated with onboarding. HR can put data-entry into the hands of new employees and give them a sense of ownership over their personal information.

Companies can use Connect to design customized performance-management programs that are completely online, paperless, efficient, comprehensive and easy to use. HR personnel can create standard performance review questions, while managers can add custom questions for their departments.

Security controls the parties involved in a review and the data they can access as part of the review, such as previous reviews, training, and discipline history. They can then complete questions online, greatly speeding up the process and making it much easier for HR.

In iVantage, Training administrators can set up courses—class times, facilities, costs and trainers—then offer registration for the courses through iVantage self-service. Employees can view training courses, make their own development plans towards specific career goals and sign themselves up for courses to help them get where they want to go.

With superior reporting and analysis features including over 250 standard reports, HR and managers can compile lists of staff with specific qualifications, competencies, behaviors and personal career goals for needs assessment and succession planning.

Employees can take an active role in their own career development by viewing jobs they would like and the requirements necessary for that job, setting goals for obtaining those requirements and nominating themselves for the position when they're ready.

## **Workflow Routing**

With a fully integrated HRIS—like iVantage®—as the single source of truth for HR, it is easy to simplify administrative tasks, improve communications and automate processes. This can be accomplished using iVantage's Workflow Routing and Alerts.

Workflow Routing enables the appropriate people in your organization to receive, review or approve requests for changes to data or notifications directly from iVantage.

Examples of iVantage Workflow Routings include routings for things like:

- √ Performance reviews
- √ Personnel action notices
- √ Requisitions
- √ Applicants
- √ New hires and terminations
- √ Training and enrollment requests
- √ Salary planning
- √ Time-off requests

### **Routing & Approval Process**

Workflow Routing is a simple four-part process.

- **Workflow Creation**—HR, a manager or an employee makes a request using an iVantage step by step task.
- **Routing & Processing**—iVantage notifies recipients via e-mail that they need to perform an action related to a specific request—review, approve or deny
- **Status Tracking & Notification**—While iVantage routes requests through the appropriate channel, the originating party receives a notification. iVantage automatically stores a record of the actions taken on the requests
- **Finalization & Confirmation**—Once the appropriate parties approve the request, iVantage processes the changes and forwards a confirmation to the originator. Data changes are made in the database with the effective date as specified in the original request. Changes flow to other systems such as payroll as of the effective date for the change.

### **Alerts**

Alerts are e-mail reminders for HR, managers or employees about key events triggered by any date field in the system—employees' birthdays, anniversaries, upcoming performance reviews, etc

Use Alerts as reminders for such things as:

- √ Performance reviews
- √ Benefits eligibility
- √ Received or reviewed applicant or candidate information
- √ FMLA leave balances approaching zero or FMLA expected return dates
- √ Visa expirations
- √ Birthdays and anniversaries
- √ Certifications and renewals

### **Additional Features & Benefits**

Use Workflow Routing and Alerts for more than simplifying administrative tasks and automating processes and communications—

- √ Create conditional routings that match your business processes
- √ Require electronic signatures
- √ Use alerts as a more effective and reliable alternative to memos and voice messages—they are automated and tracked
- √ Set up alerts for one or more intervals and before and/or after an event
- √ Use alerts to replace many date-driven reports such as upcoming performance reviews, upcoming service awards, etc

# Technical Information

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## Scalability

Since iVantage uses standard Microsoft SQL, the database is robust, flexible and scalable. iVantage Customers range in size from as small as 50 employees to over 50,000 with the majority of our Customers in the 200 to 2,500 employee range

As appropriate, SPECTRUM Network Services and Product Support and Education staff are available to work with Customers to help define appropriate hardware/software infrastructure based on your company size and proposed use of iVantage

## Security

We developed the iVantage HRIS with security as a top priority. We filled it with protective features and had the system independently tested to ensure that it protects your data from unauthorized access and malicious attacks

iVantage underwent a series of tests from Security Innovations, Inc., a leading independent application security service company. iVantage successfully resisted all website and business model attacks, and successfully passed all functional security tests.

Other tests included—

- √ Authenticated access—iVantage enables applicants, employees, employee-administrators and site administrators to log on securely
- √ Authorized access—iVantage enables access control to applicant features, employee user features, administrative features and iVantage base product features
- √ Protection of sensitive data integrity—iVantage protects against unauthorized access to credentials and confidential information
- √ Protection of data integrity—iVantage protects general information and prevents tampering with the user database

## Safe Traffic across the Internet

As more and more businesses come to rely on the Internet for critical communications, keeping data safe during transit is a top concern. Because iVantage uses standard Microsoft technologies, clients have a number of security options available to them, from basic SSL encryption to certificates or two-factor techniques.

## The Right Access to the Right People

Each authorized individual receives a user account in a specific security role and row-level security group. To successfully log on to iVantage, each user must enter their account name and password, which the company can configure to require a specific length and include numbers, letters and special characters, greatly enhancing security.

"Permissions" are the privileges users have in iVantage, or the tasks they can perform, such as viewing, creating or deleting records. With iVantage, HR personnel control what privileges each user has by assigning them a role, which has certain permissions. Each role, such as Employee, Manager or Admin, has different permissions appropriate to the position.

HR can further specify permissions by defining the rows each user can access. In essence, while a user may have a key to the room in which files are stored, they may need an additional key to access the various file folders within that room. For example, a manager may only access their direct reports, or a data entry clerk may only view records in a certain location. As examples, a Manager user may view all information on their direct reports, or a Benefits user may view, add or change benefit information for all employees.

## **SPECTRUM's Hosted Services**

### **Co-Location Facility**

SPECTRUM uses only tier-one co-location facilities, which are physically protected by state-of-the-art security—

- Photo ID cards
- Biometric facility entry
- Access by SPECTRUM Hosted Services staff only
- Locked cabinets

SPECTRUM'S co-location provider, Level3 Communications, has a worldwide network and state-of-the-art co-location facilities. The Level3 network carries traffic for some of the world's largest and most sophisticated networks, including 19 of the world's 20 largest telecom carriers, nine of the top 10 U.S. ISPs, the top five U.S. wireless service providers and nine of the top 10 U.S. cable providers. Level3 staff monitors and manages traffic 24 hours per day, 365 days per year.

When clients host their iVantage system with SPECTRUM, we provide the hardware, software, backups, maintenance, monitoring and security. Clients need only an Internet connection and browser along with appropriate iVantage security credentials to use the system.

SPECTRUM employs a "defense-in-depth" strategy for protecting customer data, using industry-standard best practices and procedures—

- √ Traffic Filtering—only appropriate traffic through the first network perimeter
- √ Enterprise-Class Firewalls—industry-standard, redundant firewalls
- √ Encryption—all customer web sessions encrypted via 128-bit SSL
- √ Traffic Inspection—application-layer protocols ensuring traffic conforms to RFC standards
- √ Access Security—additional security clients can choose
  - Location-Based Access—restriction of traffic based on IP address for clients with static IP locations
  - Two-Factor Authentication—custom certificates for user workstations in addition to user name and password.

## **Architecture**

iVantage is fully scalable and supports deployment on multiple servers to meet the demands of any installation. It is extensible through a standard toolset that comes with the product, as well as through multiple interfaces available to program against.

iVantage is available for Customers to host themselves or via SaaS or SPECTRUM hosted installations. The iVantage technical specifications are on a following page and in brief below:

- Microsoft SQL Server® 2005
- IIS 5.0 or IIS 6.0
- Microsoft Windows® Server 2000 or 2003
- .NET
- Business Objects XI





## Operating Environment for Single Server – Self Hosted Environment

### Server Requirements

#### Minimum Hardware Requirements

- Server class computer with a Pentium® III processor<sup>1</sup> or higher
- 1 GB RAM (2 GB Recommended)
- Approximately 30-35 KB of free hard disk space per employee record<sup>2</sup>
- 200 MB of free hard disk space for iVantage system files
- DVD-Rom drive available from any computer for installation process
- Appropriate backup software and hardware

#### Software Requirements

- Microsoft Windows® 2000 Server Service Pack 4\*\* or Windows Server 2003 Service Pack 2<sup>3</sup> or Windows Server 2003 R2 SP2<sup>3</sup>
- Microsoft® IIS 5.0\*\*<sup>4</sup> (included in the Microsoft Windows® 2000 Server Installation) or IIS 6.0 for Windows Server 2003
- Microsoft® Internet Explorer\*\* 6.0 Service Pack 2 or 7.0
- Microsoft® SQL Server™ 2005 Standard Service Pack 2<sup>5</sup>
- Mixed mode authentication (Windows Authentication and SQL Server Authentication only)
- Case-insensitive SQL Collation (sort order) only
- Microsoft® SQL Server™ 2005 Analysis Services\*\* Service Pack 2
- Business Objects XI R2 (Included with iVantage)<sup>5</sup>
- Business Objects XI R2 Critical Hot Fix
- Microsoft® .Net Framework Version 1.1 Service Pack 1
- Microsoft® SQL XML 3.0 Service Pack 3

#### Configuration Notes

iVantage 4.2 supports SQL Server Authentication and/or Windows Authentication depending on Server and Network configuration

#### Foot Notes

<sup>1</sup>Third party software required on the server may have requirements in addition to and separate from those listed above. In order to take advantage of these third party products, additional configurations to your environment may be necessary. Such configurations may or may not affect security. Please refer to the individual product technical specifications for more information.

- 1 Depending on the size of your organization, the features you implement and third party software running on the server, you may need to consider upgrading to a PC with dual (2) Pentium III processors.
- 2 Depending on the number of history records and features used, such as attachments or photos, an additional 756kb of hard drive space may be needed per employee record.
- 3 32-bit version only supported.
- 4 In IIS 5.0 an application protection setting of "High (Isolated)" recommended on the iVantage Virtual Directory. In IIS 6.0 it is recommended to put the iVantage application in it's own application pool.
- 5 The use of Business Objects XI R2 requires additional ports to be opened on the server. Please refer to the Install Guide for further information.

## Workstation Requirements

### Minimum Workstation Hardware Requirements

- PC with a Pentium® III or higher processor
- 512 MB RAM
- 6 MB free hard disk space for downloaded components
- Microsoft® Mouse or other compatible pointing device
- Monitor capable of 1024 x 768 minimum resolution

### Workstation Software Requirements

- Windows® XP Professional Service Pack 2 or Windows Vista Service Pack 1
- Microsoft® Internet Explorer 6.0 Service Pack 2, 7.0
- Microsoft® Excel 2003, Excel XP, or Excel 2000
- MSAC 2.6 Service Pack 2

During your 1st logon, your browser will automatically receive the following components:

- Sheridan Grid Control
- SPECTRUM Remote Data Control
- Internet Explorer Popup Menu Control
- Crystal Smart Viewer

#### Optional:

- Crystal Reports® 11.0 Professional Service Pack 3

### Configuration Notes

When dealing with network connections across the Internet, remote clients may see access performance vary based on the following items: modem speed, available PC memory, phone line connections, Internet congestion, ISP congestion, ISP speed, bandwidth, Local Area Network traffic, PC processor, server processor, server memory, etc.

SPECTRUM representatives can only provide remote support using DesktopStreaming™. This tool requires one small download at the beginning of each support session.

#### Note:

Please contact SPECTRUM prior to accepting any non-security related "automatic updates" for your Microsoft software on the server or workstation to ensure that your iVantage system is compatible with the update.

## iVantage Connect 4.2

### Server Hardware Requirements

- Refer to your iVantage 4.2 Hardware Requirements

### Server Software Requirements (In addition to the requirements for iVantage 4.2)

- Microsoft Visual Studio .Net 2003<sup>1</sup>

### Workstation Hardware Requirements

- PC with a Pentium II or higher processor
- 128 MB RAM recommended
- Microsoft Mouse or other compatible pointing device
- Monitor capable of 1024x768 minimum resolution

### Workstation Software Requirements (Independent of requirements for iVantage 4.2)

- Windows® XP Professional Service Pack 2 or Windows Vista Service Pack 1

#### Supported browsers:

- Internet Explorer 5.5, 5.5 Service Pack 1, or 5.5 Service Pack 2
- Internet Explorer 6.0, 6.0 Service Pack 1 or 6.0 Service Pack 2
- Internet Explorer 7.0
- Mozilla Firefox™ 1.5.0.1, 1.5.0.6, 2.0.0.4, 2.0.0.11

#### Mobile Devices

Please contact SPECTRUM for a current list of supported mobile device types.

#### Foot Notes

<sup>1</sup> Required for the ability to customize iVantage Connect. Check Microsoft recommendations for computer hardware requirements.



## Operating Environment for Split Server – Self Hosted Environment

### Server Requirements

#### Minimum SQL Server Requirements

- Server class computer with a Pentium® III processor<sup>1</sup> or higher
- 1 GB RAM
- Approximately 30-35 KB of free hard disk space per employee record<sup>2</sup>
- DVD-Rom drive available from any computer for installation process
- Appropriate backup software and hardware
- Microsoft® Windows® 2000 Server Service Pack 4\*\* or Windows Server 2003 Service Pack 2<sup>3</sup> or Windows Server 2003 R2 SP2<sup>3</sup>
- Microsoft® SQL Server™ Standard Edition 2005 Service Pack 2<sup>4</sup>
- Microsoft® SQL Server™ 2005 Analysis Services\*\* Service Pack 2

#### Minimum Internet Information Server (IIS) Requirements

- Server class computer with a Pentium® III processor<sup>1</sup>
- 1 GB RAM (2 GB Recommended)
- 800 MB of free hard disk space for iVantage system files
- DVD-ROM drive available from any computer for installation process
- Microsoft® Windows® 2000 Server Service Pack 4\*\* or Windows Server 2003 Service Pack 2<sup>3</sup> or Windows Server 2003 R2 SP2<sup>3</sup>
- Microsoft® IIS 5.0\*\* (included in the Microsoft Windows® 2000 Server Installation)<sup>4</sup> or IIS 6.0 for Windows Server 2003
- Microsoft® Internet Explorer\*\* 6.0 Service Pack 2 or 7.0
- Microsoft® SQL Server™ Client Tools\*\* found on the Microsoft® SQL Server™ 2005 DVD<sup>5</sup>
- Business Objects XI R2 (Included with iVantage)<sup>5</sup>
- Business Objects XI R2 Critical Hot Fix
- Microsoft® .Net Framework Version 1.1 Service Pack 1
- Microsoft® SQL XML 3.0 Service Pack 3

#### Configuration Notes

iVantage 4.2 supports SQL Server Authentication and/or Windows Authentication depending on Server and Network configuration

#### Foot Notes

<sup>1</sup> Third party software required on the server may have requirements in addition to and separate from those listed above. In order to take advantage of these third party products, additional configurations to your environment may be necessary. Such configurations may or may not affect security. Please refer to the individual product technical specifications for more information.

<sup>2</sup> Depending on the size of your organization, the features you implement and third party software running on the server, you may need to consider upgrading to a PC with dual (2) Pentium III processors.

<sup>3</sup> Depending on the number of history records and features used, such as attachments or photos, an additional 766kb of hard drive space may be needed per employee record.

<sup>4</sup> 32-bit version only supported.

<sup>5</sup> In IIS 5.0 an Application Protection setting of "High (Isolated)" recommended on the iVantage Virtual Directory. In IIS 6.0 it is recommended to put the iVantage application in it's own application pool.

<sup>6</sup> The use of Business Objects XI R2 requires additional ports to be opened on the server. Please refer to the Install Guide for further information.

## Workstation Requirements

### Minimum Workstation Hardware Requirements

- PC with a Pentium® III or higher processor
- 512 MB RAM
- 6 MB free hard disk space for downloaded components
- Microsoft® Mouse or other compatible pointing device
- Monitor capable of 1024 x 768 minimum resolution

### Workstation Software Requirements

- Windows® XP Professional Service Pack 2 or Windows Vista Service Pack 1
- Microsoft® Internet Explorer 6.0 Service Pack 2 or 7.0
- Microsoft® Excel 2003, Excel XP, or Excel 2000
- MDAC 2.8 Service Pack 2

During your 1st logon, your browser will automatically receive the following components:

- Sheridan Grid Control
- SPECTRUM Remote Data Control
- Internet Explorer Popup Menu Control
- Crystal Smart Viewer

### Optional:

- Crystal Reports 11.0 Professional Service Pack 3

### Configuration Notes

When dealing with network connections across the Internet, remote clients may see access performance vary based on the following items: modem speed, available PC memory, phone line connections, Internet congestion, ISP congestion, ISP speed, bandwidth, Local Area Network traffic, PC processor, server processor, server memory, etc.

SPECTRUM representatives can only provide remote support using DesktopStreaming™. This tool requires one small download at the beginning of each support session.

Note: Please contact SPECTRUM prior to accepting any "automatic non-security related updates" for your Microsoft software on the server or workstation to ensure that your iVantage system is compatible with the update.

## iVantage Connect 4.2

### SQL Server Hardware Requirements

- Refer to your iVantage 4.2 Hardware Requirements

### SQL Server Software Requirements

- Refer to your iVantage 4.2 Software Requirements

### IIS Server Hardware Requirements

- Refer to your iVantage 4.2 Hardware Requirements

### IIS Server Software Requirements (In addition to the requirements for iVantage 4.2)

- Microsoft Visual Studio .Net 2003®

### Workstation Hardware Requirements

- PC with a Pentium II or higher processor
- 128 MB RAM recommended
- Microsoft Mouse or other compatible pointing device
- Monitor capable of 1024 x 768 minimum resolution

### Workstation Software Requirements (Independent of requirements for iVantage 4.2)

- Windows® XP Professional Service Pack 2 or Windows Vista Service Pack 1

### Supported Browsers

- Internet Explorer 5.5, 5.5 Service Pack 1, or 5.5 Service Pack 2
- Internet Explorer 6.0, 6.0 Service Pack 1, or 6.0 Service Pack 2
- Internet Explorer 7.0
- Mozilla Firefox™ 1.5.0.1, 1.5.0.6, 2.0.0.4, 2.0.0.11

### Mobile Devices

Please contact SPECTRUM for a current list of supported mobile device types.

### Foot Notes

1 Required for the ability to customize iVantage Connect. Check Microsoft recommendations for computer hardware requirements.

## Detailed Functional Description

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Please refer to Attachment A.

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-08**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an X in the appropriate column for each criterion. The X's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

PERSONNEL			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
PA1		The system should provide the ability to maintain individual employee data for the following, but not limited to:							
PA1	1	Date of hire.	X						
PA1	2	Date of rehire.	X						
PA1	3	New: Alternate First Name	x						
PA1	4	First name.	X						
PA1	5	Middle initial.	X						
PA1	6	Last name.	X						
PA1	7	Former last name.	X						
PA1	8	Social Security Number (SSN).	X						
PA1	9	Employee Number	X						
PA1	10	Date of birth.	X						
PA1	11	Gender.	X						
PA1	12	Primary address.	X						
PA1	13	Secondary address.	X						
PA1	14	Mailing address.	X						
PA1	15	Primary phone number.	X						
PA1	16	Mobile phone number.	X						
PA1	17	Emergency contact information.	X						
PA1	18	Employee Status.	X						
PA1	19	Current job title.	X						
PA1	20	Current assigned position.	X						
PA1	21	Current assigned FTE value.	X						
PA1	22	Current rate of pay.	X						
PA1	23	Alternate rate of pay.	X						
PA1	24	Current Supervisor or Manager.	X						
PA1	25	Current department(s), including ability to maintain multiple departments for an employee.	X						
PA1	26	Current union/bargaining unit/employee association affiliation at the rate class level rather than individual level.		X					
PA1	27	Length of service from date of hire.	X						
PA1	28	Languages and proficiency	X						
PA1	29	Out of state residences.	X						
PA1	30	Performance evaluation schedule.	X						
PA1	31	Next performance evaluation date.	X						
PA1	32	Disciplinary actions.	X						
PA1	33	History of disciplinary actions within user defined parameters.	X						
PA1	34	Seniority status and/or ranking based on user defined criteria per employee or employee group.		X					
PA1	35	Seniority credit based on user defined criteria per employee or employee group.		X					
PA1	36	Visa Status.	X						
PA1	37	Driver's License Number and expiration date if required by position.	X						
PA1	38	Pre-defined reason codes for employee separation.	X						
PA1	39	User-defined reason codes for employee separation.	X						
PA1	40	Length of time in position(s) and organizational unit(s).	X						

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PERSONNEL			RATING RESPONSE					ADDITIONAL COMMENTS	
			SUP	MOD	3RD	CST	FUT	NS	
PA1	41	All related data to positions occupied other than primary position of employee.	X						
PA1	42	Home and Work e-mail addresses	X						
PA1	43	The system should provide robust processing functionality for the management of employee's employment cycle from hire to separation.	X						
PA2		The system should maintain transactional history for current and former employees for a specified time period.	X						
PA3		The system should provide the ability to access and report on employees' transactional history.	X						
PA4		The system should provide the ability to manually assign or automatically generate an employee/applicant/retiree number.	X						
PA5		The system should provide the ability to allow rehired employees to use their previous employee ID based on the organization's defined criteria and identify the applicant as a former employee using their former number.	X						
PA6		The system should provide the ability to configure manager self service tools via the organization's intranet or via an Internet portal.	X						
PA7		The system should provide the ability to create paperless workflows for personnel transactions and authorizations.	X						
PA8		The system should provide the ability to create evaluations forms and process forms electronically with full update to the employee's HR	X						
PA9		The system should provide the ability to create performance evaluations based on a position's current job description and user defined criteria.	X						
PA10		The system should provide the ability to flag employees under a Supervisor or Manager's responsibility who have an approaching performance evaluation.	X						
PA11		The system should provide the ability to escalate unperformed or late performance evaluations to the next level of authority for review.	X						via Alerts
PA12		The system should alert the designated authorities if an employee's required licensure or certificate will expire with a user defined parameter such as 30 days, 90 days, etc.	X						
PA13		The system should provide the ability to rehire an employee by accessing the deactivated record and uploading current data without re-entering the employee's information or creating a new hire record.	X						
PA14		The system should provide the ability for an employee to be assigned to multiple positions simultaneously with one position designated as primary.	X						via iVantage Position Control
PA15		The system should provide the ability to manage alternate pay rates in addition to the employee's assigned rate of pay for work within a specific function or role that is in addition to the primary or secondary position.	X						
PA16		The system should provide the ability to consolidate multiple positions within one EIN assigned to one employee to calculate eligibility and base the level of benefits, leave accrual, premium costs, retirement benefits, etc.	X	X					Modifications may be required as part of implementation depending upon the complexity of your needs.
PA17		The system should provide the ability to base benefit eligibility on a calculated, separate FTE value from the actual position FTE value.	X	X					Modifications may be required as part of implementation depending upon the complexity of your needs.
PA18		The system should provide the ability to perform mass changes by user-defined criteria, including but not limited to, bargaining unit, class code, compensation structure, etc. and update the employee record or appropriate databases.		X					

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PERSONNEL		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
PA19	The system should provide the ability to flag and notify Human Resources if an employee's inactive status (e.g., leave status) has exceeded a user-determined amount of time.		X					
PA20	The system should provide the ability to establish a standard rounding method.	X						standard part of benefit calculations
PA21	The system should provide the ability to indicate reason code and description for personnel actions when action is initiated.	X						
PA22	The system should provide the ability to enter multiple personnel actions per employee per payroll cycle.	X						
PA23	The system should provide the ability to enter personnel transactions with a future effective date.	X						
PA24	The system should provide the ability to apply a warning to a user who enters a personnel transaction with an effective date that is retroactive.		X					
PA25	The system should provide the ability to view pending personnel transactions based on their status in an automated workflow/approval process.	X						
PA26	The system should date and time stamp each personnel transaction when it is created and each time it is processed through an approval conduit.	X						
PA27	The system should stamp each personnel transaction with the source of the action and the source of any user processing the action through an automated workflow process.	X						
PA28	The system should provide the ability to escalate any personnel transaction to the appropriate next level if the assigned processing time period expires at its current point in an automated workflow process.	X						
PA29	The system should provide automatic assignment of bargaining units based on job classes or job codes with override capability.		X					
PA30	The system should provide seamless integration with other modules within the vendor's suite such as Benefits to automatically update systems.	X						
PA31	The system should provide the ability to automatically calculate a salary change by entering a percentage or calculate a percentage by entering an increase amount.	X						
PA32	The system should provide the ability to perform salary "what-if" modeling.	X						
PA33	The system should provide the ability to build automated salary increases based on user defined criteria (e.g., union, department).	X						via iVantage Salary Planning
PA34	The system should provide a user defined compensation table to accommodate multiple salary structures.	X						
PA35	The system should provide the ability to record disciplinary actions by employee and to track the employee's progress through any probationary process.	X						
PA36	The system should provide the ability to create salary schedules tied to job classifications.	X						
PA37	The system should provide data validation tables to ensure data entry accuracy	X						
PA38	The system should provide security authorization levels for users based on roles and responsibilities and to the detail of screens and/or individual fields.	X						



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PERSONNEL			RATING RESPONSE					ADDITIONAL COMMENTS	
			SUP	MOD	3RD	CST	FUT	NS	
PA39		The system should provide security authorization levels to protect employee social security numbers.	X						
PA40		This system should provide the ability to attach scanned documents/images to an employee's master record.	X						
PA41		The system should provide point-in-time reporting.	X						
PA42		The system should allow users to track multiple user defined breaks in service, for example breaks resulting from a legal settlement, reduction in hours, lay-off, or disciplinary action.	X						
PA43		The system should provide the ability to track data attributes specific to a job code that include, but are not limited to, the following:	X						
PA43	1	Salary range.	X						
PA43	2	Fair Labor Standards Act (FLSA) status.	X						
PA43	3	Workers compensation code.	X						
PA43	5	Employee type/bargaining unit/employee association	X						
PA43	6	Record of job classification code(s).	X						
PA43	7	Licenses, certificates and registration requirements.	X						
PA43	14	Exempt/Non-exempt	X						
PA43	15	History of Exempt/Non-exempt	X						
PA43	16	Employee Group	X						
PA43	17	History of Employee Group	X						
PA43	18	History of salary range	X						
PA43	19	Job Title	X						
PA43	20	History of Job Title	X						
PA44		The system should be able to create mailing lists for use in communication to groups of employees with common user defined criteria.		X					
PA45		The system should provide robust reporting capabilities to support the management of employees and provide decision support data as needed.	X						
PA46		The system should provide turnover reporting by organizational unit which lists separately but can include transfers between units.		X					iVantage provides a standard Turnover report and additional reports may need to be defined depending upon your needs.
PA47		The system should provide turnover reporting by budgeted class, including temporary employees.	X	X					
PA48		The system should provide the capability to report on work related injuries including employee name, work location, job code, department, Supervisor, etc.	X						
PA49		The system should provide the ability to track employees in all possible states of employment status: recruitment, hiring, assigned positions, paid leaves, unpaid leaves, separated, barred (prevented from being hired or rehired), absences, etc.	X						
PA50		The system should provide checklists for employee hire and termination processes to ensure all steps are completed (checklist should include policy and agreement documents).		X					
PA51		The system should provide a report of vacancies and hires by class and department within a user defined date range.		X					
PA52		The system should provide a report(s) documenting current employees on leave with user defined parameters.		X					

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	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

PERSONNEL		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
PA53	The system should provide the ability to create an employee history report (date hired, date of increases, promotions, hourly rates, date of evaluations, department changes, etc.).	X						
PA54	The system should provide the ability to report using data from all positions, both primary and otherwise, for all employees.	X						
PA55	The system should provide the ability to allow employees with authorization to access limited reports via the web or their desktop computer.	X						
PA56	The system should provide detailed recap and summary reports for EEO reporting.	X						
PA57	The system should provide the ability to create all required state and federal reports.		X					iVantage includes standard US Federal reports
PA58	The system should provide the ability to create an anniversary date report by department, month/year, etc.	X						
PA59	The system should provide the ability to create a COLA History Report by bargaining unit, COLA, effective date, etc.		X					
PA60	The system should provide the ability to create a New Hire Report with user defined data attributes.		X					
PA61	The system should provide the ability to create a Termination Report with user defined data attributes.		X					iVantage provides several termination reports and additional reports may need to be defined depending upon your needs.
PA62	The system should provide the ability to create a Job Class Report.	X						
PA63	The system should provide the ability to create an Average Salary Report by class, bargaining unit, etc.		X					iVantage provides standard reports and additional reports may need to be defined depending upon your needs.
PA64	The system should provide the ability to create a report for tuition reimbursement usage.		X					iVantage provides standard reports and additional reports may need to be defined depending upon your needs.
PA65	The system should provide the ability to create tickler reports for forthcoming service awards.	X						
PA66	The system shall provide the ability to create a turnover rate report by gender, age, appointment to class, date, disciplinary release, promotion, race, classification, probation release, transfer and/or resignation, etc.		X					
PA67	The system should provide robust ad hoc reporting tools that easily access any employee data field.	X						
PA68	The system should provide for the creation of a detailed report of number of people hired by job class, class code, subject area, department, fiscal year, calendar year, month, year, etc.		X					

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
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INSTRUCTIONS	RATING LEGEND	
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	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)
	3RD	Supported via a third party solution
	CST	Supported via customization (changes to source code)
	FUT	Will be supported in a future release (within 18 months of response date)
	NS	Not supported

APPLICANT TRACKING			RATING RESPONSE						ADDITIONAL COMMENTS
			SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>									
AT1		The system should provide the ability to support the management and tracking of each applicant and/or candidate through the recruiting and application process by tracking, at a minimum, the following data item attributes for each applicant/candidate:							
AT1	1	Requisition (or recruitment) number.	X						
AT1	2	Job title for which applicant applied.	X						
AT1	3	Social security number of applicant.	X						
AT1	4	Name - First, MI, Last, Jr. etc.	X						
AT1	5	Date application was submitted.	X						
AT1	6	Internal or external recruitment.	X						
AT1	7	Referral source.	X						
AT1	8	Qualified/Non-qualified.	X						Via Applicant Status code
AT1	9	Current and historical records of employment.	X						
AT1	10	Current and historical records of any disciplinary, dismissal actions or failed background checks with warning for reason dismissed or terminated.		X					
AT1	11	Testing requirements.		X					
AT1	12	Applicant/Candidate's schedule of tests, interviews, etc.		X					
AT1	13	Scoring results based on user-defined criteria.	X						
AT1	14	Current testing/scoring results.	X						
AT1	15	Historical test scores and banked scores.	X						
AT1	16	Interview results/scoring/comments per interviewer.	X						
AT1	17	Interview history.	X						
AT1	18	Reference checks and results.	X						
AT1	19	Criminal Background Check		X					Additional fields may need to be added depending upon your requirements
AT1	20	Education verification (transcripts, required coursework).	X						
AT1	21	License verification.	X						
AT1	22	Certifications	X						
AT1	23	Languages and Proficiency	X						
AT1	24	Veterans status.	X						
AT1	25	Response to job offer, if extended..	X						
AT1	26	User defined rejection reason codes.	X						
AT1	27	Address	X						
AT1	28	Home, work and cell phone numbers	X						
AT1	29	Home and work e-mail addresses	X						
AT1	30	Driver's License - State, Class, Number	X						
AT1	31	User defined comments field.	X						
AT2		The system should provide the ability to track applicants by occupational category and job groups through the entire personnel process according to the requirements for EEO reporting including, but not limited to the following information:	X						
AT2	1	EEO Classification	X						
AT2	2	Selection (Sigma Applicant Flow Analysis) (NEW)		X					

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APPLICANT TRACKING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
AT3	The system should provide robust processing functionality for the management and tracking of each applicant and/or candidate through the recruiting and application process.	X						
AT4	The system should provide the ability to integrate with other applications within the same suite seamlessly, i.e. Personnel Administration, Payroll, Benefits, Budget, etc. when needed.	X						
AT5	The system should provide the ability to transfer applicant data directly from the Applicant Tracking Module into the Personnel Administration Module and create a new hire record to prevent duplicate data entry.	X						
AT6	The system should provide the ability to retain applicant information for those applicants not selected for future consideration.	X						
AT7	The system should provide the ability to notify an applicant if additional documentation is needed to complete the evaluation process (e.g., degrees, certifications).	X						Via Applicant Communications
AT8	The system should provide the ability to generate test invitations to specifically identified applicants/candidates.		X					
AT9	The system should provide the ability to interface with a web-based application and to download data from this application directly into the Applicant Tracking Module via the Internet.	X	X					May require modification depending upon you needs.
AT10	The system should provide the ability to print and post job announcements in HTML format.	X						
AT11	The system should provide the ability to upload job listings to the Internet or the Intranet.	X						
AT12	The system should provide the ability to create job listings which are e-mailed to a specific distribution list.	X						
AT13	The system should provide the ability to generate appropriate correspondence (e.g., letters, e-mails) to qualified/ non-qualified and applicants based on status in the application process.	X						
AT14	The system should provide the ability to archive applicant and/or candidate data after the position closing date for a specified time period.	X						
AT15	The system should provide the ability to assign a user defined expiration date to applicant data, an eligibility list and/or an applicant on an eligibility list (e.g., continuous filing list).	X						Applicants can be archived or purged based on user defined criteria
AT16	The system should provide the ability to designate the applicant as successful in testing automatically after test results are entered.		X					
AT17	The system should provide the ability to provide access to real-time and/or archived interactive data in multiple areas for viewing on screen or in reports on screen prior to printing and/or other interaction with all the applicant/candidate data.	X						
AT18	The system should provide the ability to generate customized notices using Microsoft standard products or other editing capabilities.	X						
AT19	The system should provide the ability to revise and update any table driven attributes through a user friendly interface such as class codes, exam locations, department/division numbers and/or titles without complete re-creation of the table.	X						
AT20	The system should provide the ability for HR or a Manager to enter job related or interview related comments about applicants and/or candidates.	X						

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		SUP	MOD	3RD	CST	FUT	NS	
AT21	The system should provide the ability to run multiple batch processes for printing and scanning.							Printing reports can be scheduled and scanned documents can be attached to an applicant's record
AT22	The system should provide the ability to customize job postings by adding detailed specifics to each opening.		X					
AT23	The system should provide the ability to generate paper, e-mail and Web posting notices of positions to be filled.	X						
AT24	The system should provide the ability to attach electronic documents in Word, RTF or .PDF format to the applicant record.	X						
AT25	The system should provide the ability for applicants to apply for two or more positions at once using data already entered and saved.	X						
AT26	The system should provide the ability to provide automated inclusion of previous applicants who are eligible for new openings in hiring evaluations.	X						
AT27	The system should provide the ability to provide tracking of and management of test scheduling for applicants where tests are required.	X						
AT28	The system should provide the ability to warn the user and prevent the entry of a duplicate SSN or applicant number.	X						
AT29	The system should provide the ability to allow rehired employees to use their previous employee ID based on the organization's defined criteria and identify the applicant as a former employee using their former number.	X						
AT30	The system should provide the ability to provide warnings and errors when trying to rehire employees terminated or disqualified for cause.		X					
AT31	The system should provide the ability to change expiration dates on lists based on user defined criteria.		X					
AT32	The system should provide the ability to produce an individual applicant profile.	X						
AT33	The system should provide the ability for applicants to log into their online application (at a later date) to make changes to their information.	X						
AT34	The system should provide the ability to provide applicants a self-service module so they can view the status of their application(s) and receive test results.		X					
AT35	The system should provide the ability to track all applicant history under one master record.	X						
AT36	The system should provide the ability for the hiring manager to do online searches for applicants and view the applications and scanned documents.	X						
AT37	The system should provide the ability to ensure adequate security of all confidential information and systems.	X						
AT38	The system should provide a web based method for individuals to request future notification when applications are being accepted. (Job Interest Cards)		X					
AT39	The system should support scanning of written test answer sheets.				X			
AT40	The system should provide robust reporting functionality for the management and tracking of each applicant and/or candidate through the recruiting and application process.	X						
AT40	1 The system should provide for the reporting on applications received and grouped by user defined criteria (e.g. position number, job title, department)	X	X					Additional reports may need to be defined based on your needs

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APPLICANT TRACKING			RATING RESPONSE					ADDITIONAL COMMENTS	
			SUP	MOD	3RD	CST	FUT	NS	
AT40	2	The system should provide for the reporting on applicants tested (e.g., written, practical, oral).		X					Additional reports may need to be defined based on your needs
AT40	3	The system should provide for the reporting on applicants passed/failed (e.g., written, practical, oral).		X					
AT40	4	The system should provide for the reporting on applicants interviewed.	X						Additional reports may need to be defined based on your needs
AT40	5	The system should provide for reporting on the number of eligible applicants qualified/certified for hire in each stage of the process (e.g., meeting minimum requirements, passing tests, successful in the assessment process).		X					Additional reports may need to be defined based on your needs
AT40	6	The system should provide for the reporting on applicants medically examined, drug tested and background checked.		X					Additional reports may need to be defined based on your needs
AT40	7	The system should provide for the reporting on applicant(s) selected for interviews.		X					Additional reports may need to be defined based on your needs
AT40	8	The system should provide for the reporting on applicants to whom job offers have been extended.		X					Additional reports may need to be defined based on your needs
AT40	9	The system should provide for the reporting on the status of selected applicants per position number or job title and related attributes (i.e., background checks, budget constraints).		X					Additional reports may need to be defined based on your needs
AT40	10	The system should provide for user defined analytical reports to analyze, sort, select and report on candidates using specific attributes such as education, experience, skills, references, past performance, test results, work location preference, veterans status, etc.		X					Additional reports may need to be defined based on your needs
AT40	11	The system should provide for reporting on activity per position number including number of applicants, status of applicants, average length to hire, qualifications, credentials, etc.		X					Additional reports may need to be defined based on your needs
AT40	12	The system should provide for reporting for EEO reports on applicants (tracking of race, sex, position applied, etc.).	X						
AT40	13	The system should provide for the creation of candidate lists in a variety of sort orders including, but not limited to job title, skill mix, position/requisition number, application date order, alphabetical name order, zip code or city order, etc.		X					Additional reports may need to be defined based on your needs
AT40	14	The system should provide for the creation of a vacancy requisition report documenting vacant positions and related requisitions to fill.		X					Additional reports may need to be defined based on your needs

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TRAINING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>								
TR1	The Training module should be fully integrated with Personnel Administration, Applicant Tracking	X						
TR2	The system should provide the ability to track all required and optional training, licenses, certifications, skills, etc., per employee, by the topic and department.	X						training requirements are tied to jobs/positions
TR3	The system should provide the ability to track the history of all training/licensing related activity by department.	X						
TR4	The system should provide the ability to track the last activity date and next required action date per employee and per training and licensing requirement.	X						
TR5	The system should provide the ability to provide automated reminder notices of internally scheduled training courses.	X						
TR6	The system should provide electronic registration with validation of course capacity, transfer of registrants to wait list, and validation of attendee qualifications such as position, recent training, status, rate class, identification of paid professional development.	X						Validation of attendee qualifications may require a modification
TR7	The system should provide the ability to provide automated notification that certifications, contracts and licenses, etc. are about to expire.	X						
TR8	The system should provide the ability to maintain course development data, including, but not limited to:	X						
TR8	1 Course Title	X						
TR8	2 Course ID number/code number	X						
TR8	3 Course description	X						
TR8	4 NEW: Course capacity	X						
TR8	5 Course category	X						
TR8	6 Course learning objective	X						
TR8	7 Course duration	X						
TR8	8 Course prerequisite		X					
TR8	9 Facility requirements		X					
TR8	10 Equipment requirements		X					
TR9	The system should provide the ability to track employees who have completed a class, no shows, cancellations, etc.	X						
TR10	The system should provide for employee self service access to review individual training and licensing information on file, as defined by the users.	X						
TR11	The system should provide the ability to generate reports for individuals, departments, and divisions showing individual training history for employees and user defined group statistics.	X						Additional reports may need to be added depending upon your requirements.
TR12	The system should provide the ability to notify supervisor when training is expected.	X						
TR13	The system should provide the ability to notify supervisor when employee completes the training; automatically send a follow up form to the supervisor XX days (as defined by the supervisor) after completion of designated training to assess the impact of the training on performance.	X						
TR14	The system should provide employees the ability to evaluate the course, the instructor and provide constructive comments for improvement.		X					

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TRAINING		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
TR15	The system should provide the ability to print certificates for those employees who are in (or who successfully completed) the course.	X						
TR16	The system should provide the ability to track training costs	X						
TR17	The system should be able to track classes employee has taken through the Tuition Reimbursement program	X						



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LEAVE MANAGEMENT		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>								
LM1	The system should provide the ability to seamlessly integrate with all other modules within the vendor's suite such as Benefits, Personnel Administration, Training, etc.	X						
LM2	The system should provide the ability to track leave/absence by type (i.e., vacation, sick time, comp time, FMLA, State Leave Statute, Administrative, Jury Duty, Disability, Military, Workers Compensation, Personal, Unpaid etc.), by accrued hours, accrual rate, accrual frequency, hours used by type, balance of hours by type, etc.	X						
LM3	The system should provide authorized users (including employees, supervisors, Department Administrative Services Officer, etc.) the ability to view on-line and report individual employee leave/absence accrual and leave/absence taken data (leave/absence types include sick, vacation, holiday, PTO, etc.).	X						
LM4	The system should provide the ability for an employee to "donate" leave hours to another employee according to the Organizations Catastrophic Leave Policy.		X					Additional tasks may need to be defined depending upon your needs
LM5	The system should provide the ability to track any required documentation and approval forms of the leave/absence (e.g., FMLA documentation, Doctor's Certificate of Authorization, etc.)		X					
LM6	The system should provide the ability to generate letters and forms using Microsoft editor capability for management of employees' leaves and informational use by Leave Management.	X						iVantage provides for the creation of email and letter templates.
LM7	The system should provide the ability to track eligibility and qualifications for each type of leave/absence based on user defined criteria.	X						
LM8	The system should provide the ability to adjust leave/absence plan accruals, time taken, balances etc. with appropriate security.	X						
LM9	The system should provide the ability to create user defined leave/absence accrual structures based on employee attributes (attributes may include years of service, job assignment, bargaining unit, etc.).	X						
LM10	The system should provide the ability to define parameters, carryover amounts, ceilings, etc. for leave/absence plans.	X						
LM11	The system should provide the ability to track historical data per employee on each leave plan such as type of leave, leave start date, leave ending date, estimated return to work date and date paperwork received for approval.	X						
LM12	The system should provide the ability to track paid and unpaid leaves of every kind including accrual based and government required.	X						
LM13	The system should provide the ability to create e-mail notices or form letters for automated mailings regarding user defined events including, but not limited to:	X						
LM13	1 Initiation of Leave.		X					Additional letter or email templates may need to be defined depending upon your needs.
LM13	2 Expiring leave.		X					Additional letter or email templates may need to be defined depending upon your needs.
LM13	3 Leave without pay letters.		X					Additional letter or email templates may need to be defined depending upon your needs.

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LEAVE MANAGEMENT			RATING RESPONSE					ADDITIONAL COMMENTS	
			SUP	MOD	3RD	CST	FUT	NS	
LM13	4	Family leave letters (FMLA).		X					Additional letter or email templates may need to be defined depending upon your needs.
LM14		The system should provide the ability to notify Leave Management, the employee's Supervisor and/or Manager and any other personnel deemed with a "need to know" upon the approaching expiration of a type of leave/absence status (e.g., FMLA, expiration of a temporary position).	X						
LM15		The system should provide the ability to prorate leave accruals for part-time employees.	X						
LM16		The system should provide the ability to perform fiscal year end updates on employee records based on defined criteria (i.e., years of service, vacation earning factor, bargaining unit, employee group, seniority, etc.).		X					
LM17		The system should provide the ability to report attendance data including but not limited to Absence by:	X						
LM17	1	employee.		X					Additional reports may need to be defined depending upon your needs.
LM17	2	department.		X					Additional reports may need to be defined depending upon your needs.
LM17	3	work location.		X					Additional reports may need to be defined depending upon your needs.
LM17	4	job code.		X					Additional reports may need to be defined depending upon your needs.
LM17	5	supervisor.		X					Additional reports may need to be defined depending upon your needs.
LM17	6	project code.		X					Additional reports may need to be defined depending upon your needs.
LM17	7	date		X					Additional reports may need to be defined depending upon your needs.
LM17	8	type (illness, vacation, jury duty, etc.)		X					Additional reports may need to be defined depending upon your needs.
LM17	9	frequency.		X					Additional reports may need to be defined depending upon your needs.
LM17	10	Job title		X					Additional reports may need to be defined depending upon your needs.
LM17	11	leave/absence status (medical, non-medical, disabled, comp time, etc.		X					Additional reports may need to be defined depending upon your needs.
LM18		The system should provide the ability to create a leave/absence profile based on user-defined criteria for a department, a date range, an employee, a Supervisor, or other user defined parameters.		X					
LM19		The system should provide the ability to automatically fill in dates in a range for leave. For example, the user would enter a start date and an end date and the system would fill in the days in between provided the absence code is the same and the days are consecutive.		X					
LM20		The system should provide a field in which to indicate an employee's leave status for reporting purposes. At a minimum, the system must have the ability to enter and save history for multiple leaves taken by an employee such as type of leave, leave start day, etc.	X						

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LM21	The system should provide the ability to enter employees' upcoming leave and allow the Supervisor to inquire who will be off in the future.	X						

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BENEFITS		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
<b>General Operating Requirements Section</b>								
BN1	The system should provide the ability to seamlessly integrate with other modules within the vendor's suite such as Personnel Administration, Leave Management, etc. providing one point of entry and processing that updates throughout integrated modules.	X						
BN2	The system should provide the ability to establish, manage and change multiple benefit plans.	X						
BN3	The system should provide the structure to designate the following data item attributes related to the Organization's employee benefit programs including, but not limited to:	X						
BN3	1 Fiscal year.	X						
BN3	2 Budget cycle.	X						
BN3	3 Benefit plans covering dependents.	X						
BN3	4 Benefit plans covering retirees.	X						
BN3	5 Benefit plans covering retiree beneficiaries.	X						
BN3	6 Benefit plans requiring COBRA management.	X						
BN3	7 Pre-tax designation if benefit plan deductions are non-taxable.	X						
BN3	8 Definition of rounding rule for calculations	X						
BN3	9 Definition of employee groups for benefit eligibility calculations.	X						
BN3	10 Annual limitations on benefit plan deductions (401k, 403b, spending accounts, etc.)	X						
BN3	11 Vendor identification for each benefit plan.	X						
BN3	12 Budgeted expense per benefit type per budget year.		X					
BN3	13 Budgeted expense per benefit type per benefit plan year.		X					
BN3	14 Employee statuses eligible for benefit plan participation.	X						
BN4	The system should provide the structure to designate the following data item attributes related to each employee benefit program including, but not limited to:	X						
BN4	1 Plan type.	X						
BN4	2 Plan name.	X						
BN4	3 Plan vendor.	X						
BN4	4 Vendor policy identification.	X						
BN4	5 Plan beginning date.	X						
BN4	6 Plan ending date.	X						
BN4	7 Coverage type (options, salary based, default, etc.)	X						
BN4	8 Contribution type (flat, table driven, salary based, age graded, etc.)	X						
BN4	9 Eligible employee groups.	X						
BN4	10 Covered participants (employees, dependents, retirees, COBRA, etc.)	X						
BN4	11 Coverage options.	X						
BN4	12 Premiums per eligible employee group.	X						
BN4	13 Premium cost sharing between employer/employee per eligible employee group.	X						
BN4	14 Personnel actions impacting benefit plan coverage (hire, transfer, change of status, etc.)	X						Additional tasks may need to be defined depending upon your needs
BN5	The system should have the ability to calculate premiums based on a flat amount, a percentage, age graded, or other calculations as required by the benefit plan.	X						

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BN6	The system should have the ability to track vesting and breaks in service as defined by each benefit plan.	X						Vesting fields may need to be added depending upon your needs.
BN7	The system should have the ability to track deferred retirement benefit plans through the benefit plan set up.	X						
BN8	The system should provide the ability to report on budgeted vs. actual costs based on user defined criteria by benefit plan, by plan year, by budget year, including employer and employee costs, etc.		X					Budget fields may need to be added depending upon your needs
BN9	The system should provide the ability to project the cost impact to changes in benefits, accruals, allowances, etc. for current employees and retirees.		X					
BN10	The system should provide the ability to create a disability retirement report by name, SSN, department, month/year, bargaining unit, etc.		X					
BN11	The system should provide the ability to generate automated billings to vendors based on enrollment data.		X					
BN12	The system should provide the ability to maintain dependent and/or beneficiary information including but not limited to relationship, date of birth, address, and phones.	X						
BN13	The system should provide the ability to track survivor coverage.	X						
BN14	The system should provide Social Security Number (SSN) on all benefit screens for employee, beneficiary or dependent with security allowing only authorized personnel to have visibility to the SSN.		X					
BN15	The system should provide a master screen including name, address, phone number, date of birth, date of hire, status date, employee identification number, SSN, plan enrollment, etc., with additional screens for plan enrollments.		X					
BN16	The system should automatically calculate balance due from employee/retiree and create an arrears amount when payroll deduction is less than full amount due.				X			
BN17	The system should not allow a rehired employee to be automatically enrolled in old benefits.	X						Rehired employees must be re enrolled in benefits this is not an automatic process triggered by the rehire process
BN18	The system should provide the ability to enroll employees in multiple plans with one point of data entry.		X					
BN19	The system should "pend" online request for changes or updates if participant is required to submit proof/documentation.	X						Can be controlled via iVantage Routing/Approvals
BN20	The system should provide electronic enrollment process with user defined frequencies.	X						iVantage provides functionality for Self Service New Hire Enrollment and Benefit Open Enrollments.
BN21	The system should allow users to program/configure benefits reports.	X						
BN22	The system should provide the ability to print benefits statements as needed or on a user defined frequency basis.	X						
BN23	The system should provide automated notice when employee / retiree / term / beneficiary becomes Medicare eligible.		X					
BN24	The system should provide mass change process for current and retroactive benefit adjustments.	X						
BN25	The system should provide the ability to calculate benefit deduction amounts based on user defined table of rates, formulas, and eligibility/coverage rules.	X						

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-08**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an X in the appropriate column for each criterion. The X's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

BENEFITS		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
BN26	The system should provide the ability to track benefits costs from employees on leave.	X						
BN27	The system should provide benefit eligibility tracking by employee group.	X						
BN28	The system should provide the ability to assign benefit plan codes, deduction codes, and related premiums based on employee groups and employee statuses.		X					
BN29	The system should provide the ability to track employee's coverage and coverage level based on bargaining unit.		X					
BN30	The system should provide the ability to track beneficiaries (e.g., for life insurance, final paycheck, retirement contributions).	X						
BN31	The system should provide the ability to prorate benefits for part-time employees based on user defined formulas.	X						via additional plans or modification
BN32	The system should provide the ability to generate automated feeds to vendors for benefit plan billing reports including, but not limited to, the following:	X						
BN32 1	Employee name.	X						
BN32 2	Employee social security number.	X						
BN32 3	Employee date of birth.	X						
BN32 4	Employee address.	X						
BN32 5	Employee coverage election.	X						
BN32 6	Effective date of employee coverage.	X						
BN32 7	Covered dependents, if applicable for benefit plan.	X						
BN32 8	Covered dependents' names.	X						
BN32 9	Relationship of covered dependents.	X						
BN32 10	Covered dependents dates of birth.	X						
BN32 11	Covered dependents social security numbers.	X						
BN32 12	Eligibility status of dependent(s).	X						
BN32 13	Effective date of each covered dependent's coverage.	X						
BN32 14	Covered dependents' address if different from employee.	X						
BN32 15	Covered Retirees participants	X						
BN33	The system should provide the ability to create automated feeds to vendors to process updates to benefit plan eligibility and billing on a weekly, biweekly, monthly, quarterly, or annual basis.	X						
BN34	The system should provide the ability to include all covered individuals in any automated vendor feed including, but not limited to, employees, employees' dependents, retirees, retirees' dependents, COBRA, COBRA beneficiaries, employees on leave, etc.	X						
BN35	The system should provide the ability to create online benefits information and eligible enrollment options for the employee and/or organization.	X						
BN36	System should provide the ability to view the following information online including, but not limited to, the following:	X						
BN36 1	Employee leave balance information.	X						
BN36 2	Employee benefits enrollment history.	X						
BN36 3	Employee time record history.	X						
BN37	The system should provide the ability to capture information on eligible participants who do not normally reside in the HR database (e.g., retirees, retiree beneficiaries).	X						

**ATTACHMENT - A**  
**Santa Cruz Metropolitan Transit District**  
**RFP No. 10-08**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an X in the appropriate column for each criterion. The X's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

BENEFITS			RATING RESPONSE					ADDITIONAL COMMENTS	
			SUP	MOD	3RD	CST	FUT	NS	
BN38		The system should provide the ability to process benefit retirement plan eligibility based on employee groups.	X						
BN39		The system should provide the ability to track retirement benefit cost by plan and by employee.	X						
BN40		The system should provide the ability track and query the following, but not limited to, name, identification number and social security number of participant.	X						
BN41		The system should provide the ability to track employees not eligible to participate in the pension system.	X						
BN42		The system should provide the ability to track and maintain benefit information and changes in status for retired employees, surviving spouse and dependents that includes, but is not limited to, the following:	X						
BN42	1	Retirement date	X						
BN42	2	Date of death	X						
BN42	3	Type of retirement (e.g service, early, disability)	X						
BN42	4	Name, social security number, address, telephone number, and date of birth of beneficiaries both primary and contingent	X						
BN42	5	Dependent coverage eligibility and expiration dates	X						
BN42	6	Last day paid updated from payroll system	X						
BN42	7	Last day worked tied to leave status	X						
BN42	8	Retire/ rehire status	X						
BN42	9	Medical coverage provider eligibility and expiration dates	X						
BN42	10	Medical coverage	X						
BN43		The system should provide the ability to generate a list of retirees and benefit information.		X					
BN44		The system should provide the ability to configure and change employee and employer contribution rates for current calculations (e.g., calculation of benefits, eligibility rules, retirement plan, retirement plan eligibility date etc.)	X						
BN45		The system should provide the ability to configure and change employee and employer contribution rates for retroactive calculations (e.g., calculation of benefits, eligibility rules, retirement plan, retirement plan eligibility date etc.)	X						
BN46		The system should provide the ability to manage retroactive adjustments to employee data based on retroactives changes to contribution levels, calculation of benefits, etc.	X						
BN47		The system should provide the ability for the system to update an employee's retirement plan eligibility based on plan rules and the personnel actions processed on the employee's record.	X						
BN48		The system should provide the ability to generate reporting on a pay period, monthly, quarterly, annual, and fiscal year basis.		X					Additional reports may need to be created depending upon your needs.
BN49		The system should provide the ability to generate a "Newly Enrolled/Change Report."		X					Additional reports may need to be created depending upon your needs.
BN50		The system should provide a report of terminated employees with the reason for termination, date of termination, and benefits code.		X					Additional reports may need to be created depending upon your needs.

**ATTACHMENT - A  
Santa Cruz Metropolitan Transit District  
RFP No. 10-08**

INSTRUCTIONS		RATING LEGEND	
Complete the worksheet by placing an X in the appropriate column for each criterion. The X's should represent the current state of a particular product or service.	SUP	Supported as delivered "out-of-the-box"	
	MOD	Supported via modifications (screen configurations, reports, GUI tailoring, etc)	
	3RD	Supported via a third party solution	
	CST	Supported via customization (changes to source code)	
	FUT	Will be supported in a future release (within 18 months of response date)	
	NS	Not supported	

BENEFITS		RATING RESPONSE						ADDITIONAL COMMENTS
		SUP	MOD	3RD	CST	FUT	NS	
BN51	The system should provide participant reports, including but not limited to, enrollment, dependent names and relationships, department name, union affiliation, social security number, etc. that can be generated by individual or group.		X					Additional reports may need to be created depending upon your needs.
BN52	The system should provide the ability to track employees by hire date, insurance plan, gender, department, and bargaining unit, etc.	X						
BN53	The system should provide the ability to generate insurance billing reports including, but not limited to, the following:		X					Additional reports may need to be created depending upon your needs.
BN53	1 type of coverage,		X					Additional reports may need to be created depending upon your needs.
BN53	2 class code,		X					Additional reports may need to be created depending upon your needs.
BN53	3 employee name		X					Additional reports may need to be created depending upon your needs.
BN53	4 amount		X					Additional reports may need to be created depending upon your needs.
BN53	5 number of insured,		X					Additional reports may need to be created depending upon your needs.
BN54	The system should provide the ability to generate a Pay Period Insurance Report.		X					Additional reports may need to be created depending upon your needs.
BN55	The system should provide the ability to generate an Enrollment Report.	X						
BN56	The system should provide the ability to calculate the premium for life and disability insurance each month based on age, coverage level, salary and waiting period.	X						



# Section 7. Software Maintenance, Updates and Support

## Service Summary Information

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### PRODUCT SUPPORT

#### **Hotline and E-Mail Support**

- ✓ All inquiries handled by live SPECTRUM experts based in our corporate headquarters in Denver, Colorado. **HANDLED IN-HOUSE; WE DO NOT OUTSOURCE.**
- ✓ 6:00 a.m. to 4:30 p.m. Pacific Time, Monday to Friday major holidays excepted

#### **24/7 Online Support**

- ✓ Searchable knowledgebase
- ✓ Documentation
- ✓ Service-packs and hot-fix downloads
- ✓ Archived webcasts
- ✓ Tips & tricks

**PRODUCT EDUCATION** - The same people who provide support when clients call or e-mail also provide system training. They are truly system experts.

**We offer a variety of courses throughout the year for all levels of experience.**

- ✓ Classes taught at our training lab in Denver
- ✓ On-site training at client facilities
- ✓ Targeted training over the Internet
- ✓ Free, client-only web seminars

**Everyone who attends the training classes receive:**

- ✓ An in-depth look at system functionality and capabilities
- ✓ A course manual with exercises and examples
- ✓ One-on-one time with an experienced Product Support and Education trainer
- ✓ Access to a training system while in class
- ✓ The opportunity to ask the trainer specific questions pertaining to your iVantage system
- ✓ The chance to speak with other system users about how they are using the system (when taking a Denver class)

#### **Training**

Just-in-time training is key to our clients' success. We do our best to schedule your training while your data conversion is being completed. Whether you need a basic course or advanced training, SPECTRUM can accommodate all system users at either our high tech training center in downtown Denver or at your location. When you get back to the office, you and your system are ready to go.

SPECTRUM's proven implementation methodology is just one example of how we constantly strive to create and maintain client enthusiasm. Our experience, our long term relationships with our clients, partners and staff, and our commitment to quality products and exceptional service truly make SPECTRUM stand out.

### MAINTENANCE

At Spectrum, our mission is to create and maintain client enthusiasm. We do our best to accomplish this by providing a great experience to each and every client. One way we achieve this is through the wide range of services offered as part of our 12-month maintenance agreement.

Our annually invoiced maintenance fees include—

- |  |   |
|--|---|
| ✓ Unlimited Telephone & E-mail Support | ✓ Updates                               |
| ✓ Access to a 24/7 Support Website     | ✓ Client-Only Web Seminars              |
| ✓ Online searchable knowledgebase      | ✓ Weekly Newsletters                    |
| ✓ Service-pack and hot-fix downloads   | ✓ One Free Training Class with Renewals |
| ✓ Current documentation                | ✓ Client Relations Services             |
| ✓ Tips & tricks                        | ✓ Favorable Professional Services Rates |
| ✓ Archived web seminars                |   |

## Section 8. Cost Proposal

This proposal is prepared for METRO's exclusive use and should not be disclosed to third parties. All prices stated are **valid for 90 days** from the date of this proposal and are contingent upon signing SPECTRUM's standard agreements.

### Software

<b>iVantage (Standard Product)</b>	<b>\$22,275</b>
➤ 400 Active Employee Records, 8 HR/Manager User Licenses	
<b>40 Additional HR/Manager User Licenses for Manager Self Service</b>	<b>\$4,000</b>
<b>iVantage Connect™ Employee and Applicant Self Service Module</b>	<b>\$7,200</b>
<b>iVantage Position Control Module</b>	<b>\$3,600</b>
<b>iVantage Training and Development Module</b>	<b>\$2,900</b>
<b>iVantage Link™ Interface Module</b>	<b>\$3,000</b>

### Annual Maintenance and Product Support

<b>iVantage (Standard Product)</b>	<b>\$3,470</b>
➤ 400 Active Employee Records, 8 HR/Manager User Licenses	
<b>40 Additional HR/Manager User Licenses for Manager Self Service</b>	<b>\$720</b>
<b>iVantage Connect™ Employee and Applicant Self Service Module</b>	<b>\$1,296</b>
<b>iVantage Position Control Module</b>	<b>\$648</b>
<b>iVantage Training and Development Module</b>	<b>\$522</b>
<b>iVantage Link™ Interface Module</b>	<b>\$540</b>

### Estimated Core Implementation Services

300 to 600 hours at \$185 per hour

### Training Services

<b>iVantage Level 1 and System Administrator Training</b>	<b>\$2,400</b>
➤ four days at SPECTRUM for two attendees	
<b>iVantage Level 1 Training</b>	<b>\$2,400</b>
➤ two days at Metro Santa Cruz for up to six attendees	

*These estimates are based on the average number of hours needed to implement iVantage. Your actual requirements may vary depending on the scope of the implementation and your ability to perform some of the tasks on your own.*

*Training and consulting fees do not include the consultant's reasonable airfare, lodging and out-of-pocket expenses for the visit. Additional consulting and customization work is available at a rate of \$185/hour.*

*The known ongoing cost for iVantage for subsequent years is the Annual Maintenance fee. Annual Maintenance costs over five or ten years can be estimated by multiplying the Annual Maintenance costs given by the desired number of years. This estimate does not take into account unforeseen changes in Metro's iVantage licensing or the iVantage software or maintenance costs.*

## **Section 9. Client References**

Spectrum understands the nature of this request and your need to speak with current clients as a reference. We strongly respect the privacy of our clients and will be happy to provide you with detailed references, including contact information, at such time when Spectrum is identified as a finalist in your evaluation process.

# Appendix A – Contracts

## iVANTAGE® SOFTWARE LICENSE AGREEMENT: EXHIBIT A

SPECTRUM Human Resource Systems Corporation  
 707 Seventeenth Street, Suite 3800  
 Denver, Colorado 80202-3438  
 p: (303) 592-3200 | f: (303) 595-9970

Sales Rep	_____
Order Date	_____
Customer No.	_____
Master Cust. No.	_____

Customer \_\_\_\_\_

Software Location Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_ ZIP \_\_\_\_\_

Shipping Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_ ZIP \_\_\_\_\_

Billing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_ ZIP \_\_\_\_\_

HR Contact \_\_\_\_\_ System Admin \_\_\_\_\_ Billing Contact \_\_\_\_\_

Title \_\_\_\_\_ Title \_\_\_\_\_ Title \_\_\_\_\_

Phone ( ) \_\_\_\_\_ Phone ( ) \_\_\_\_\_ Phone ( ) \_\_\_\_\_

Fax ( ) \_\_\_\_\_ Fax ( ) \_\_\_\_\_ Fax ( ) \_\_\_\_\_

E-Mail \_\_\_\_\_ E-Mail \_\_\_\_\_ E-Mail \_\_\_\_\_

	Version Number*	Number of Named Users	Number of Active Employee Records	License Fees
iVantage™	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\* See Attached Technical Operating Environment

License fees are contingent upon SPECTRUM's receipt of signed agreements by:	Invoice will reflect applicable taxes.	Total	
--	--	-------	--

Customer \_\_\_\_\_  
 Officer Signature \_\_\_\_\_  
 Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

# IVANTAGE® SOFTWARE LICENSE AGREEMENT

SPECTRUM Human Resource Systems Corporation  
707 Seventeenth Street, Suite 3800  
Denver, Colorado 80202-3438  
p: (303) 592-3200 | f: (303) 595-9970

SPECTRUM Human Resource Systems Corporation ("SPECTRUM") grants to Customer and Customer accepts from SPECTRUM, subject to and in conformance with the terms and conditions of this agreement and any exhibit or addendum hereto ("Agreement"), a perpetual, non-exclusive, non-transferable right and license to use the software and software documentation ("Licensed Software") as more fully described in Exhibit(s) A

## TERMS AND CONDITIONS

**1. Term and Termination** This Agreement shall become effective upon acceptance by SPECTRUM and shall continue in effect until terminated by Customer upon written notice or until terminated by SPECTRUM as provided herein. If Customer has licensed more than one Licensed Software product, this Agreement shall continue in effect until the effective termination of all such licenses. SPECTRUM may terminate this Agreement or any license granted pursuant to this Agreement by written notice if Customer fails to comply with any of the material terms and conditions of this Agreement or pay any charges owed to SPECTRUM and does not correct such default within thirty days of notice. Upon such termination, Customer's payment obligations to SPECTRUM that were incurred prior to termination shall survive.

Upon termination of this Agreement as to any Licensed Software product, Customer must return the Licensed Software to SPECTRUM and may not continue to use the Licensed Software product. Further, all corrections, enhancements, hosting, support, and maintenance, if any, for the Licensed Software product shall cease.

**2. Fees.** Customer agrees to pay SPECTRUM the applicable license fees specified on Exhibit(s) A. Customer agrees to pay SPECTRUM additional incremental license fees within thirty days if Customer exceeds the licensed number of active employee records, named users, and/or other parameters on Exhibit(s) A for any Licensed Software. If such services are requested, Customer also agrees to pay SPECTRUM all other fees and expenses for maintenance, hosting, implementation, customization, training, or other services agreed to in Exhibit(s) A or separate agreements. These fees will be invoiced as the services are provided. SPECTRUM's invoices are due upon receipt and become past due thirty days thereafter. At SPECTRUM's discretion, past due invoices shall bear interest at the rate of 1 1/2% per month or at the highest legal rate, whichever is less.

**3. Taxes.** The fees applicable to this Agreement do not include any customs fees, duties, sales, use, value-added, or other excise taxes based on or measured by the charges due and payable pursuant to this Agreement or other taxes relating to the Licensed Software. Any such taxes, other than SPECTRUM's employment or income taxes, now or hereafter imposed under the authority of a federal, state or local taxing jurisdiction relating to the Licensed Software, and any penalties or interest thereon due to acts or omissions of Customer, shall be payable to SPECTRUM by Customer, or in lieu thereof, Customer shall provide SPECTRUM with a tax exemption certificate acceptable to SPECTRUM and such taxing authorities.

**4. Selection and Use.** Customer shall be solely responsible for the selection and use of the Licensed Software to achieve Customer's intended result, and for the content and accuracy of the results achieved. The Licensed Software is licensed to Customer with the understanding that SPECTRUM and SPECTRUM's licensors are not engaged in rendering legal, accounting, tax, or other professional counseling or services. Customer's only authorized use of the Licensed Software shall be for the purpose of record keeping, reporting, and processing of its own data (and that of its affiliates and subsidiaries) concerning its own applicants and employees (and those of its affiliates and subsidiaries).

Customer may install the Licensed Software at the Customer location, co-location site, or the application services provider ("ASP") location, as specified on Exhibit(s) A. If desired for test purposes only, Customer may install an additional copy on the same or a different computer which also resides at the location specified on Exhibit(s) A. Customer shall have the right to change the type of location and the physical address of the software, at no additional charge, upon notifying SPECTRUM of any change in location.

Customer has licensed only the number of copies of the Licensed Software as identified on Exhibit(s) A. Except as stated in the prior paragraph, Customer does not have a license to install any additional copies. Each copy of the iVantage software and related modules are licensed for only the number of active employee records and only the number of named users (user ID/password log-ons) specified on Exhibit(s) A. Customer shall notify SPECTRUM and pay an additional license fee if a copy of the software exceeds either of these parameters.

This Agreement will apply to any modifications, updates, and new versions of the Licensed Software that Customer receives or uses, if any. After implementing a new version, Customer may not use both an old version and a new version of the Licensed Software unless each version is separately licensed. Customer may not reverse engineer, decompile, or disassemble the Licensed Software. Customer may not rent the Licensed Software or make it available to others in a service bureau or similar arrangement. Customer agrees that the Licensed Software will not be shipped, transferred, or exported into any country or used in any manner prohibited by the United States Export Administration Act or any other export laws, restrictions, or regulations.

Customer is authorized to make machine readable copies of each software product for backup, or archive purposes to support Customer's authorized use of the Licensed Software at the location(s) specified on Exhibit(s) A. Customer agrees to reproduce and include the SPECTRUM copyright, trademark, and/or trade secret notices that appear on the Licensed Software and other materials on any copy that Customer causes to be made.

**5. Warranty.** SPECTRUM warrants that it has the right to grant this License. SPECTRUM also warrants that the Licensed Software provided hereunder shall, at the time of delivery and for ninety days thereafter, operate substantially in accordance with its documentation. In the event of a claimed defect, Customer shall provide SPECTRUM with written notice of any said defect, together with information sufficient to permit SPECTRUM to recreate the defect, and SPECTRUM shall have a reasonable opportunity to correct said defect. If the Licensed Software is altered in any way that is not specified in its documentation or if the Licensed Software is improperly used, SPECTRUM's warranty obligations will not apply to any error or defect caused by Customer's alteration or improper use.

SPECTRUM also warrants that the Licensed Software shall be shipped free of any rightful claim of any third party for direct infringement of any duly issued United States patent or copyright. If notified promptly in writing and given authority, information, and assistance, SPECTRUM shall defend or settle, at no expense to Customer, any suit or proceeding against Customer so far as it is based on a claimed infringement that would result in a breach of this warranty, and SPECTRUM shall pay all damages and costs finally awarded therein against Customer due to such breach. In the event that any Licensed Software is, in SPECTRUM's opinion, likely to or does become subject to an infringement claim, and SPECTRUM's use thereof is enjoined, SPECTRUM may, at its expense and option, either procure for Customer the right to continue using the Licensed Software, or replace the same with non-infringing Licensed Software, or modify the same so it becomes non-infringing. If, in SPECTRUM's opinion, none of the foregoing

# IVANTAGE® SOFTWARE LICENSE AGREEMENT

Continued

alternatives is reasonably available or practical. SPECTRUM may terminate Customer's license upon thirty days written notice and shall refund the paid license fees prorated on a three-year life cycle

SPECTRUM shall have no obligation to defend Customer or to pay costs, damages, or attorneys' fees for any claim, suit, or proceeding based upon use of other than a current, unaltered version of the Licensed Software unless Customer's non-use of current Licensed Software or Customer's alteration of the Licensed Software did not contribute to the infringement. This includes infringement that is caused by the use or operation of any Licensed Software in combination with non-Licensed Software if such infringement would have been avoided but for such use or operation with non-Licensed Software

EXCEPT AS STATED ABOVE, CUSTOMER ACCEPTS THE LICENSED SOFTWARE "AS IS," AND ACKNOWLEDGES AND AGREES THAT THE CHOICE OF THE LICENSED SOFTWARE WAS CUSTOMER'S FULL RESPONSIBILITY. AND THAT SPECTRUM DOES NOT WARRANT THAT THE FUNCTIONS PERFORMED BY THE LICENSED SOFTWARE WILL MEET CUSTOMER'S REQUIREMENTS, OR THAT THE LICENSED SOFTWARE OR THE INTERNET, IF APPLICABLE, WILL OPERATE ERROR FREE OR UNINTERRUPTEDLY OR IN COMBINATION WITH OTHER SOFTWARE. OR THAT ALL PROGRAM DEFECTS ARE CORRECTABLE

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE

**6. Limitation of Liability.** THE PARTIES AGREE THAT SPECTRUM'S LIABILITY FOR ANY AND ALL CLAIMS OF ANY KIND, FOR ANY LOSS OR DAMAGE ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FROM SPECTRUM'S PERFORMANCE OR BREACH THEREOF, SHALL NOT EXCEED THE FEES PAID BY CUSTOMER TO SPECTRUM FOR THE PARTICULAR LICENSED SOFTWARE PRODUCT OR SERVICE THAT CAUSED THE ALLEGED LOSS OR DAMAGE OR IS THE SUBJECT MATTER OF THE CLAIM OR CAUSE OF ACTION. IN NO EVENT SHALL SPECTRUM BE LIABLE FOR INDIRECT, GENERAL, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (EVEN IF SPECTRUM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE OF PRODUCT, ANY ASSOCIATED EQUIPMENT AND/OR SOFTWARE, OR COST OF SUBSTITUTE EQUIPMENT, SOFTWARE, OR SERVICES

**7. Nondisclosure.** Customer acknowledges and agrees that the Licensed Software is copyrighted, is owned by SPECTRUM or its licensors, and that its structure, organization, and code constitute valuable trade secrets and confidential information. The Licensed Software has been provided to Customer for use exclusively in accordance with the terms and conditions of this Agreement. SPECTRUM and Customer agree to hold the confidential/proprietary information of the other in trust and confidence and agree not to disclose all or any portion of such confidential/proprietary information to any third party. SPECTRUM and Customer also agree to take reasonable protective measures that are no less than that which they adopt for their own confidential/proprietary information. The provisions of this paragraph shall survive the termination of this Agreement

**8. General.** Customer may not assign this Agreement or the Licensed Software without SPECTRUM's express written consent. SPECTRUM shall not withhold its consent if Customer merges or consolidates into another entity or otherwise transfers or sells all or substantially all of its assets to a third party. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Any notice required to be sent under this Agreement shall be sent by certified mail to SPECTRUM, c/o Contract Administration, or to Customer at the respective address set forth in this Agreement and shall be effective when received. This Agreement contains the full and exclusive statement of the parties with respect to the subject matter and supercedes all previous communications and negotiations, written and oral, between the parties. If any provision of this Agreement is held to be invalid, such provision shall be deleted from the Agreement and the remaining portions shall remain in full force and effect. No waiver or modification of any of the provisions of this Agreement shall be binding unless made in writing and signed by the waiving party if a waiver, and both parties if a modification. The terms and conditions of Customer's purchase order(s), if any, whether issued before or after this Agreement is signed, shall not be binding between the parties. In the event of any legal proceeding between the parties to enforce any rights arising out of or relating to this Agreement, the prevailing party in such legal proceeding shall be entitled to recover its reasonable costs and attorneys' fees. Customer agrees to pay any collection costs SPECTRUM incurs to collect amounts due from Customer. SPECTRUM delivers all software F O B its Corporate office

**9. Third Party Software.** Power Users licensed by SPECTRUM (see Exhibit(s) A) are products of Crystal Decisions, Inc. All Crystal Decisions products are subject to the separate click-wrap license agreements provided on the CD-Rom(s). If SPECTRUM is licensing Microsoft® SQL Server™ to Customer (see Exhibit(s) A), the terms of the attached Microsoft End-User License Agreement ("EULA") (Exhibit B) shall apply. The EULA in Exhibit B provides additional terms and conditions regarding the licensing of Microsoft SQL Server

**10. U.S. Government Restricted Rights.** The iVantage software and its documentation are "Commercial Items," as that term is defined at 48 C.F.R. §2.101, consisting of "Commercial Computer Software" and "Commercial Computer Software Documentation," as such terms are used in 48 C.F.R. §12.212 or 48 C.F.R. §227.7202, as applicable. Consistent with 48 C.F.R. §12.212 or 48 C.F.R. §§227.7202-1 through 227.7202-4, as applicable, the Commercial Computer Software and Commercial Computer Software Documentation are being licensed to U.S. Government and users (a) only as Commercial Items and (b) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. Unpublished rights are reserved under the copyright laws of the United States. Manufacturer is SPECTRUM Human Resource Systems Corporation, 707 Seventeenth Street, Suite 3800, Denver, Colorado 80202

## ACCEPTED AND AGREED TO BY:

SPECTRUM Human Resource Systems Corporation

Customer \_\_\_\_\_

Signature \_\_\_\_\_

Officer Signature \_\_\_\_\_

Name \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

07/04



# MAINTENANCE AGREEMENT

Continued

- c In the event programming errors are identified, program corrections (if available) or instructions on alternative ways to maintain essential functionality and operation of the covered product(s). However, SPECTRUM does not represent that all software defects will be corrected.
- 2. SPECTRUM shall not be obligated to maintain a non-current release of any product for more than one year after shipping a new release. Notwithstanding the prior sentence, SPECTRUM shall maintain and support at least "one behind," meaning the prior version of any new release.
- 3. Hotline Services are provided to Customers that have problems operating the covered product(s) as described in the documentation provided with the product(s). If Customer uses the Hotline for other than its intended use, Customer may be charged additional amounts. SPECTRUM will notify Customer before such additional charges are incurred.
- 4. Customer agrees to designate one individual to be the primary Maintenance contact who will be authorized to use the Hotline Services. To the extent possible, Customer agrees to limit its telephone support and assistance to this individual and his/her replacement or substitute.
- 5. If a product is altered by Customer in any way that is not specified in the documentation provided with the product or if a product is improperly used, SPECTRUM's Maintenance obligations will not apply to any error or defect caused by Customer's alteration or improper use.
- 6. This Agreement may be renewed upon invoicing and payment. Fees for Maintenance renewals will be at SPECTRUM's then published rates and will be invoiced annually in advance. Customer agrees to provide SPECTRUM with written notice if it does not wish to renew Maintenance. If a time period elapses without Maintenance, SPECTRUM will establish an additional charge for the lapsed period.
- 7. This Agreement incorporates the following terms and conditions of the applicable software license agreement between SPECTRUM and Customer as if the provisions were reprinted in this Agreement: Fees, Taxes, Limitation of Liability, Nondisclosure, and General.

## ACCEPTED AND AGREED TO BY:

SPECTRUM Human Resource Systems Corporation

Customer \_\_\_\_\_

Signature \_\_\_\_\_

Officer Signature \_\_\_\_\_

Name \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

07/04



# CLIENT SERVICES AGREEMENT

SPECTRUM Human Resource Systems Corporation  
 707 Seventeenth Street, Suite 3800  
 Denver, Colorado 80202-3438  
 p: (303) 592-3200 | f: (303) 595-9970

Sales Rep	_____
Order Date	_____
Customer No.	_____
Master Cust. No.	_____

Customer \_\_\_\_\_

Software Location Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ County \_\_\_\_\_ ZIP \_\_\_\_\_

Contact \_\_\_\_\_ Title \_\_\_\_\_

Phone ( ) \_\_\_\_\_ Fax ( ) \_\_\_\_\_ E-Mail \_\_\_\_\_

This Agreement concerns the Products and/or Services described below:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

See Attachment, if any, for a more detailed description of the Products/Services to be delivered. Attachment: Yes  No

A. Estimated Project Days/Hours: \_\_\_\_\_ at \_\_\_\_\_ per hour (a day is an eight hour work period); or

B. Estimated Project Costs: \_\_\_\_\_

This estimate does not include SPECTRUM's reasonable travel, lodging, or other out-of-pocket costs. The estimate is valid for sixty days from the Order Date. After signing this Agreement, Customer must request each listed Product/Service within nine months.

Estimated Completion Date: \_\_\_\_\_ (scheduled after Customer accepts Agreement)

## TERMS AND CONDITIONS

- Termination.** SPECTRUM may terminate this Agreement upon written notice if Customer fails to comply with any of the material terms and conditions or fails to pay any charges accrued hereunder and does not correct such default within ten business days of notice. Customer may terminate this Agreement upon ten business days written notice. Upon termination for any reason, Customer shall remain liable for the services rendered and for the out-of-pocket costs incurred by SPECTRUM prior to, or as a result of, the termination.
- Acceptance of Products/Services.** Customer agrees to install and test the Products/Services provided hereunder within forty-five days of receipt. The Products/Services shall be deemed to be accepted unless Customer rejects them in writing within that time. If that occurs, SPECTRUM shall have thirty days to correct the Products/Services in accordance with the specifications that have been agreed to in writing by both parties.
- Fees.** Customer agrees to pay SPECTRUM the applicable fees and expenses incurred hereunder. SPECTRUM will attempt to provide the Products/Services at the estimated cost, but will bill Customer for the actual hours required to complete the Products/Services. The estimate is based on SPECTRUM's current understanding of Customer's requested results and on SPECTRUM's prior experience with work of that nature. If actual costs will exceed estimated costs by more than ten percent, SPECTRUM will notify Customer and obtain Customer's approval (e-mail is acceptable) before incurring additional fees. SPECTRUM's invoices are due upon receipt and become past due thirty days thereafter. At SPECTRUM's discretion, past due invoices shall bear interest at the rate of 1½% per month or at the highest legal rate, whichever is less.

# CLIENT SERVICES AGREEMENT

Continued

4. **Taxes.** The fees applicable to this Agreement do not include any customs fees, duties, sales, use, value-added, or other excise taxes based on or measured by the charges due and payable pursuant to this Agreement. Any such taxes, other than SPECTRUM's employment or income taxes, now or hereafter imposed under the authority of a federal, state or local taxing jurisdiction relating to the Products/Services, and any penalties or interest thereon due to acts or omissions of Customer, shall be payable to SPECTRUM by Customer, or in lieu thereof, Customer shall provide SPECTRUM with a tax exemption certificate acceptable to SPECTRUM and such taxing authorities.

5. **Independent Contractor** SPECTRUM's employees are not, nor shall they be deemed to be, the employees of Customer. SPECTRUM shall have the right, in its sole discretion, to determine which of its employees will be assigned to perform services for Customer and the timing of the services provided. SPECTRUM shall be solely responsible for the management and supervision of its employees.

6. **Proprietary Rights.** The Product, if any, created by SPECTRUM pursuant to this Agreement is licensed to Customer on a perpetual, royalty-free, non-exclusive, non-transferable basis, and may be used by SPECTRUM and Customer (and Customer's affiliates and subsidiaries) without any accounting between them, subject, however, to the terms of this Agreement.

All computer software and other processes or materials developed by SPECTRUM or in SPECTRUM's possession prior to execution of this Agreement and used by SPECTRUM in conjunction with Products/Services provided to Customer shall belong exclusively to SPECTRUM. Any concepts, ideas, know-how, or techniques used by SPECTRUM during the course of this Agreement shall be the exclusive property of SPECTRUM and SPECTRUM shall have the sole right to copyright or patent any resulting work product. SPECTRUM shall have the right to develop and/or market Products/Services that are the same, similar, or competitive to Products/Services prepared for Customer. Customer agrees that this is not a work-made-for-hire Agreement.

7. **Warranty.** SPECTRUM warrants that it will provide the Products/Services to Customer under this Agreement and that the Products/Services will meet the specifications that have been agreed to in writing by both parties.

SPECTRUM does not guarantee that customizations made to Customer's product(s) will be compatible with future releases of SPECTRUM's standard software product(s). Any required modifications to Customer's customized software would be billable on a time and materials basis.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. **Limitation of Liability.** SPECTRUM'S LIABILITY FOR ANY AND ALL CLAIMS OF ANY KIND, FOR ANY LOSS OR DAMAGE ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FROM SPECTRUM'S PERFORMANCE OR BREACH THEREOF, SHALL NOT EXCEED THE AMOUNT PAID BY CUSTOMER TO SPECTRUM FOR THE PARTICULAR PRODUCT/SERVICE THAT GAVE RISE TO OR IS THE SUBJECT MATTER OF THE CLAIM OR CAUSE OF ACTION. IN NO EVENT SHALL SPECTRUM BE LIABLE FOR INDIRECT, GENERAL, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES (EVEN IF SPECTRUM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE OF PRODUCT, ANY ASSOCIATED EQUIPMENT AND/OR SOFTWARE, OR COST OF SUBSTITUTE EQUIPMENT, SOFTWARE, OR SERVICES.

9. **Nondisclosure.** SPECTRUM and Customer may disclose confidential and/or proprietary information to the other in connection with this Agreement. SPECTRUM and Customer agree to hold the confidential/proprietary information of the other in trust and confidence and agree not to disclose all or any portion of such confidential/proprietary information to any third party. SPECTRUM and Customer also agree to take reasonable protective measures that are no less than that which they adopt for their own confidential/proprietary information. The provisions of this paragraph shall survive the termination of this Agreement.

10. **General.** Customer shall not, directly or indirectly, sell, transfer, assign in whole or in part, convey, pledge, encumber, or otherwise dispose of the rights and duties under this Agreement or any Product developed hereunder, except in conjunction with the authorized transfer or assignment of the underlying licensed software and its software license agreement. This Agreement shall be governed by and construed under the laws of the State of Colorado. Any notice required to be sent under this Agreement shall be sent by Certified Mail to SPECTRUM, c/o Contract Administration, or to Customer at the respective address set forth in this Agreement. This Agreement and its attachments, if any, contain the full and exclusive statement of the parties with respect to the subject matter and supersedes all previous communications and negotiations, written and oral, between the parties. No waiver or modification of any of the provisions of this Agreement shall be binding unless made in writing and signed, by the waiving party if a waiver, and both parties if a modification. The terms and conditions of Customer's purchase order(s), if any, whether issued before or after this Agreement is signed, shall not be binding between the parties. In the event of any legal proceeding between the parties to enforce any rights arising out of or relating to this Agreement, the prevailing party in such legal proceeding shall be entitled to recover its reasonable costs and attorneys' fees. Customer agrees to pay any collection costs SPECTRUM incurs to collect amounts due from Customer.

## ACCEPTED AND AGREED TO BY:

SPECTRUM Human Resource Systems Corporation

Customer \_\_\_\_\_

Signature \_\_\_\_\_

Officer Signature \_\_\_\_\_

Name \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

Manager's Initials: \_\_\_\_\_ Job # \_\_\_\_\_

Contract # \_\_\_\_\_ 07/04

# Appendix B – Sample from Training Manual

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## Appendix C – Standard Reports List

Report Name	Description
AAP New Hire	The AAP New Hire report lists new hire Affirmative Action Plan (AAP) information. This report includes each employee's name, EEO category, status, gender, ethnic group, original hire date, business card title, grade, and annual salary using primary position data. This report also includes an AAP new hire summary.
AAP Promotions	The AAP Promotions report lists Affirmative Action Plan (AAP) promotion information. This report includes each employee's name, EEO category, gender, ethnic group, job start date, business card title, grade, grade location, step, annual salary, and percentage change. This report uses the primary position flag.
AAP Salary Change	The AAP Salary Change reports changes for employees. Information on the report includes gender, ethnic group, change effective dates, and the amount and percentage of change based on annual base pay according to the employees' primary position.
AAP Termination	The AAP Termination report lists employee termination Affirmative Action Plan (AAP) information. This report includes employees' names, EEO category, gender, ethnic group, termination effective date, business card title, grade, and reason (using primary position assignment data). This report also includes an AAP termination summary.
AAP Transfer	The AAP Transfer report lists employee transfer Affirmative Action Plan (AAP) information. This report includes employees' names, EEO category, location start date, organization unit, departments transferred to and from, and divisions transferred to and from (using primary position data).
AAP Transfer - Graph	The AAP Transfer graph displays employee transfer Affirmative Action Plan (AAP) information. Double-click an item on the graph to view a report that lists employees' names, EEO category, location start date, organization unit, departments transferred to and from, and divisions transferred to and from (using primary position data).
Absence Accrued Cost By Department	The Absence Accrued Cost By Department report lists the department, name, absence plan, accrued balance, and accrued cost.
Absence Accrued Cost By Department - Graph	The Absence Accrued Cost By Department graph displays the department and accrued cost. Double-click an item on the graph to view a report that lists name, absence plan, accrued balance, and accrued cost.
Absence Balance	The Absence Balance report provides information for each absence plan in which an active employee is enrolled according to his or her primary position. The detailed information includes time accrued, time taken, and time remaining. This report also generates a Supervisor Control Page for each location and supervisor.
Absence Calendar	The Absence Calendar report lists employees and the absence plans associated with them. The report notes all absences for employees within the specified date range.
Absence Count by Absence Plan	This report displays the number of absences taken by currently active employees enrolled in absence plans over the previous twelve months. The report breaks down by absence plan. This report sorts first by Absence Plan and then by the number of absences.
Absence Excesses	The Absence Excesses report lists employee name, absence plan, accrued amount, remaining balance, and plan year.
Absence Plan Codes	The Absence Plan Codes report provides a detailed list of all absence plans, along with associated plan information.

Report Name	Description
Absence Plan Usage by Department	This report displays the percentage of employees in a given department who have used a specific absence plan in the current year. The report counts all employees regardless of status who have been in a department and had an absence in the specific plan during the current year. This report sorts first by absence plan and then by department.
Absence Rolling Balance	The Absence Rolling Balance report lists each employee's absence plan and total absences for one year prior to the effective date value entered.
Adjusted Survey Results	Depending on the item you select from the Salary Survey options under the Reports menu, the Adjusted Survey Results report can group information by the following categories: by job, by grade, or by survey. These reports also tell you the department, location, last pay rate, pay frequency, and the converted pay rates for each job or, if you elect to show employee data, the converted rates for employees assigned to each job or grade. (Salary Survey Module)
Age Distribution	This report displays the ages for all currently active employees, broken down by gender. This report sorts first by Age and then by count (broken down by Gender).
Alert Events	The Alert Events report lists the dates in the system that you can use to notify iVantage users.
Alerts	The Alerts report provides a list of the alerts that have been set up in your system.
Applicant Evaluation Type	The Applicant Evaluation Type report lists the applicants for each type of evaluation. Information in this report includes evaluation type description and code, job code, job title, requisition code and closing date, application date, and applicant name.
Applicant Evaluation Type – Graph	The Applicant Evaluation Type graph displays types of evaluations applicants receive. Double-click an item on the graph to view a report that lists evaluation type description and code, job code, job title, requisition code and closing date, application date, and applicant name.
Applicant Inquiry	The Applicant Inquiry report lists applicant information, such as name, application date, requisition code and description, and job code and title. You can choose to have this information categorized by disability, ethnic group, gender, residence state, or veteran status.
Applicant Profile	The Applicant Profile report summarizes all available applicant information for a single applicant at a time. This report includes the applicant's resume as well as personal information, employment history, education history, competencies, certifications, languages and their application.
Applicant Referral Source	The Applicant Referral Source report lists information about how applicants are referred to your organization. Information in this report includes referral source, application status, job code, job title, application date, and applicant name.
Applicant Referral Source - Graph	The Applicant Referral Source graph displays information about how applicants are referred to your organization. Double-click an item on the graph to view a report that lists referral source, application status, job code, job title, application date, and applicant name.
Applicant Requisitions	The Applicant Requisitions report lists the persons who have applied for requisitions in your organization. The report lists basic applicant requirements as well as the basic data about the requisition for which they are applying. All requisitions that the person has applied for appear in this report regardless of whether or not the requisition is still open.
Applicant Resume Search	Displays all applicants filtered by user selected requisition and key word search criteria.

Report Name	Description
Authorized Budgeted Positions and Incumbents	The Authorized Position and Incumbents report lists the authorized positions in your organization and the persons who currently fill those positions. (Position Control Module)
Average Absence Plan Balance by Department	This report displays the average absence plan balances for all current employees. This report sorts first by Department, then by absence plan and hours.
Average Annual Salary by Grade	This report shows the average annual salary by grade for all active employees, as of the report's run date. This report sorts first by grade and then by annual salary.
Average Annual Turnover By Quarter	This report calculates the average annual turnover (by quarter) among all currently active employees, as of the report's run date. The report shows the current quarter and the four previous quarters. This report is sorted first by quarter and then by average turnover percentage.
Average Annual Turnover by Year	This report displays the average annual turnover, broken down by internal turnover and external turnover. This report sorts first by year and then by turnover type (internal or external).
Average Base Pay By Grade By Job	The Average Base Pay by Grade by Job reports the average base pay for jobs separating them both by grade and then by job title within the grade. Information on the report includes employee count, pay information, average compa-ratio and average years in job.
Average Increase by Performance Review Score	This report displays the last average increase given by the last performance review final score. This report sorts first by Performance Review Final Score and then by Average Percentage Increase. <b>Note:</b> For every performance review score, iVantage determines the employee's related base pay increase or decrease, as determined by the base pay history record that has a date on or after the most recent performance history performed date.
Average Monthly Contribution By Plan	This report displays the average monthly employee and employer benefit contributions per plan for the past 12 months. Also, the report displays any plan with contributions during the last 12 months. This report sorts first by plan and then by contribution source.
Average Non-Exempt Hourly Earnings	This report displays the average hourly rate of all currently active non-exempt employees—as defined in the Overtime Status field of the Job code table—for the given month. The report displays information for the current month and the three preceding months. This report is sorted first by month/year and then by department.
Base Pay	The Base Pay and Job report lists job information with associated pay information.
Base Pay Analysis By Department	The Base Pay Analysis by Department report lists the number of exempt and non-exempt active employees per department. It also lists the department total annual base pay and average annual base pay.
Base Pay And Job	The Base Pay and Job report lists job information with associated pay information.
Base Pay By Department By Grade	The Base Pay by Department by Grade report shows a detailed listing of active employees sorted by department code and then grade code. Employees must have an employee record for each of the following pages for the employee to appear on this report: Status, Job, Location, and Base Pay History.

Report Name	Description
Base Pay By Grade	The Base Pay by Grade report shows a detailed listing of active employees sorted by grade code, then by last, then first names. Employees must have an employee record for each of the following pages for the employee to appear on this report: Status, Job, Location, and Base Pay History.
Base Pay Change Summary	The Base Pay Change Summary report lists the departments, beginning annualized base pay amount, total dollar amount by department, and percent change associated with those departments. Employees must have an employee record on the Status, Job, Location, and Base Pay page as of the start date you enter and an active status record as of the end date to be included in this report.
Base Pay History	The Base Pay History report lists employee rate history records. If the Next Review Date on an employee's Base Pay History record is blank, that record does not appear on this report.
Base Pay Increases by Job Family	This report displays company-wide pay increases for the current year and the two previous years, broken down by job family. The report calculates base pay increases for all employees who were active at any part of the year. This report sorts first by pay increase (as a percentage) and then by job family.
Base Pay Outside Grade Range	The Base Pay Outside Grade Range report lists all active employees whose annual base pay rate is either above the annual maximum or below the annual minimum pay range for their grades. Row level security is applied to this report, letting you see information only for those employees to whom you have been assigned permission. Employees must have an employee record for each of the following pages for the employee to appear on this report: Status, Job, Location, and Base Pay History.
Base Pay Review Dates	The Base Pay Review Dates report lists past due and upcoming pay review dates for all active employees as of the date you enter. The information on the report includes business card title, department, and supervisor. <b>Note</b> that if there is no Scheduled Base Pay Review Date listed on a current Base Pay History record, that record will not appear on this report.
Base Pay Review Dates By Supervisor	The Base Pay Review Dates by Supervisor report lists past due and upcoming pay review dates for all active employees as of the date you enter. The information on the report includes business card title, department, and supervisor. <b>Note</b> that if there is no Scheduled Base Pay Review Date listed on a current Base Pay History record, that record will not appear on this report.
Benefit Carrier History	The Benefit Carrier History report provides a history of benefit plan carriers.
Benefit Cost Summary	The Benefit Cost Summary report lists the total coverage dollars for all plan option combinations in addition to the employee and employer cost breakdown. The premium is the net cost for an employee.
Benefit Eligibility	The Benefit Eligibility report provides information to determine whether an employee is eligible for benefits. The information contained in this report includes employee hire date, years of service, annualized base pay, social security number, birth date, and age. The effective date entered is the date used to calculate the employee's service years and age. If the employee's calculated service years and age are greater than or equal to the minimum parameter values entered, then the employee will be displayed on the report.
Benefit Enrollment By Person	The Benefit Enrollment by Person report lists an employee's and dependents' current benefit plan enrollments. This report details benefit plans and options for each employee and dependent, as well as start and end dates, and the employee's social security number.

Report Name	Description
Benefit Enrollment By Plan	The Benefit Enrollment by Plan report provides benefit enrollment information for a specific period of time. The report lists enrollment history for employees and their dependents within each benefit plan.
Benefit Enrollment By Plan Type	This report displays the percentage of people enrolled in a benefit plan for at least one day. Also, the report displays these totals for the current year and the two prior years, and is broken down by plan. This report sorts first by plan and then by number of employees.
Benefit History	The Benefit History report lists all current benefit history records for active employees.
Benefit Plan Codes	The Benefit Plan Codes report lists information for each benefit plan your organization offers, including eligibility, effective dates, coverage, and payment information.
Benefit Premiums	The Benefit Premiums report is sorted by the benefit type, benefit plan, and benefit option. The report prints the coverage, contribution amounts, premium amount, and imputed income amounts for all active employee benefits whose eligibility date is before the date the report is run. This report is suitable for reconciling benefit contributions and preparing benefit premium reports to carriers.
Benefit Statement	The Benefit Statement report provides a Personal Statement of Benefits for employees based on primary position, original hire date, birth date, employment category, and annual salary. This statement reports on benefit information including plans, options, start and end dates, employee and employer costs, and coverage information.
Benefit Utilization	This report compares the number of current employees enrolled in a selected benefit plan with the number of employees eligible for the plan. This report sorts first by plan name and then by number of employees.
Birthdays	The Birthdays report provides a list of employees, their birth dates, business card titles, and departments. Active employees who do not have birth dates entered in the system will not appear on this report. Employees must have current job and location records to appear on this report.
Birthdays By Department	The Birthdays by Department report lists active employees, along with their current respective business card titles, in each department who are having a birthday within the date range entered. Active employees who do not have birth dates entered in the system will not appear on this report. Employees must have current job and location records to appear on this report.
Birthdays By Supervisor	The Birthdays by Supervisor report lists active employees, along with their current respective original hire dates, who are having a birthday within the date range entered. Active employees who do not have birth dates entered in the system will not appear on this report. Employees must have current job and location records to appear on this report.
Blank Timesheet	The Blank Timesheet report prints a blank timesheet for the selected employee for you to use to create a manual timesheet. (Timesheet Module)
Candidate DNA	This report displays key statistics about your organization's applicants, including employee applicants and dependent applicants. This report sorts by Gender, Marital Status, Ethnicity, Disability and Age.
Certificate Of Coverage	The Certificate of Coverage report provides the information needed to satisfy HIPAA requirements. It includes current employer information, participant information, and period of coverage information for the participant.
Certifications	The Certifications report lists person certification information, which includes person name, certification title, who issued the certification, achieved and expiration dates, and comments. (Training and Development Module)



Report Name	Description
Certifications	The Certifications report lists person certification information, which includes person name, certification title, who issued the certification, achieved and expiration dates, and comments. (Training and Development Module)
Class Certificate	The Class Certificate report generates a certificate of completion for everyone on the class roster that passed the class. You can customize the standard iVantage certificate to meet your organization's needs. (Training and Development Module)
Class Roster	The class roster report lists the scheduled participants for a particular class, as well as basic class information. (Training and Development Module)
Class Schedule	The Class Schedule report displays a list of scheduled class dates for the classes in your iVantage database. This information is displayed in a graphical format in the Class and Facility calendars. You can view this report for a specific class, specific dates, or for all classes in your iVantage database. Sorted by Month and Year then Start Date. (Training and Development Module)
Class Sign-In Sheet	The class Sign-In Sheet report allows you to generate a class roster that instructors can use as a means for keeping track of class attendance. (Training and Development Module)
Class Status	The Class Status report displays a list of classes and their current status. You can view the classes in a specific status or all statuses. (Training and Development Module)
COBRA Cancel Notification Letter	The COBRA Cancel Notification Letter report is used to notify COBRA participants that their coverage is cancelled as of the date specified.
COBRA Election Notice	The COBRA Election Notice report is used to notify persons of their rights to continued benefit coverage under COBRA.
COBRA General Notice	The COBRA General Notice report discusses the rights granted qualifying, covered employees under COBRA law.
Compa Ratio Distribution by Grade	This report shows the number of employees over and under their Compa ratio by grade for all active employees, as of the report's run date. This report sorts first by grade and then by the number of employees relative to their Compa ratio.
Company Total Compensation	This report displays the company total compensation for the current year for all active employees. This report sorts by Base Pay, Employer Paid Benefits, Training and Development and Other Pay.
Competencies	The Competencies report lists person competency information, which includes person name, proficiency and level, effective date, and assessed by data. (Training and Development Module)
Competency Codes	The Competency Codes report lists data on competencies, including the competency category, competency cluster, proficiency scale, and functional area that the competency is part of. This information is sorted alphabetically by competency code.
Competency Match	The Competency Match report lists those applicants and employees with competency codes that are associated with a particular job code. This report displays person competency information, such as person name, competency type, acquired date, and proficiency level. (Training and Development Module)
Connect User Login History Report	Displays all Employee Self Service users accessing Connect during a period of time. (Connect Module)

<b>Report Name</b>	<b>Description</b>
Converted Base Pay	The Converted Base Pay report displays employees' base pay history in the currency entered with the related converted amounts in the corporate standard currency. This report is sorted by last name, and then by first name.
Course Catalog	The Course Catalog report lists the courses offered by your organization and provides a brief description of the courses. This report is not a traditional rpt report but rather a dynamic ASP Web page. Expand the sections to view more information about the courses offered. (Training and Development Module)
Costs by Department	This report displays the monthly departmental costs for all currently active employees for the current month and the prior five months.
Course Codes	The Course Codes report lists data on courses, including information about the company offering the course and the aim, target, content, and fee of the course. (Training and Development Module)
Course Expense History	The Course Expense History report lists course expense information for those persons within your organization. The data in this report includes course, charge back information, cost and cost allocation, tuition reimbursement amount and allocation, and acquired date. (Training and Development Module)
Course History	The Course History report lists information on persons who have taken the courses tracked by your organization. The data in this report includes acquired date, how acquired, cost, and cost allocation. (Training and Development Module)
Course Skills Offered	This report displays course descriptions, as well as the number of competencies and certifications offered by a course. This report sorts first by course description and then by number.
Current Distribution By FTE	This report displays the distribution of currently active employees by their full-time equivalent (FTE) status. This report sorts by FTE status.
Department Hire Cycle Time	This report displays the hire cycle time, in days, for requisitions posted in the last 12 months. The report is broken down by Department. This report sorts first by Department and then by number of days.
Departmental Compensation	This report displays the total compensation for the selected department as a percentage of the company's total compensation. This report sorts first by year and then by percentage of the company's total compensation.
Departmental Turnover by Performance Rating	This report displays turnover percentage, based on all historical performance review scores (as determined by Reviewer final scores). The report is broken down by department. This report sorts first by performance review score and then by turnover percentage. It is grouped by department.
Dependent Average Age	The Dependent Average Age report is a bar graph that groups employees' dependents into five-year age categories, and counts the number in each category.
Directory By Department	The Directory by Department report lists the active employees within each department, along with their telephone numbers.
Directory By Department With Home Phone And Address	The Directory By Department with Home Phone and Address report lists the addresses and day, mobile, pager, home, and other telephone numbers of all active employees.
Directory By Name	The Directory By Name report lists active employees and includes their current department, phone, and extension.
Directory By Name With Home Phone And Address	The Directory By Name with Home Phone and Address report lists the addresses and day, mobile, pager, home, and other telephone numbers of all active employees.

Report Name	Description
Earnings Variance	This report displays the earnings variance per month from the average of the report period for active employees during that month. The reporting period is the current month, back through the preceding twenty-three months. In other words, two full years display on this report. This report sorts by month.
Education Degree Distribution	This report displays the distribution of currently active employees by their education degree. This report sorts by degree type.
Education History	The Education History report lists person education history, which includes person name, start and end dates, degree, school, graduation date, GPA, and other education-related information.
EEO-1 Section D	The EEO-1 Section D report provides EEO category description, gender, and ethnic group calculations for active employees to complete that portion of the federal EEO-1 report. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EEO-1 Section D Percentages and Graph	The EEO-1 Section D Percentages and Graph report displays EEO category description and gender information regarding active employees. The report following the graph provides further details on EEO category descriptions, gender, and ethnic group calculations. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EEO-4	The EEO-4 report provides the information needed to prepare Section D of the federal EEO-4 report. This report includes annualized base pay ranges, gender, and ethnic group descriptions for full-time employees. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EEO-6	The EEO-6 report provides the information needed to prepare Sections II.B and iVantage of the federal EEO-6 report for regular full-time employees only. This report includes gender and ethnic group descriptions. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
Emergency Contacts	The Emergency Contacts report lists emergency contacts for active employees, including the contact's telephone number, relationship, and priority. The report also lists the employee's department.
Emergency Contacts By Department	The Emergency Contacts by Department report lists emergency contacts for active employees, including the contact's telephone number, relationship, and priority. The report also lists the employee's department.
Employee Absences Day Of Week	The Employee Absences Day of Week report is a pie chart that categorizes absences by the day of the week on which they begin.
Employee Average Age	The Employee Average Age report is a bar graph groups employees into five-year age categories, and counts the number in each category.
Employee Badge	The Employee Badge report creates identification badges for persons in your iVantage database.
Employee Basic Data	The Employee Basic Data report lists employee name, business card title, hire and seniority date, status information. The report also includes division, department, and location.
Employee Calculations	The Employee Calculations report lists calculations, such as service years, annualized pay, and compa-ratio, for employees as of an effective date.

Report Name	Description
Employee Company Property by Department	The Employee Company Property By Department report lists, by department, company property items issued to employees. This report includes department description, person name, ID, job title, and hire date. The report also includes property type description, property code, property description, serial number, and issue and return due dates.
Employee Company Property Card By Department	The Employee Company Property Card By Department report lists, by department, company property card information. This report includes department description, person name, ID, job title, and hire date. The report also includes property card type description, property card type code, card number, and issue and expiration dates.
Employee Company Property Card Checklist	The Employee Company Property Card Checklist report lists company property cards issued to employees. This report includes person name, ID, job title, hire date, and department description. The report also includes property card type description, property card type code, card number, and issue and expiration dates. In addition, the report includes a date returned column and initials column to be completed when the card is returned.
Employee Company Property Checklist	The Employee Company Property Checklist report lists company property items issued to employees. This report includes person name, ID, job title, hire date, and department description. The report also includes property type description, property code, property description, serial number, and issue and return due dates. In addition, the report includes a date returned column and initials column to be completed when the property is returned.
Employee Confidential Data	The Employee Confidential Data report lists employee name, business card title, hire and seniority date, status information. The report also includes division, department, location, and current or last base pay.
Employee Count By Company	The Employee Count by Company report provides a count of employees and total FTE. The report detail displays employee name and current business card title, location, supervisor, shift, and hours per week. Only employees with an active employment status are included on the report.
Employee Count By Department	The Employee Count by Department graph provides a count of employees and total FTE. The graph detail displays employee name and current business card title, location, supervisor, shift, and hours per week. Only employees with an active employment status are included on the report. The data is first sorted by department, then employee name. The employee information is provided in alphabetical order by employee last name.
Employee Count By Location	The Employee Count by Location graph provides a count of employees and total FTE. The graph detail displays employee name and current business card title, location, supervisor, shift, and hours per week. Only employees with an active employment status are included on the report. The data is first sorted by location, then employee name. The employee information is provided in alphabetical order by employee last name.
Employee Count By Org. Unit	The Employee Count by Org. Unit graph provides a count of employees and total FTE. The graph detail displays employee name and current business card title, location, supervisor, shift, and hours per week. Only employees with an active employment status are included on the report. The data is first sorted by location, then employee name. The employee information is provided in alphabetical order by employee last name.
Employee Leave Report	The Employee Leave Report shows employees out on leave, leave information, such as when they are expected and their leave balance, and absence occurrences taken. The information on this report is sorted by Department, then by Employee Name, and then by leave occurrence in descending order.

Report Name	Description
Employee Listing	The Employee Listing report lists the addresses and address types, daytime phone number, pager phone number, home phone number, and other phone number for active employees. This information is sorted by last name, and then by first name.
Employee Drug Test History	The Employee Drug Test History report lists the scheduled drug test and drug test result information for a person or persons in your iVantage database.
Employee Position Headcount Graph	The Employee Position Headcount graph shows you the number of employees assigned to each location. You double-click a specific piece of the graph to view more detailed data. (Position Control Module)
Employee Positions	The Employee Positions Report lists the persons in your iVantage database and the positions assigned to them. (Position Control Module)
Employee Profile	The Employee Profile report lists employee name, personal, emergency contact, status, location, performance, and benefit enrollment information. The report also includes base pay, job history, qualifications, and medical data.
Employees By Hire Date	The Employees by Hire Date report lists information sorted by hire date for active employees. The report includes employee name, original hire and seniority dates, and current business card title, location information, and annual salary information. Employees must have an employee record for each of the following pages for the employee to appear on this report: Person, Personal, Status, Job, Location, and Pay.
Employees By Job	The Employees by Job report provides a roster of active employees and the following information for each employee: current job title, grade, name, department, original hire date, job start date, base pay, and how frequently the employee is paid. Only employees with an active employment status are included on the report.
Employees By Last Name	The Employees by Last Name report lists active employees' birth date, original hire date, seniority date, next pay review date and current annual salary information, business card title, division, department, and location.
Employees By Organization	The Employees by Organization report shows Employee name and current employee ID, status code, status date, hire date, and title for all active employees. The report also provides a count of the number of active employees within each organizational unit.
Employees By Organization Unit By EEO Category	The Employees by Organization Unit by EEO Category report lists the organization staffing for active employees as of a point-in-time date. Information on the report includes EEO code, hire date, gender, ethnic, current status, job, and pay information as of the point-in-time date.
Employees By Seniority Date	The Employees by Seniority Date report lists information sorted by seniority date for active employees. The report includes employee name, original hire and seniority dates, and current business card title, location information, and annual salary information. Employees must exist in an employee record for each of the following pages for the employee to appear on this report: Person, Personal, Status, Job, Location, and Pay.
Employees By Status Category	The Employees by Status Category report lists active employees by status. It includes the employee's most current status date, hire date, organization unit, and business card title. Employees must exist in an employee record for each of the following pages for the employee to appear on this report: Person, Personal, Status, Job, Location, and Pay.
Employer Costs by FLSA Status	This report displays the total pay and total employer benefit contributions for the selected dates. This report sorts first by FLSA status and then by compensation type.

<b>Report Name</b>	<b>Description</b>
Employment History	The Employment History report lists person employment history, which includes person name, start and end dates, company, job title, professional level, functional area, and ending pay.
EO Survey Part B - Applicant Percentages	The EO-Survey Part B – Applicant Percentages report compiles applicant data for the "Part B – Personnel Activity by EEO-1 Category – Applicants" portion of the EO Survey. This report is supplemental and intended for internal use rather than government compliance.
EO Survey Part B - Applicants	The EO-Survey Part B – Applicants report compiles application data for the "Part B – Personnel Activity by EEO-1 Category – Applicants" portion of the EO Survey. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EO Survey Part B - Full Time Employees	The EO-Survey Part B – Full Time Employees at End of Year report completes the "Part B – Personnel Activity by EEO-1 Category – Full Time Employees at End of Year" portion of the EO Survey. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EO Survey Part B - Hires	The EO-Survey Part B – Hires report completes the "Part B – Personnel Activity by EEO-1 Category – Hires" portion of the EO Survey. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EO Survey Part B - Promotions	The EO-Survey Part B – Promotions report completes the "Part B – Personnel Activity by EEO-1 Category – Promotions" portion of the EO Survey. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EO Survey Part B - Terminations	The EO-Survey Part B – Terminations report completes the "Part B – Personnel Activity by EEO-1 Category – Terminations" portion of the EO Survey. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.
EO Survey Part C	The EO-Survey Part C compiles data to complete the Average Tenure columns of the "Part C – Compensation Data by EEO-1 Category" portion of the EO Survey.
Expiring Benefit Eligibilities	Use this report to display existing benefit enrollments for which people will no longer be eligible as of an effective date
Failed Contributions	The Failed Contributions report lists employee name, start and end date, benefit plan and option, an explanation of why the contribution failed. This report also includes coverage information.
Failed Enrollments	The Failed Enrollments report lists responsible person, employee name, start and end date, eligibility, and start and end status. The report also includes benefit information.
Field Information	The Field Information report provides detailed information about the fields (columns) in each table selected, such as field type, defaults, reference, and referenced by.
FMLA Leave Hours by Department - Graph	The FMLA Leave By Department Graph Report shows a graphical representation of total FMLA Leave hours by department. The report compares continuous and intermittent hours taken. This report is sorted by Department, and then Intermittent Hours vs. Continuous Hours.
Grade Codes	The Grade Codes report lists all grades and associated grade pay steps for the specified effective date. The report displays pay-step rates including min, mid, and max pay rates.

Report Name	Description
Headcount By Nationality	This report displays currently active employees by nationality. This report sorts by nationality.
Hire Analysis	The Hire Analysis report provides a current count of actively employed, newly hired, rehired, terminated and transferred employees.
Hire Status by Requisition	This report displays the number of applications—and their current statuses—for the selected requisition or requisitions. This report sorts first by status and then by number.
Hiring Costs By Department	This report displays the hiring costs for each department for the current and prior years. Hiring costs equal the total allocated recruiting expenses for each department. This report sorts first by year and then by department.
I9 Form	All U.S. employers are responsible for completion and retention of the I9 Form for each individual they hire for employment in the United States. This includes citizens and noncitizens. On the form, you must verify the employment eligibility and identity documents presented by the employee and record the document information on the I9 Form.
Incomplete Drug Test	The Incomplete Drug Test report displays incomplete drug tests alphabetically by name
Invalid Benefit Eligibility Parameters	This report displays benefit eligibility parameter history records that are invalid.
Invalid Benefit Parameters	This report displays benefit parameter history records that are invalid.
Invalid Benefit Ranges	This report displays benefit plan codes that have an invalid benefit range history record.
Invalid Multiple Benefit Option Enrollments	This report displays employee benefit enrollments where the employee is enrolled in multiple benefit option of the same benefit code.
Invalid Multiple Benefit Plan Enrollments	This report displays employee benefit enrollments where the employee is enrolled in multiple benefits of the same benefit type where the benefit type is specified to only allow a single plan enrollment.
Job Codes By Grade	The Job Codes by Grade report lists the current grade information for each job code.
Job History	The Job History report shows employee position/job history records.
Job Posting	The Job Posting report lists data about all open requisitions. Information in this report includes job code, job title, approval date, posting date, close date, and requisition code and description. This report also includes the certifications required and desired education, degree, and major for the job posting.
Job Reasons By Department	The Job Reasons by Department report displays, by department, the number of employees per job reason: New Hire, Rehire, or Transfer. This report sorts first by Job Reason and then by number, broken down by Department.
Job Requirement Completion Levels	This report compares the number of employees, broken down by department, against the number of employees with fulfilled job or position needs requirements. This report sorts first by department, and then by the number of employees and the number of employees with fulfilled job or position needs requirements.
Job Requisition Notice	The Job Requisition Notice report lists information about requisitions posted between specified dates that iVantage groups by job family. Information in this report includes job family description and code, job title, overtime status, grade code, requisition code, and posting date.

Report Name	Description
Job Requisition Notice - Graph	The Job Requisition Notice graph displays information about the number of requisitions posted between specified dates, which iVantage groups by job family. Double-click an item on the graph to view a report that lists job family description and code, job title, overtime status, grade code, requisition code, and posting date.
Job Summary	The Job Summary report displays job information, such as the job description, job requirements, and related job qualifications. Note: You will not have this report if you have converted to a position-based system by running the store procedure "shrUsePositionRequirements"; see the Position Summary Report. The information on this report sorts by Job Code.
Job Tenure by Age Group	This report displays job tenure information for all employees during a five-year rolling period ending with the current date. Note: The report includes employees who were active at any time during the rolling five-year period. The report calculates service years based on the last day of the prior month. This report sorts first by month and year, then by tenure, and is broken down by age group.
Length of Service Distribution	This report displays the length of service for all currently active employees, broken down by gender. This report sorts first by Service Years and then by count (broken down by Gender).
Location Hire Cycle Time	This report displays the hire cycle time, in days, for requisitions posted in the last 12 months. The report is broken down by Location. This report sorts first by Location and then by number of days open.
Location History	The Location History report shows employee location history records.
Mailing Labels	The Mailing Labels report lists each active employee's full name (including salutation, first, and last) and mailing address.
Medical Facility	The Medical Facility report lists medical facility information, which includes facility name, code, address, city, state/province, postal code, country, and phone.
Military Leave Reinstatement Obligations	The Military Leave Reinstatement Obligations report lists the employees currently on military leave of absence who you are obligated to reinstate on completion of active duty. The report contains the employees' job titles, pay grades, and the date on which the leaves began.
Military Service Call Up Obligations	The Military Service Call Up Obligations report lists those employees who may be called into active military duty. The report contains the employees' job titles and current military eligibility status.
Military Service Profile	This report provides military service history data for all employees, including the military branch in which the employee served and the rank attained.
Monthly Termination Count	This report displays the number of terminations during the current month and each of the five prior months. This report sorts by month.
Most Common Other Pay Types	This report displays the percentage of employees receiving a specific other pay type compared to all active employees for the current year. This report sorts first by Other Pay Type and then by Employee Last Name.
New Hire and Termination Analysis	This report compares the number of employees at the start of the month against the number of employees at the end of the month. This report sorts first by month (for the past 12 months) and then by number of employees.
New Hires and Terminations	This report displays the monthly current total number of employees (Head Count) with the monthly current total number of new hires (Joiners) and terminations (Leavers), broken down by department. This report, broken down by department, sorts first by Head Count, Joiners and Leavers, and then by number of employees.



Report Name	Description
Next Drug Test Deadline	This report provides a listing of upcoming drug test deadlines based on a prompted effective date.
Next Performance Review Due Dates	The Next Performance Due Dates report lists the due date for the next performance review, the name of the individual being reviewed, and the supervisor. The report information is sorted first by next performance review due date, name, and supervisor.
Nomination History	The Nomination History report displays nomination information for individuals. The data is sorted alphabetically by nominee. (Succession Planning Module)
Nomination Listing By Job/Position	The Nomination Listing by Job/Position displays nomination information for individuals nominated for a specific job or position. The data is sorted alphabetically by job or position. (Succession Planning Module)
Nomination Listing By Nominator	The Nomination Listing by Nominator displays nomination information for individuals nominated by a specific person. The data is sorted alphabetically by nominator. (Succession Planning Module)
Nomination Listing By Nominator and Job/Position	The Nomination Listing by Nominator and Job/Position displays nomination information for individuals nominated by a specific person for a specific job or position. The data is sorted alphabetically by nominator and then by job or position. (Succession Planning Module)
OSHA 101	The OSHA 101 report is a supplementary record of occupational injuries and illnesses. This report includes case number, employee information, and occupational injury or illness information. This report also includes date of injury or initial diagnosis of illness and severity of injury or illness.
OSHA 200 Illness	The OSHA 200 Illness report is a log and summary of occupational illnesses. This report includes case number, illness or injury date, employee name, and type of illness. This report also includes types, extent of, and outcome of illness information.
OSHA 200 Injury	The OSHA 200 Injury report is a log and summary of occupational injuries. This report includes case number, illness or injury date, employee name, occupation, and illness or injury description. This report also includes extent and outcome of injury information.
OSHA 300	<p>The iVantage OSHA 300 report provides data for the government-created forms OSHA Form 300 and OSHA Form 300A. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports. The OSHA 300 report lists information about work-related deaths, injuries, and illnesses that meet the criteria specified by OSHA. This information includes employee name and job title, and a complete description and classification of the illness or injury and its result. You can use this information to complete OSHA 300.</p> <p>The OSHA 300A report provides summary information based on OSHA 300 that you can use to complete OSHA 300A. The summary includes establishment information, employment information, number of cases, number of days, and number of each illness and injury type.</p>
OSHA 301	<p>The OSHA Form 301 report compiles information about the employee, health care, and incident that you can use to complete OSHA Form 301. The iVantage report is presented in the same format as the government-created report. The information below is valid for both the iVantage and the government reports.</p> <p>The OSHA Form 301 report lists information about specific incidents for a specific person.</p>
Outstanding Needs	The Outstanding Needs report lists the needs for a person or people.

Report Name	Description
Performance And Base Pay Distribution	The Performance and Base Pay Distribution report lists employee name, original hire date, business card title, grade, performance information and base pay information that includes start date, annualized base pay, amount change, and percentage of range and change.
Performance History	The Performance History report lists performance history records for active employees.
Performance Review	<p>The Performance Review report is organized by question groups and lists the questions used in the review.</p> <p>Questions are followed by the evaluation result of the answers to the review questions, the weight of the questions, comments from the manager (or supervisor) and employee, and the reviewer's and employee's scores.</p> <p>The Performance Review report is the hard copy printout for the selected person's performance review. The report information is sorted first by performance question group and then by question weight.</p>
Performance Review Dates	The Performance Review Dates report lists performance review dates up to and including the date you enter, as well as employee name, business card title, department, and supervisor.
Performance Review Dates By Department	The Performance Review Dates by Department report lists past due and upcoming review dates for all active employees. This report also displays the employees' current business card titles and supervisors.
Person FTE Variance	The Person FTE Variance report lists the persons in your iVantage database that currently have greater than 1.0 FTE. (Position Control Module)
Person Goals	The Person Goals report displays professional and career goals for individuals. You can view person goals for all persons or for one specific person. The data is sorted by priority, goal type, and then by due date. (Succession Planning Module)
Person Medical	The Person Medical report lists person medical information, which includes employee name, SSN/SIN, ID, physician, physician code, medical facility, and facility code. The report also includes blood type, last and next physical dates, and if the person uses tobacco products.
Personnel Action Notice	<p>The Personnel Action Notice report lists the following information for active employees: name, address, telephone, SSN/SIN, hire date, person ID, employee ID, and current employment and salary data.</p> <p>Note: Persons with more than one current Performance History record will have a multiple page report.</p>
Physician	The Physician report lists physician information, which includes physician code, physician name, address, city, state/province, postal code, country, and phone.
Position and Staffing Plan	The Position and Staffing Plan report lists the position and budgeting information for the positions within your organization. If you choose to view filled positions, this report also lists the persons assigned to each position. (Position Control Module)
Position Funding	The Position Funding report lists the funding information for the positions within your organization. (Position Control Module)
Position Incumbents	The Position Incumbents Report lists the persons who are filling the positions within your organization as of a specific date. (Position Control Module)
Position Monthly Budget and Staffing	The Position Monthly Budget and Staffing report lists a month-by-month forecast of the positions in your organization compared with the budgeted position. (Position Control Module)

Report Name	Description
Position Summary	The Position Summary report displays position information, such as the position description, position requirements, and related position qualifications. Note: You will only have this report if you have converted to a position-based system by running the store procedure "shrUsePositionRequirements"; if you have not run this stored procedure, see the Job Summary Report. The information on this report sorts by Position Code. (Position Control Module)
Primary Position Errors	The Primary Position Errors report lists the persons in your organization that have more than one assigned primary position or have no assigned primary position. (Position Control Module)
Property Issued	The Property Issued report lists company property issued. This report includes property type, property code, property description, and serial number. The report also includes employee name, department, and issue and return due dates.
Property Issued By Department	The Property Issued By Department report lists, by department, company property. This report includes department description, property type, property code, property description, and serial number. The report also includes issue and return due dates and employee name.
Property Not Issued	The Property Not Issued report lists company property that has not been issued. This report includes property type, property code, property description, and serial number. The report also includes acquired and disposed dates, comments, and columns indicating if the property is employee owned or co-possessed.
Qualification Match	Use the Qualifications Match ALL report to match employees, applicants, or both who meet the specific criteria for a job within your company. You can find all or a combination of various qualifications based upon a person search. iVantage displays the search results in the Qualifications Match report. (Training and Development Module)
Qualifications	The Qualifications report lists person qualification data, which includes certification, competency, education history, and employment history information.
Quality of Hire	This report compares the number of New Hires with the number of New Hires Still Employed After 90 Days. A line graph indicates the number of New Hires, the number of New Hires still employed after 90 days, and the number of New Hires still employed. This report sorts first by month (for the past 12 months) and then by the number of employees.
Random Drug Test	The Random Drug Test report selects a percentage of employees for random drug testing. The data is sorted alphabetically by person name.
Recipients	The Routing Recipients report provides a list of the persons or positions that you have designated as recipients through the Maintain Recipients utility. The recipients are sorted by recipient description.
Recruiting Expenses	The Recruiting Expense Report lists information about the departments of your organization that are responsible for recruiting costs, who recruiting costs are allocated to, and recruiting expense totals. The report also includes dates of your expenses, the type of expenses made, and who approved the expenses. This information is sorted by allocation type.
Recruiting Firms	The Recruiting Firms Report lists information about the agreements, agreement dates, and payments your organization has contracted with a recruiting firm. In addition, firm comments, contact information, and payment and percent information are included in the report. This information is sorted by firm code and firm agreements.

Report Name	Description
Referral Source Count	This report displays the number of applicants from each referral source as a percentage of all applicants for the past twelve months. Note: It is possible for a person to have multiple application records with different referral sources or even multiple application records with the same referral source. This is reflected in the percentages displayed. This report sorts by referral source.
Requisition Aging	The Requisition Aging report lists information about all open requisitions. Information in this report includes requisition code and description, job code and title, posting date, and how many days the requisition has been open as of the date the report is run. The report is divided into four categories: requisitions open between zero and 30 days, between 31 and 60 days, between 61 and 90 days, and those requisitions open longer than 90 days.
Requisition Aging - Graph	The Requisition Aging graph displays information about all open requisitions categorized by those requisitions open between zero and 30 days, between 31 and 60 days, between 61 and 90 days, and those open longer than 90 days. Double-click an item on the graph to view a report that lists requisition code and description, job code and title, posting date, and how many days the requisition has been open as of the date the report is run.
Requisition Applications	The Requisition Applications report lists the basic information for persons who have applied for a requisition or for all the requisitions that are open in your organization. This report allows you to review all the applicants and their desired employment information at-a-glance.
Requisitions	The Requisitions report displays information regarding requisitions posted by your organization. This information is sorted by requisition code.
Retirement Age Workers	This report displays the number of current employees (and the corresponding percentage of total employees), broken down by age group and status category. This reports sorts first by age group and then by employment type.
Routing And Approval Setup	The Routing and Approval Setup report lists the route information for tasks with routing activated.
Routing History	The Routing History Report quick page allows you to view routing requests that have already been approved or denied. The Routing History Report quick page displays the details of the request, included the data change that was requested, whether or not the request was approved, and who was involved in the approval process.
Routing Instances	The Routing Instance report lists all current routes with a routing status of Active, Error, or Waiting for Resubmit or Cancel. By Task name then by date & time.
Scheduled Classes by Facility	This report displays your organization's scheduled classes and the facilities where they are offered. This report sorts first by facility and class, and then by the number of classes.
Scheduled Courses by Facility	This report displays the number of courses scheduled and the facility (or facilities) where they are scheduled. This report sorts first by facility, and then by course and the number of courses.
Self Service User Status Report	The Self-Service User Status report lists the persons in your iVantage database and whether or not they are eligible for Connect access. This report also tells you the location, status, and e-mail address data for the persons in the report. (Connect Module)
Seniority	The Seniority report lists all active employees by seniority date. The report includes current business card title, pay grade, department, location, and original hire date.
Seniority By Department	The Seniority by Department report provides seniority information about all active employees. In addition to the seniority date and department, the report includes current business card title, pay grade, location, and original hire date.

<b>Report Name</b>	<b>Description</b>
Seniority By Location	The Seniority by Location report provides seniority information about all active employees. In addition to the current seniority date and location, the report includes current business card title, pay grade, department, and original hire date.
Seniority By Shift	The Seniority by Shift report provides seniority information about all active employees. In addition to the seniority date and shift, the report includes current business card title, pay grade, location, department, and original hire date.
Seniority By Shift - Graph	The Seniority by Shift graph provides seniority information about all active employees. Double-click an item on the graph to view a report that lists seniority date and shift, current business card title, pay grade, location, department, and original hire date.
Separation Analysis	This report compares the Number of Employees to the Turnover Percentage for the past 12 months. This report sorts first by month, and then by head count or turnover rate.
Service Awards	The Service Awards report lists active employees by landmark anniversary dates that are recognized by your organization. An employee must have a current record in each of the following pages for the employee to appear on this graph: Person, Personal, Status, Job, Location, and Pay.
Service Awards - Graph	The Service Awards graph lists active employees by landmark anniversary dates that are recognized by your organization. An employee must have a current record in each of the following pages for the employee to appear on this graph: Person, Personal, Status, Job, Location, and Pay.
Skill Gap	This report compares the total number of employees (Headcount) with the number of employees with unmet job requirement skills(Skill Gap). This report sorts first by department, and then by Head Count and Skill Gap.
Special Accommodation	The Special Accommodation report lists information to help your organization comply with the Americans with Disability Act (ADA), including the special request and its resolution.
Status History	The Status History report lists employee status history plus hire date, and status start and end dates.
Tenure At Terminations	This report displays all termination reasons and their respective average tenures (service years). This report sorts first by termination reason and then by average tenure.
Tenure By Job Family	This report displays the average tenure—given in years and broken down by job family—for all current employees. This report sorts first by Job Family and then by average tenure in years.
Termination Checklist	The Termination Checklist report provides termination information such as notice date, effective date, and termination reason for the selected date range. It also provides a table to record various human resources and accounting data, as well as request and approval signature lines.
Termination Reason Analysis By Department By Grade	The Termination Reason Analysis by Department by Grade report provides termination information according to department and grade. It also includes totals, percentages, average number of active employees, and turnover rates.
Termination Reason Analysis By Grade By Gender	The Termination Reason Analysis by Grade by Gender report provides termination information according to grade and gender. It also includes totals, percentages, average number of active employees, and turnover rates.
Termination Reasons By Department	This report displays the type of terminations by percentage in a selected department.

Report Name	Description
Termination Reason Analysis By Location By Dept	The Termination Reason Analysis by Location by Department report provides termination information according to location and department. It also includes totals, percentages, average number of active employees, and turnover rates.
Termination Service Analysis By Department	The Termination Service Analysis by Department report provides termination information according to department, grade, and years. It also includes totals, percentages, average number of active employees, and turnover rates.
Termination Types By Department	This report displays the type of terminations by percentage in a selected department.
Terminations	The Terminations report provides termination information as well as the employees' current supervisors, departments, service years, and rehire eligibility.
Terminations DNA	This report displays key statistics about your organization's terminated employees, broken down by year and department. This report sorts by Gender, Marital Status, Ethnicity, Disability, Age and Length of Service.
Time Off History	The Time Off History report shows you the time off taken for a particular time period. iVantage retrieves this date from the tTimeDetail table, and not tPersonAbsenceHist. You can view the report for a person or for a department. This information is sorted either by person or department. (Timesheet Module)
Timesheet Detail	This report displays the time sheet detail by Time Group, Period Ending, Department and employee along with totals of Hours Worked, Hours Absent, Break Hours, Paid Hours, and Unpaid Hours. (Timesheet Module)
Total Compensation Cost Increases	This report displays the percentage changes in total compensation from the previous quarter for the current year, as well as every quarter for the previous two years. Also, this report includes only based pay, other pay, benefits and absences. This report sorts first by Total Compensation, Total Pay (Base Pay and Other Pay), Benefits, and Absences, and then by quarter.
Total Compensation Statement	The Total Compensation report displays all compensation-related items, including Base Pay, Other Pay, Benefit Contributions, Paid Time Off, and Training Costs. (See on-line help for more specific information)
Training Cost and Enrollment	This report displays the yearly number of employees enrolled in training courses and the cost of the courses for the past 12 months. This report sorts first by Training Course, and then by Training Cost and Enrollees.
Training Expenditures	This report displays the percentage of training expenditures for any employee who was active at any point during the past three years: 1. As a percentage of annual salary. 2. As an average per employee. 3. As an average training hours per employee. This report sorts first by year, and then by training expenditures as a percentage of annual salary, as an average per employee, and as an average training hours per employee.
Training Expense History	The Training Expense History report lists training expense information for those persons within your organization. The data in this report includes course, charge back information, cost and cost allocation, tuition reimbursement amount and allocation, and acquired date. (Training and Development Module)
Training History	The Training History report lists person training history and cost allocation information. The data in this report includes course completed, acquired date, tuition reimbursement amount and allocation, and charge back information. (Training and Development Module)
Training Requirement Gap Analysis	The Training Gap Analysis report lists the certifications, competencies, and courses needs for the people in your organization. This report is organized by requirement. (Training and Development Module)

Report Name	Description
Training Requirement Gap Analysis by Person	The Training Gap Analysis report lists the certifications, competencies, and courses needs for the people in your organization. This report is organized by person. (Training and Development Module)
Turnover Analysis By Department	The Turnover Analysis by Department report provides numeric data about new hires, transfers, and terminations; the number of employees at the beginning and end of the period; the number of employees as a percentage of the total turnover rate; and the net number of employees.
Turnover Analysis By Job Category	The Turnover Analysis by Job Category report provides numeric data about new hires, transfers, and terminations; the number of employees at the beginning and end of the period; the number of employees as a percentage of the total turnover rate; and the net number of employees.
Union Membership	This report displays union membership as a percentage of total employees for the current year and the previous nine years (ten years total). This report sorts first by year and then by percentage.
Vet 100	The Vet100 report lists the veteran status for the previous 12 months prior to the reporting date for active employees as related to their primary position's EEO job categories. The report also displays a count of the minimum and maximum number of active employees for the previous 12 months prior to the reporting date. The only EEO Categories that appear are those associated with the job codes entered for the persons in your organization.
View Multi Table Audit Information	Use this report to display audit data for multiple audited tables in iVantage. Choose the tables for which you want to view audited data and specify the date range
View Single Table Audit Information	Use this report to display a single audit data for any audited table in iVantage. Choose the table for which you want to view audited data and specify the date range
Wait List	The Wait List report shows the people who are a wait list for a course or a class. (Training and Development Module)
Workforce DNA	This report displays key statistics about your organization's employees. This report sorts by Gender, Marital Status, Ethnicity, Disability, Age and Length of Service.
Year To Date Earnings History	The Year-to-Date Earnings History report lists employees' annual salaries for all years of service.

# Appendix D – Sample Implementation Plan

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1	<b>Phase I - Core Implementation</b>	130 days	Wed 3/18/09	Tue 5/15/09		
2	Project Planning and Preparation	15 days	Wed 3/18/09	Tue 4/7/09		
3	Implementation Planning Mail	3 days	Wed 3/18/09	Fri 3/20/09		Spectrum, Client
4	Prepare follow-up planning documentation	5 days	Mon 3/23/09	Fri 3/27/09	2	Spectrum
5	Deliver planning documentation to the client via e-mail	0.5 days	Mon 3/23/09	Mon 3/23/09	4	Spectrum
6	Internal review & discussions on planning documentation	1 day	Mon 3/23/09	Tue 3/24/09	5	Client, Spectrum
7	Decide planning documentation via conference call	1 day	Tue 3/31/09	Wed 4/1/09	6	Spectrum, Client
8	Provide Revised Scope to Client via e-mail	0.5 days	Wed 4/1/09	Wed 4/1/09	7	Spectrum
9	Return signed Revised Scope	0 days	Thu 4/2/09	Thu 4/2/09	8	Client
10	Install and setup standard solution	5 days	Wed 4/1/09	Tue 4/7/09		Spectrum, Client
11	<b>Training</b>	4 days	Mon 6/1/09	Thu 6/4/09		
12	Introduction to Vantage training - End-users	2 days	Mon 5/11/09	Tue 5/12/09		Spectrum
13	Introduction to Vantage training - System Administrator	2 days	Wed 5/20/09	Thu 5/21/09	12	Spectrum
14	<b>Configuration Tasks</b>	61 days	Wed 4/1/09	Mon 6/29/09		Spectrum
15	Provide company property and card property codes	1 day	Fri 5/15/09	Fri 5/15/09		Client
16	Provide list of items that should be included in alert if they are missing from new hires	1 day	Fri 5/15/09	Fri 5/15/09		Client
17	Provide schedule break-outs by hour per day, day per week, week per year, month per year	1 day	Fri 5/15/09	Fri 5/15/09		Client
18	Define routing for salary increases	1 day	Wed 4/1/09	Wed 4/1/09		Client
19	Configure routing for salary increases	1 day	Mon 5/11/09	Mon 5/11/09		Spectrum
20	Provide 10-rating scale for performance reviews	1 day	Fri 5/15/09	Fri 5/15/09		Client
21	Provide vantage for certification/license and education information routing to HR from EGS	1 day	Fri 5/15/09	Fri 5/15/09		Client
22	Provide vantage for performance review notification to managers	1 day	Mon 5/18/09	Mon 5/18/09	21	Client
23	Configure e-mail template for certification/license and education information routing to HR from EGS	1 day	Tue 5/19/09	Tue 5/19/09	22	Spectrum
24	Configure work schedules	1 day	Mon 5/18/09	Mon 5/18/09	17	Spectrum
25	Configure alert for Performance Review Due Date	1 day	Tue 5/19/09	Tue 5/19/09	24	Spectrum
26	Create alert for missing person information and acknowledgments	0.5 days	Fri 5/15/09	Fri 5/15/09		Spectrum
27	Obtain next available payroll ID for go-live	1 day	Mon 6/22/09	Mon 6/22/09		Client
28	<b>Customizations</b>	9.5 days	Fri 5/8/09	Thu 5/21/09		
29	Develop checklist report	0.5 days	Fri 5/8/09	Fri 5/8/09		Spectrum
30	Add functionality to position history table to track combined positions	3 days	Fri 5/8/09	Wed 5/13/09	29	Spectrum
31	Add available/unavailable flag to termination task	0.5 days	Wed 5/13/09	Wed 5/13/09	30	Spectrum
32	Remove status category from termination task	0.5 days	Thu 5/14/09	Thu 5/14/09	31	Spectrum
33	Add comments field on Base Pay History page and Enter Personnel Action task	0.5 days	Thu 5/14/09	Thu 5/14/09	32	Spectrum
34	Add percent of increase and increase amount to Base Pay History page	0.5 days	Fri 5/15/09	Fri 5/15/09	33	Spectrum
35	Update Hire A Person task to enroll employees in benefits and absence plans	2 days	Fri 5/15/09	Tue 5/19/09	34	Spectrum
36	Get SSN to be required in Hire A Person task	0.5 days	Tue 5/19/09	Tue 5/19/09	35	Spectrum
37	Add office seat, company job title, supervisor to company directory in EGS	1 day	Tue 5/19/09	Wed 5/20/09	36	Spectrum
38	Add link to EGS to enable office location view	0.5 days	Wed 5/20/09	Wed 5/20/09	37	Spectrum
39	Create auto counter	0.5 days	Thu 5/21/09	Thu 5/21/09	38	Spectrum
40	<b>Security Setup</b>	11 days	Thu 5/7/09	Thu 5/21/09		
41	Determine who will have access to Vantage. Establish format of HR user names. Discuss standard MSS user names (note: company/card property)	1 day	Thu 5/7/09	Thu 5/7/09		Client, Spectrum
42	Review access to be provided to HR users	1 day	Fri 5/8/09	Mon 5/11/09	41	Client, Spectrum
43	Create and test HR role and role security	5 days	Mon 5/11/09	Mon 5/18/09	42	Spectrum
44	Determine if Network Authentication will be used	1 day	Wed 5/20/09	Wed 5/20/09		Client
45	Verify end user pc's meet technical specs, including checking security setting	10 days	Fri 5/8/09	Thu 5/21/09	41	Client
46	<b>Data Conversion / Population Tasks</b>	68 days	Thu 4/30/09	Mon 7/13/09		
47	<b>Data Mapping</b>	13 days	Thu 4/30/09	Mon 4/27/09		
48	Prepare Data Mapping document	2 days	Thu 4/30/09	Fri 4/1/09		Spectrum
49	Data Mapping document is provided to Client	2 days	Fri 4/17/09	Mon 4/20/09		Spectrum
50	Data Mapping is reviewed and approved by Client	5 days	Tue 4/21/09	Mon 4/27/09	49	Client
51	<b>Test Conversion 1</b>	15.5 days	Fri 5/23/09	Thu 6/25/09		
52	Provide test data files to SPECTRUM for TEST conversion	3 days	Fri 5/23/09	Tue 6/2/09		
53	Backup database	3 days	Fri 5/23/09	Tue 6/2/09		Client
54	Provide database back-up and File ID spreadsheet to Spectrum	0 days	Tue 6/2/09	Tue 6/2/09	53	Client
55	<b>TEST Data Conversion 1 created and executed</b>	5 days	Wed 6/3/09	Mon 6/15/09		Spectrum
56	Convert contractor temp. item positions with C. org outline employee type	1 day	Wed 6/3/09	Wed 6/3/09	54	Spectrum
57	Convert code tables employee data	9 days	Wed 6/3/09	Mon 6/15/09	56	Spectrum
58	Restore Test conversion database to installed system	0.5 days	Tue 6/15/09	Tue 6/15/09	57	Spectrum
59	Data review and validation of TEST Conversion is performed. Conversion testing results recorded and documented. UAT	4 days	Tue 6/15/09	Mon 6/22/09	58	Spectrum, Client
60	Make changes on Mapping conversion process based on testing results	3 days	Mon 6/22/09	Thu 6/25/09	59	Spectrum
61	<b>Final Data Conversion</b>	17 days	Fri 6/19/09	Mon 7/13/09		
62	Provide final data files to SPECTRUM for FINAL conversion	1 day	Fri 6/19/09	Fri 6/19/09		
63	By 10:00 AM backup database and provide to Spectrum with the File ID spreadsheet	1 day	Fri 6/19/09	Fri 6/19/09		
64	Ensure entry to IE shut off	0 days	Fri 6/19/09	Fri 6/19/09	63	Client
65	Begin tracking any changes entered into existing HRIS to be entered into the new HRIS after the final data conversion	5 days	Mon 6/22/09	Fri 6/26/09	64	Client
66	FINAL Data Conversion	5 days	Mon 6/22/09	Fri 6/26/09	65	Spectrum



ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names
67	Restore Vantage FINAL database containing converted data	0 days	Fri 6/25/09	Fri 6/26/09 66		Spectrum
68	Review and validation of FINAL Data Conversion is performed	3 days	Mon 6/29/09	Wed 7/1/09 67		Client
69	Interface routines executed manually to populate Payroll	1 day	Mon 7/13/09	Mon 7/13/09		Client
70	Data Entry	5 days	Mon 6/29/09	Fri 7/9/09		
71	Perform post-conversion on data entry	5 days	Mon 6/29/09	Fri 7/9/09 67		Client
72	<b>Integrating Tasks</b>	108 days	Wed 4/1/06	Fri 6/28/06		
73	Interface To Payroll	108 days	Wed 4/1/06	Fri 6/28/06		Spectrum
74	Ensure input utility exists for Payroll	1 day	Wed 4/1/06	Wed 4/1/06		Client
75	Receive specification from Payroll for timesheet and employee files	1 day	Wed 4/18/06	Thu 4/18/06		Spectrum
76	Discuss specifications with Payroll	1 day	Tue 4/25/06	Tue 4/25/06		Spectrum
77	Discuss timesheet specifications with Payroll	1 day	Thu 4/18/06	Fri 4/17/06 76		Spectrum
78	Develop interface specifications for Vantage development	1 day	Wed 4/26/06	Wed 4/26/06 76		Spectrum
79	Develop timesheet interface specifications for Vantage development	1 day	Fri 4/17/06	Mon 4/24/06 77		Spectrum
80	Approve specifications	1 day	Thu 4/20/06	Thu 4/20/06 76, 78		Client
81	Create interface template	3 days	Mon 6/19/06	Fri 6/19/06		Spectrum
82	Internal interface Testing	5 days	Mon 6/26/06	Fri 6/29/06 81		Spectrum
83	Interface testing using sample data	10 days	Mon 6/26/06	Fri 7/10/06 82		Spectrum
84	Payroll go live	1 day	Fri 7/10/06	Fri 7/10/06		
85	Interface is run manually during testing phase	26 days	Mon 7/13/06	Wed 8/15/06 84		Client
86	Interface testing is complete and live	7 days	Thu 8/20/06	Fri 8/25/06 85		Client
87	<b>Reverse Interface From Payroll</b>	60 days	Mon 6/19/06	Fri 6/28/06		Spectrum
88	Discuss reverse interface requirements	1 day	Mon 6/19/06	Mon 6/19/06		Spectrum, Client
89	Create interface template	2 days	Tue 6/19/06	Wed 6/19/06 88		Spectrum
90	Obtain pay accumulator codes from Payroll	1 day	Thu 6/11/06	Thu 6/11/06 89		Client
91	Develop Vantage codes for roll-up and accumulator codes (complete spreadsheet)	3 days	Fri 6/12/06	Tue 6/16/06 90		Client, Spectrum
92	Internal interface Testing	5 days	Wed 6/17/06	Tue 6/23/06 91		Spectrum
93	Interface testing using sample data	14 days	Wed 6/23/06	Mon 7/13/06 92		Spectrum
94	Payroll go live	1 day	Fri 7/10/06	Fri 7/10/06		
95	Interface is run manually during testing phase for 2 pay cycles	30 days	Mon 7/13/06	Fri 8/21/06 94		Client
96	Interface testing is complete	5 days	Mon 6/24/06	Fri 6/29/06 95		Client
97	<b>Benefit Configuration</b>	31 days	Wed 4/15/06	Wed 6/27/06		
98	Provide benefit information	17 days	Wed 4/15/06	Thu 5/7/06		Client
99	Clarify taxon requirements for domestic partners	1 day	Fri 5/5/06	Fri 5/5/06 98		Client
100	Provide list of plan types that will be set up as benefit plans for tracking	1 day	Mon 5/11/06	Mon 5/11/06 99		Client
101	Provide updated benefits implementation spreadsheet with domestic partner benefit code	1 day	Tue 5/12/06	Tue 5/12/06 100		Client
102	Update stored procedure for spouse life insurance	0.5 days	Thu 5/21/06	Thu 5/21/06 101		Spectrum
103	Configure benefits	3 days	Wed 5/12/06	Fri 5/15/06 102		Spectrum
104	Test benefits configuration	4 days	Fri 5/22/06	Wed 5/27/06 103		Spectrum
105	<b>Absence Configuration</b>	66.5 days	Wed 4/1/06	Thu 7/2/06		
106	Provide absence reason codes, FMLA leave types, proration of flexing not day schedule	0 days	Wed 4/1/06	Thu 4/23/06		Client
107	Update stored procedure to prorate based on normal work hours	1 day	Wed 5/6/06	Wed 5/6/06		Spectrum
108	Configure absence	15 days	Fri 4/24/06	Thu 5/14/06 106		Spectrum
109	Convert absence balances	13 days	Wed 7/1/06	Thu 7/2/06		Spectrum
110	<b>Manager Self Service Tasks</b>	77 days	Thu 5/9/06	Fri 6/21/06		
111	Review access to be provided to managers	1 day	Thu 5/9/06	Thu 5/9/06		Spectrum, Client
112	Configure and test manager self service	6 days	Fri 5/9/06	Tue 5/15/06 111		Spectrum
113	Create training materials for manager training	9 days	Wed 7/6/06	Mon 7/20/06		Client
114	Request pilot manager participation	1 day	Tue 7/21/06	Tue 7/21/06 113		Client
115	Set up pilot managers	1 day	Wed 7/23/06	Wed 7/23/06 114		Client
116	Conduct pilot	2 days	Thu 7/23/06	Fri 7/24/06 115		Client
117	Update access and training materials based on pilot feedback	4 days	Mon 7/27/06	Thu 7/30/06 116		Client
118	Distribute internal communications to managers & schedule internal training	5 days	Mon 8/3/06	Fri 8/7/06 117		Client
119	Hold manager self service instruction sessions. Duration depends on number of managers to be trained and rollout approach	10 days	Mon 8/10/06	Fri 8/21/06 118		Client
120	<b>Employee Self Service Tasks</b>	70 days	Thu 5/7/06	Wed 6/21/06		
121	Review access to be provided to employees	1 day	Thu 5/7/06	Thu 5/7/06		Spectrum, Client
122	Customize ability for employees to flag 5 days to be held outside of FMLA leave	15 days	Thu 5/21/06	Fri 5/22/06 121		Spectrum
123	Create manager role and tab for ESS	1 day	Fri 5/23/06	Fri 5/23/06 122		Spectrum
124	Configure and test employee self service	3 days	Fri 5/9/06	Tue 5/12/06 123		Spectrum, Client
125	Configure electronic acknowledgment	3 days	Wed 5/13/06	Fri 5/16/06 124		Spectrum
126	Add a link for access to Payroll functionality (pay stub, W2)	1 day	Mon 5/18/06	Mon 5/18/06 125		Spectrum
127	Create training materials for employee training	9 days	Thu 7/9/06	Tue 7/21/06		Client
128	Request pilot employee participation	1 day	Wed 7/23/06	Wed 7/23/06 127		Client
129	Set up pilot employees (Connect flag)	1 day	Thu 7/23/06	Thu 7/23/06 128		Client
130	Conduct pilot	2 days	Fri 7/24/06	Mon 7/27/06 129		Client
131	Distribute internal communications to employees & schedule internal training	2 days	Tue 7/25/06	Wed 7/25/06 130		Client
132	Hold employee self service instruction sessions. Duration depends on number of employees to be trained and rollout approach	10 days	Thu 7/30/06	Wed 8/1/06 131		Client
133	<b>Live system delivery</b>	1 day	Fri 6/26/06	Fri 6/26/06		Spectrum
134	On-site delivery visit	1 day	Mon 6/29/06	Mon 6/29/06 133		Spectrum
135	<b>Open Enrollment</b>	63 days	Mon 6/15/06	Wed 12/14/06		
136	Review access to be provided to employees	1 day	Mon 6/15/06	Mon 6/15/06		Spectrum, Client
137	Configure and test employee self service	8 days	Mon 10/24/05	Wed 11/2/05		Spectrum, Client

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names
122	Distribute internal communications to employees & schedule internal training	2.5 days	Thu 11/2/05	Mon 11/7/05	127	Client
123	Create training materials for employee training	9 days	Mon 11/7/05	Fri 11/18/05	128	Client
130	Hold employee self service instruction sessions. Duration depends on number of employees to be trained and rollout approach	10 days	Thu 12/1/05	Wed 12/14/05		Client
141	<b>Carrier Interfaces</b>					
142	Request carrier interface requirements	76 days	Mon 3/1/10	Mon 6/14/10		Spectrum
143	Refine requirements	1 day	Mon 3/1/10	Mon 3/1/10		Client
144	Develop scope	5 days	Tue 3/2/10	Mon 3/8/10	143	Spectrum
145	Approve scope	5 days	Tue 3/9/10	Mon 3/15/10	144	Spectrum
146	Develop timeline	10 days	Tue 3/16/10	Mon 3/22/10	145	Client
147	Develop interfaces	10 days	Tue 3/30/10	Mon 4/12/10	146	Spectrum
148	Test interfaces	20 days	Tue 4/13/10	Mon 5/10/10	147	Spectrum
149	Implement interfaces	20 days	Tue 5/11/10	Mon 6/7/10	148	Spectrum
150		5 days	Tue 6/8/10	Mon 6/14/10	149	Spectrum, Client

Project: Sample Project Plan Date: Fri 5/18/09	Task		Milestone		External Tasks	
	Split		Summary		External Milestones	
	Progress		Project Summary		Split	

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** March 26, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager

**SUBJECT:** **CONSIDERATION OF AWARD OF CONTRACT WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR AN AMOUNT NOT TO EXCEED \$113,250 OVER A THREE-YEAR CONTRACT PERIOD**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Brown Armstrong Accountancy Corporation for financial audit and tax services for an amount not to exceed \$113,250 over a three-year contract period.**

## II. SUMMARY OF ISSUES

- A formal request for proposals was conducted to solicit proposals from qualified firms.
- Four firms submitted proposals for Santa Cruz METRO's review.
- A three-member evaluation committee comprised of Santa Cruz METRO staff reviewed and evaluated the proposals.

## III. DISCUSSION

Santa Cruz METRO requires a financial audit of its Statement of Net Assets for each fiscal year ending June 30th and the related Statements of Revenues, Expense and Changes in Fund Net Assets, and Cash Flows for the year then ended, as well as a report of Independent Certified Public Accountant (opinion) thereon. The statements are to be prepared in accordance with generally accepted accounting principles and must be examined in accordance with generally accepted auditing standards using procedures deemed necessary. The standards for financial and compliance audits are contained in the Standards for Audit of Governmental Organizations, Programs, Activities and Functions issued by the U. S. Government Accounting Office, the Single Audit Act of 1997, and the provisions of OMB Circular A-133, Audits of State and Local Governments, and Non-Profit Organizations. Additional requirements are to provide a separate audit report to indicate Santa Cruz METRO's compliance, as outlined by Section 6667 of Articles 5.5 of the California Administrative Code, with the Transportation Development Act (TDA), including Public Utility Code Section 99245; and compliance with all statutes related to the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funding held and received during the year.

14.1

On January 15, 2010, Santa Cruz METRO Request for Proposal No. 10-19 was mailed to seventeen firms, was legally advertised, and a notice was posted on Santa Cruz METRO's web site. On February 16, 2010, proposals were received and opened from four firms. A list of these firms and the final ranking are provided in Attachment A. A three-member evaluation committee comprised of Santa Cruz METRO staff have reviewed and evaluated the proposals.

The evaluation committee used the following criteria as contained in the Request for Proposals:

Criteria	Possible Points
1. Responsiveness Of Proposal To Scope Of Work And Specifications	10 Points
2. Contractor's Experience With Governmental Audits	10 Points
3. Contractor's Experience With Transit Systems Audits	20 Points
4. Ability Of Contractor To Finish All Required Work By Deadline	20 Points
5. Use Of Experienced Professional Audit Staff	20 Points
6. Cost Proposal	20 Points
7. Disadvantaged Business Enterprise Participation	5 Points
<b>Total Possible Points</b>	<b>105 Points</b>

The evaluation committee is recommending that a contract be established with Brown Armstrong Accountancy Corporation for financial audit and tax services for an amount not to exceed \$113,250 over a three-year contract period. Contractor will provide all services meeting all Santa Cruz METRO specifications and requirements.

#### IV. FINANCIAL CONSIDERATIONS

Funds to support contract are included in the Finance FY10 Operating budget.

#### V. ATTACHMENTS

**Attachment A:** List of firms that submitted a proposal

**Attachment B:** Contract with Brown Armstrong Accountancy Corporation

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: March 15, 2010

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

14.2

**REQUEST FOR PROPOSALS NO. 10-19  
FOR FINANCIAL AUDIT AND TAX SERVICES**

**LIST AND RANKING OF FIRMS THAT SUBMITTED A PROPOSAL**

1. Brown Armstrong Accountancy Corporation of Bakersfield, California
2. Vavrinek, Trine, Day and Company of Palo Alto, California
3. Sotomayor and Associates, LLP of Pasadena, California
4. Mann, Urrutia, Nelson, CPAs and Associates, LLP of Sacramento, California

**PROFESSIONAL SERVICES CONTRACT  
FOR FINANCIAL AUDIT AND TAX SERVICES (10-19)**

THIS CONTRACT is made effective on May 1, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and BROWN ARMSTRONG ACCOUNTANCY CORPORATION ("Contractor").

I. RECITALS

1.01 Santa Cruz METRO's Primary Objective

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

1.02 Santa Cruz METRO's Need for Financial Audit and Tax Services

Santa Cruz METRO has the need for Financial Audit and Tax Services. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated January 15, 2010, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Financial Audit and Tax Services and whose principal place of business is 4200 Truxtun Avenue, Suite 300, Bakersfield, CA. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for Financial Audit and Tax Services, which is attached hereto and incorporated herein by reference as Exhibit "B."

1.04 Selection of Contractor and Intent of Contract

On March 26, 2010, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the Financial Audit and Tax Services described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

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

A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated January 15, 2010 including Addendum No. 1 dated February 3, 2010 and Addendum No. 2 dated February 8, 2010.

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

Contractor's Proposal to Santa Cruz METRO for Financial Audit and Tax Services, signed by Contractor and dated February 16, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued January 15, 2010.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued January 15, 2010.

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

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

4. TIME OF PERFORMANCE

4.01 Term

The term of this Contract will be for a period not to exceed three (3) years and shall commence upon the issuance of the contract by Santa Cruz METRO.

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$113,250 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work

accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. 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 Santa Cruz METRO (or any grantor of Santa Cruz METRO, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract. Under penalty of law, Contractor represents that all amounts billed to Santa Cruz METRO are (1) actually incurred; (2) reasonable in amount; (3) related to this Contract; and (4) necessary for performance of the project.

6. NOTICES

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

Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

Brown Armstrong Accountancy Corporation  
4200 Truxtun Avenue  
Suite 300  
Bakersfield CA 93309  
Attention: Steven R. Starbuck



7. AUTHORITY

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

Signed on \_\_\_\_\_

SANTA CRUZ METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR – BROWN ARMSTRONG ACCOUNTANCY CORPORATION

By \_\_\_\_\_  
Steven R. Starbuck, CPA  
Principal

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

# CONTRACT EXHIBIT A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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### Request for Proposals (RFP)

### For Financial Audit and Tax Services

### Santa Cruz METRO RFP No. 10-19

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**Date Issued: January 15, 2010**

**Proposal Deadline: 5:00 P.M., February 16, 2010**

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### Contents of this RFP

Part I.	Instructions to Offerors
Part II.	General Information Form
Part III.	Specifications
Part IV.	General Conditions
Part V.	Contract/Agreement
Part VI.	FTA Requirements for Non-Construction Contracts
Part VII.	Protest Procedures
Attachment A	SCMTD Financial Statements with Independent Auditor's Report for June 30, 2008 and 2009.
Attachment B	SCCIC Tax Returns FY09 Audit

## **PART I**

### **INSTRUCTIONS TO OFFERORS**

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

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

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

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

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

to Santa Cruz METRO that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for proposals, unless a longer time period is specified by Santa Cruz METRO in the RFP.

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

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

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

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

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

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

19. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 et. seq.).
- B. The Bidder may label information as “Trade Secret”, “Confidential” or “Proprietary”. Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked “Trade Secret”, “Confidential”, or “Proprietary”. However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney’s fees, in connection with such actions.

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





**COST PROPOSAL FORM**

**FINANCIAL AUDIT & TAX SERVICES**

The undersigned ("Offeror"), upon acceptance by Santa Cruz METRO, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Request for Proposals (RFP) entitled "Financial Audit and Tax Services" dated January 15, 2010.

Offeror understands that the costs for the Financial Audit and Tax services takes into account all requirements, express and implied, of the aforementioned Request for Proposals (RFP) as specified in Part III (Specifications) of this RFP.

The Board of Directors reserves the right to reject all proposals for any reason. The criteria for determining the successful offeror are indicated in Part III - Specifications. **The successful offeror obligates him/herself to provide Financial Audit and Tax Services at the firm fixed prices provided below for the initial year of contract service and years two and three.**

**Provision of Santa Cruz METRO Financial Audit Services**

**Year One:**        \$ \_\_\_\_\_  
**Year Two:**        \$ \_\_\_\_\_  
**Year Three:**      \$ \_\_\_\_\_

**Provision of Preparation of Federal and State Tax Returns For Santa Cruz Civic Improvement Corporation**

**Year One:**        \$ \_\_\_\_\_  
**Year Two:**        \$ \_\_\_\_\_  
**Year Three:**      \$ \_\_\_\_\_

Offeror has examined and is fully familiar with all terms and conditions of the Request for Proposals and any addenda issued by Santa Cruz METRO thereto, and Offeror unconditionally submits this proposal in strict accordance with said Request for Proposals. Offeror has carefully checked all words and figures shown on this Form of Proposal and has carefully reviewed the accuracy of all documents, representations, and statements submitted with this proposal.

Offeror acknowledges receipt of the following addenda to the Request for Proposals. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the offeror and included in the proposal.

Addenda No.'s \_\_\_\_\_

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
Signature



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

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

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

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

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

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

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

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

\_\_\_\_\_  
Signature and Title of Authorized Official

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

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

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

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

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

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

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

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

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

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

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

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

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

**BUY AMERICA CERTIFICATE**

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

# CONTRACTOR DBE INFORMATION

CONTRACTOR'S NAME \_\_\_\_\_ CONTRACTOR'S ADDRESS \_\_\_\_\_  
 DBE GOAL FROM CONTRACT \_\_\_\_\_ % \_\_\_\_\_  
 FED. NO. \_\_\_\_\_  
 COUNTY \_\_\_\_\_ PROPOSAL AMOUNT \$ \_\_\_\_\_  
 AGENCY \_\_\_\_\_ PROPOSAL OPENING DATE \_\_\_\_\_  
 CONTRACT NO. \_\_\_\_\_ DATE OF DBE CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

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

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

TOTAL CLAIMED DBE  
 PARTICIPATION \$ \_\_\_\_\_ %

\_\_\_\_\_  
SIGNATURE OF CONTRACTOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
AREA CODE/TELEPHONE

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

\* If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.

\*\* DBE's must be certified on the date proposals are opened.

\*\*\* Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

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

# CONTRACTOR DBE INFORMATION

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

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## **PART III**

### **SPECIFICATIONS FOR FINANCIAL AUDIT AND TAX SERVICES**

#### **1. NATURE OF THE PROJECT**

##### **1.1 Introduction**

The Santa Cruz Metropolitan Transit District ("Santa Cruz METRO") is the sole public transit operator in Santa Cruz County with a fleet of 113 buses and operates 42 routes. Santa Cruz METRO also provides ADA Complementary Paratransit service throughout Santa Cruz County. After hours Paratransit services are also operated for Santa Cruz METRO under contract with a private transportation company. Its service area is the entire county, an area of 441 square miles, with a population estimate of over 249,666 (according to a 2005 estimate by the U.S. Census Bureau) Santa Cruz METRO was formed in 1968 and is a political subdivision of the State of California.

Santa Cruz METRO has an annual current operating budget of thirty-five million nine hundred sixty thousand dollars (\$ 40,935,000) and presently employs 314 people.

##### **1.2 Purpose of Request for Proposals**

The Santa Cruz Metropolitan Transit District invites independent certified public accountants licensed in California to submit proposals to perform Santa Cruz METRO's annual financial audit. The initial period to be audited will be July 1, 2009 through June 30, 2010. The resulting agreement will cover a three-year period and the proposal should be submitted on that basis.

##### **1.3 Scope of Required Services**

Santa Cruz METRO requires a financial audit of its Statement of Net Assets for each fiscal year ending June 30th and the related Statements of Revenues, Expense and Changes in Fund Net Assets and Cash Flows for the year then ended, as well as a report of Independent Certified Public Accountant (opinion) thereon. The statements will be prepared in accordance with generally accepted accounting principles and must be examined in accordance with generally accepted auditing standards using procedures deemed necessary. The standards for financial and compliance audits are contained in the Standards for Audit of Governmental Organizations, Programs, Activities and Functions issued by the U. S. Government Accounting Office, the Single Audit Act of 1997, and the provisions of OMB Circular A-133, Audits of State and Local Governments, and Non-Profit Organizations.

Specifically, the independent certified public accountant will be required to:

- 1.3.1 Provide a separate audit report under the Single Audit Program to meet Federal DOT Inspector General audit requirements on grants by recipient organizations. These requirements are identified in OMB Circulars A-133, with guidelines included in Circular A-102, the "common rules," and Circular A-87;
- 1.3.2 Provide a separate audit report on Compliance and on Internal Control over Financial Reporting;
- 1.3.3 Provide a separate audit report to indicate Santa Cruz METRO's compliance, as outlined by Section 6667 of Articles 5.5 of the California Administrative Code, with the Transportation Development Act (TDA), including Public Utility Code Section 99245; and compliance with all statutes related to the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funding held and received during the year.

- 1.3.4 Provide a management letter for each year audited, to include a statement of audit findings and recommendations affecting the financial statements, internal control, accounting, accounting systems, legality of actions, other instances of non-compliance with laws and regulations, and any other material matters.

All accounting records are computerized and the systems are operational and well documented. An in-house Information Technology department provides data processing services and support to all Santa Cruz METRO departments. Financial information is electronically available.

A suitable work area will be provided in the Finance Department, located in the Administrative Office of Santa Cruz METRO, 110 Vernon Street, Santa Cruz, California. Santa Cruz METRO staff will generally be available to provide customary information, explanations, or other assistance.

Required deadlines for FY10-FY11 work:

Draft Audit Report: November 1, 2010  
Final Audit Report: December 1, 2010

Deadlines for future years shall be provided by Santa Cruz METRO.

The following additional services are also required:

1.3.4.1 Prepare and file Federal tax returns for fiscal years ending 2010, 2011, and 2012 for the Santa Cruz Civic Improvement Corporation, a component unit of Santa Cruz METRO.

1.3.4.2 Prepare and file State tax returns for fiscal years ending 2010, 2011, and 2012 for the Santa Cruz Civic Improvement Corporation.

## **2. SPECIFIC REQUIREMENTS**

Accountant must possess the following qualifications:

- 2.1 Experience involving primary responsibility for conducting a financial and compliance audit of a public agency, preferably a transit authority;
- 2.2 Thorough familiarity with Office of Management and Budget Circular No. A-102, "Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments."
- 2.3 Thorough familiarity with Standards for Audit of Governmental Organizations, Programs, Activities and Functions, as issued by the Comptroller General of the United States.
- 2.4 Familiarity with the accounting and auditing requirements imposed upon recipients of grant funds under the Transportation Development Act (California Government Code, Sections 29530, et seq., Public Utilities Code, Sections 99200, et. seq., and rules and regulations adopted by the State Controller and the Secretary of Business and Transportation.)
- 2.5 Submitted proposal shall provide names, addresses and telephone numbers for at least three clients for whom he/she has performed services similar in nature and complexity to that proposed in this RFP.

## **3. STATISTICAL DATA**

The following items of information are provided in order to assist offeror in understanding Santa Cruz METRO:

- 3.1 Number of checks issued by Santa Cruz METRO monthly (exclusive of payroll): 300-320
- 3.2 Number of general ledger accounts: 640
- 3.3 Average number of active vendors: 350
- 3.4 Number of operating departments: 12
- 3.5 Number of vendor invoices processed monthly: 900-950
- 3.6 Santa Cruz METRO uses "ABS - Business Accounting Control System" for the general ledger and accounts payable. The County of Santa Cruz performs payroll services. Accounts receivable are minimal and are calculated and tracked on Excel spreadsheets.

Attached to these Specifications are the following documents:

Attachment A: Santa Cruz Metropolitan Transit District's Financial Statements and Report of Independent Certified Public Accountants, June 30, 2009.

Attachment B: Santa Cruz Civic Improvement Corporation, Federal and State Tax Returns, June 30, 2009.

#### **4. PROPOSAL SUBMISSION REQUIREMENTS**

The proposal must include the following items in the order listed below. (Please complete and include the General Information form, Cost Proposal form, Certification Of Proposed Contractor Regarding Debarment, Suspension And Other Ineligibility And Voluntary Exclusion form, enclosed in this packet with your proposal.) Your firm may include any additional information considered helpful in the evaluation of the proposal. However, proposals should be kept as brief and concise as possible.

- 4.1 A statement of the offeror's understanding of the engagement and the maximum all-inclusive fee for the performance of that work. Firm fixed fee shall be provided for years one, two and three of the proposed contract for both financial audit and tax services. See cost proposal form page II-3.
- 4.2 Names of the individuals who will be authorized to make representations for the offeror, their titles, addresses, and telephone numbers.
- 4.3 Names of individuals who are authorized to bind the offeror.
- 4.4 Submit a profile of the firm, including the following:
  - 4.4.1. Whether or not the firm is local, regional, national or multi-national.
  - 4.4.2. The location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors and other professional staff employed at that office.
  - 4.4.3. A description of the range of activities performed by the local office such as auditing, accounting, tax services, and management services.
- 4.5 A description of the local and regional office's auditing experience with transit agencies.
- 4.6 A work plan to accomplish the requirements of the Request for Proposals and the estimated hours required to complete the engagement using the level of staff indicated.



- 4.7 Santa Cruz METRO's FY 10-11 financial statements and records should be ready for audit no later than August 30, 2010. Please submit a timeline for actual field work, draft audit report and final audit report.

**5. DEADLINE FOR RECEIPT OF PROPOSALS**

The sealed proposal, one original and four (4) copies, and addenda (if any) must be received by Santa Cruz METRO no later than 5:00 p.m., February 16, 2010.

Mail or deliver to:  
 Santa Cruz Metropolitan Transit District  
 Attn: Purchasing Agent  
 110 Vernon Street  
 Santa Cruz, CA 95060

Marked: "Request for Proposals for Financial Audit and Tax Services RFP No. 10-19 "

Santa Cruz METRO shall date/time stamp the proposal package. Late proposals will be considered non-responsive, rejected, and returned to sender.

**6. INQUIRIES AND CORRESPONDENCE**

Questions pertaining to this Request for Proposals shall be directed to the Purchasing Agent, Lloyd Longnecker, by email address: [llongnec@scmtd.com](mailto:llongnec@scmtd.com) or by writing to Santa Cruz METRO Purchasing Office, 110 Vernon Street, Santa Cruz, CA 95060. No offeror may consider any verbal instructions, interpretations, or changes as an official expression on Santa Cruz METRO's behalf. Only written addenda signed by the Purchasing Agent may be considered valid.

**7. EVALUATION AND SELECTION**

7.1 Evaluation

Proposals will be evaluated on the basis of a variety of respective qualifications-based criteria, including, without limitation, experience, caliber of staff, reputation of company, time commitments of staff performing the audit, completeness and clarity of proposal, price and Disadvantaged Business Enterprise (DBE) participation. Santa Cruz METRO will consider those firms known to be interested in the account, and other firms known to have similar audit experience.

Proposals will be evaluated according to the following criteria, listed in order of priority, which shall be the sole criteria for determining qualifications for contract award:

<b>Criteria</b>	<b>Possible Points</b>
1. Responsiveness Of Proposal To Scope Of Work And Specifications	10 Points
2. Contractor's Experience With Governmental Audits	10 Points
3. Contractor's Experience With Transit Systems Audits	20 Points
4. Ability Of Contractor To Finish All Required Work By Deadline	20 Points
5. Use Of Experienced Professional Audit Staff	20 Points
6. Cost Proposal	20 Points
7. Disadvantaged Business Enterprise Participation	5 Points
<b>Total Possible Points</b>	<b>105 Points</b>

7.2 Selection

Oral interviews may be conducted to assist in the final selection.

- 7.2.1 Santa Cruz METRO reserves the right to make the selection within ninety (90) calendar days from the date proposals are opened, during which period proposals shall not be withdrawn.
- 7.2.2 Santa Cruz METRO reserves the right to delay making a selection in order to permit proper study and analysis of all proposals received and/or reject any or all proposals received.
- 7.2.3 Santa Cruz METRO reserves the right to investigate the qualifications of all firms under consideration, to confirm any part of the information furnished by the firm, and to require further evidence of managerial, financial or professional capabilities which are considered necessary for the successful performance of the Contract.

## **8. CONTRACT ADMINISTRATION**

The Finance Manager of Santa Cruz METRO shall be Santa Cruz METRO's administrator for this contract.

## **9. AWARD OF CONTRACT**

It is anticipated that award for the contract for financial audit services will be made at the Santa Cruz Metropolitan Transit District's Board of Director's meeting of April 23, 2010.

## **PART IV**

### **GENERAL CONDITIONS TO THE CONTRACT**

#### **1. GENERAL PROVISIONS**

##### **1.01 Governing Law & Compliance with All Laws**

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

##### **1.02 Right to Modify Contract**

Santa Cruz METRO 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 Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, 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 Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO 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 Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO 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 Santa Cruz METRO; (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 Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO has or may acquire an interest.

## 2.02 Termination for Default

2.02.01 Santa Cruz METRO 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, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO 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 Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO 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 Santa Cruz METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

### 3.02 Notification by Contractor

Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO'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 Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO (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 Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct 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 Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO 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.
  - (a) Full Personal Injury coverage.
  - (a) Broad form Property Damage coverage.
  - (a) A cross-liability clause in favor of Santa Cruz METRO.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

#### 7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by Santa Cruz METRO.
- (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 Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO 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 Santa Cruz METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.

- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to Santa Cruz METRO.

## 8. SINGLE PROPOSAL

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

## 9. NO DISCRIMINATION

The Contractor, sub recipient 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 Santa Cruz METRO 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 Santa Cruz METRO'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.

### 11.02 Prompt Payment of Withheld Funds to Subcontractors

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO 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 Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO Liability

Santa Cruz METRO's liability is, in the aggregate, limited to the total amount payable under this Contract.

### 13.04 Drug and Alcohol Policy

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

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO'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 Santa Cruz METRO.

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

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO 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 Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO 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 Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO-issued equipment within five days of the conclusion of the contract work Santa Cruz METRO 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 Santa Cruz METRO.

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 Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

## PART V

### PROFESSIONAL SERVICES CONTRACT FOR FINANCIAL AUDIT AND TAX SERVICES (10-19)

THIS CONTRACT is made effective on \_\_\_\_\_, 2009 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("Contractor").

#### 1. RECITALS

##### 1.01 Santa Cruz METRO's Primary Objective

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

##### 1.02 Santa Cruz METRO's Need for Financial Audit and Tax Services

Santa Cruz METRO has the need for Financial Audit and Tax Services. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated January 15, 2010, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

##### 1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Financial Audit and Tax Services and whose principal place of business is \_\_\_\_\_. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for Financial Audit and Tax Services, which is attached hereto and incorporated herein by reference as Exhibit "B."

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the Financial Audit and Tax Services described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

#### 2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

##### 2.01 Documents Incorporated in this Contract

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

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated January 15, 2010

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

Contractor's Proposal to Santa Cruz METRO for Financial Audit and Tax Services, signed by Contractor and dated February 16, 2010.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued January 15, 2010.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued January 15, 2010.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

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

5. COMPENSATION

5.01 Terms of Payment

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

5.02 Invoices

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

6. NOTICES

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

Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

7. AUTHORITY

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

Signed on \_\_\_\_\_

SANTA CRUZ METRO - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR -

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## **PART VI**

### **FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS**

#### **1.0 GENERAL**

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

#### **2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS**

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

#### **3.0 INELIGIBLE CONTRACTORS**

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

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

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

#### **5.0 TITLE VI CIVIL RIGHTS ACT OF 1964**

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

##### **5.1 Compliance with Regulations**

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

##### **5.2 Nondiscrimination**

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

### 5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

### 5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Santa Cruz METRO 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 Santa Cruz METRO, 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, Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, 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 Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO 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 Santa Cruz METRO (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

#### 11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by Santa Cruz METRO 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

Santa Cruz METRO 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, Santa Cruz METRO 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. Santa Cruz METRO 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 Santa Cruz METRO 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. Santa Cruz METRO'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 Santa Cruz METRO 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 Santa Cruz METRO.

## 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

Santa Cruz METRO 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 Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO 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. Santa Cruz METRO 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, Santa Cruz METRO, 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 Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO 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, Santa Cruz METRO (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 Santa Cruz METRO, 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. Santa Cruz METRO 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, Santa Cruz METRO 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.

Santa Cruz METRO 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.

Santa Cruz METRO 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 Santa Cruz METRO 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 Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO or Contractor at the time of delivery of such work.

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

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

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

### 20.2 Disclosure

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

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

### 20.3 Agreement

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

### 20.4 Penalties.

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

### 20.5 Cost allowability

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

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

**“Common Grant Rules”** refers to the Department of Transportation regulations “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

**“Interested Party”** means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an “interested party”.

**“Protest”** means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See “Types of Protests” below.

**“Protester”** means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an “interested party”.

**“Types of Protests”:** There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.



**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmtd.com](mailto:financemanager@scmtd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO’s administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO’s Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager’s Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors’ decision shall constitute Santa Cruz METRO’s final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO’s Board of Directors’ final administrative determination, he/she 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 the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO’s Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO’s failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO’s protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726

**SANTA CRUZ METRO RESPONSIBILITIES TO FTA**

Santa Cruz METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO's Finance Manager will provide the following information to FTA:

- a. Subjects: A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. Details: The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. When and Where: Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. FTA Officials to Notify: When Santa Cruz METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

# **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)**  
**For Financial Audit and Tax Services**  
**Santa Cruz METRO RFP No. 10-19**

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## **ATTACHMENT A**

**Santa Cruz METRO Financial Statements with Independent  
Auditor's Report for June 30, 2008 and 2009**

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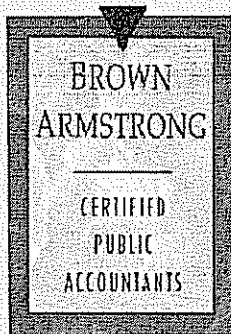


**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
JUNE 30, 2009 AND 2008**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited the accompanying basic financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of June 30, 2009 and 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in the notes to the financial statements, Santa Cruz METRO adopted the provisions of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*, No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Santa Cruz Metropolitan Transit District, as of June 30, 2009 and 2008, and the results of its operations and the cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2009, on our consideration of the Santa Cruz Metropolitan Transit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (MD&A) and Required Supplementary Information (RSI), as listed in the Table of Contents, are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the MD&A. However, we did not audit the MD&A and express no opinion on it. The RSI has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Santa Cruz Metropolitan Transit District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the financial statements. The accompanying statements of operating expenses by function are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
November 9, 2009

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009 AND 2008**

**Introduction**

This report provides a narrative and analytical overview of the financial activities of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) with selected comparative information for the years ended June 30, 2009 and 2008. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Santa Cruz METRO is an independent agency formed in 1969 by the legislature of the State of California for the purpose of providing transit service to the general public in Santa Cruz County. Santa Cruz METRO is governed by a Board of Directors composed of eleven members, and one ex-officio member as described in Note 1.A.

**The Financial Statements**

Santa Cruz METRO's basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Santa Cruz METRO reports its financial results using one enterprise fund under the accrual method of accounting which records revenue when earned and expenses when incurred.

The Condensed Statement of Net Assets present information on Santa Cruz METRO's assets and liabilities, with the difference between the two reported as net assets.

The Condensed Statement of Revenues, Expenses and Change in Fund Net Assets reports the *operating* revenues and expenses, *non-operating* revenues and expenses and *capital grant* contributions. *Capital grant* expenses are listed in the Schedule of Expenditures of Federal Awards and are included in the current year increase in fixed assets.

The Condensed Statement of Cash Flows reports the sources and uses of cash for the fiscal years resulting from *operating* activities, *non-capital* financing activities (operating grants and sales tax revenue), *capital* acquisitions and disposals, and related *financing* activities (non-transportation revenues). The net result of these activities, added to the cash balances at the beginning of the year reconciles to the cash balances (current plus restricted) at the end of the current fiscal year on the Statement of Net Assets.

The Statements of Operating Expenses, located in the Supplementary Information section of the financial statements, reports expenditures in greater detail.

**Financial Highlights**

In February 2008 Santa Cruz METRO completed construction on the MetroBase Service and Fueling Facility located at 1200 B River Street, and continues with site work on the second half of the new Maintenance Building located at 138 Golf Club Drive, both in Santa Cruz. In August 2007 Santa Cruz METRO purchased the property at 110 Vernon as a replacement facility for the current leased Administration facility at 370 Encinal Street. Interior and exterior tenant improvements continue at 110 Vernon with final occupancy expected in December 2009. This is in alignment with Santa Cruz METRO's long-term strategy to replace leased facilities with owned facilities. The Consolidated MetroBase project will ultimately bring operations, maintenance, and administration into one cluster of close proximity buildings to provide the needed infrastructure to achieve service expansion goals. The MetroBase project is funded with local, state, and federal funds. Unfortunately, state capital funding sources (specifically PTMISEA and STA) are on hold due to a variety of issues, including poor bond sales (PTMISEA) and the illegal "re-allocation or diversion" of STA transit funding by the Governor, which isn't expected to be restored until 2013 at the earliest. Capital additions to the MetroBase project for the year totaled \$6,844,016.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2009 AND 2008**

The MetroBase project is also a necessary component for providing Compressed Natural Gas (CNG) to Santa Cruz METRO's fleet. In January 2007 Caltrans executed a grant agreement with Santa Cruz METRO to convert up to forty (40) buses from diesel to CNG fuel engines. By June 2008, thirty-one (31) of the conversions had been completed and, by June 2009, all forty (40) buses had been converted. Fueling Santa Cruz METRO's fleet with CNG, a cleaner fuel source, will comply with the California Air Resource Board (CARB) requirements. Capital additions to the CNG Bus Conversion project for the year totaled \$1,382,989.

In October 2003 Culver CityBus entered into a contract with New Flyer of America for the manufacture, purchase and delivery of an indefinite quantity of 40-foot, low- and standard-floor CNG buses. The contract specifically authorized other public agencies to have the right to "piggy-back" onto the contract for CNG buses. Utilizing the "piggy-back" feature allowed by the Culver CityBus contract, Santa Cruz METRO executed an agreement with New Flyer of America for the purchase of thirteen (13) replacement buses. Santa Cruz METRO then entered into a grant agreement with Caltrans in February 2007 to replace eight (8) local fixed-route buses and five (5) buses for the Highway 17 Express service. The thirteen (13) replacement buses were funded with Federal, State and Local funds totaling \$5,925,254.

**Condensed Statement of Net Assets:**

	2009	2008	2007	2009 to 2008		2008 to 2007	
				Increase/(Decrease) Amount	%	Increase/(Decrease) Amount	%
Total Assets	\$ 112,044,106	\$ 105,036,300	\$ 85,616,653	\$ 7,007,806	18%	\$ 19,419,647	23%
Total Liabilities	\$ 25,853,950	\$ 24,760,587	\$ 22,262,083	\$ 1,093,363	10%	\$ 2,498,504	11%
Total Net Assets	\$ 86,190,156	\$ 80,275,713	\$ 63,354,570	\$ 5,914,443	21%	\$ 16,921,143	27%

Total Assets increased this year due to construction in progress and capital additions. Total Liabilities increased primarily due to the implementation of Governmental Accounting Standards Board (GASB) accounting standards 43 and 45 related to "other post employment benefits" (OPEB's) and the addition of restricted capital grant funds (Proposition 1B PTMISEA).

An increase or decrease in net assets is an indicator of the financial health of Santa Cruz METRO. For the fiscal year ended June 30, 2009, Santa Cruz METRO's net assets increased by \$5,914,443 due to capital additions related to on-going construction of the Consolidated MetroBase Project, and the purchase of thirteen (13) fixed route buses.

**Condensed Statement of Revenues, Expenses and Change in Fund Net Assets:**

	2009	2008	2007	2009 to 2008		2008 to 2007	
				Increase/(Decrease) Amount	%	Increase/(Decrease) Amount	%
Operating Revenues	\$ 8,769,185	\$ 8,272,058	\$ 7,730,499	\$ 497,127	6%	\$ 541,559	7%
Operating Expenses	(41,975,092)	(38,683,643)	(31,952,451)	(3,291,449)	9%	(6,731,192)	21%
Operating Loss	(33,205,907)	(30,411,585)	(24,221,952)	(2,794,322)	9%	(6,189,633)	26%
Non-operating Revenues(Expenses)	24,877,839	28,164,895	33,133,407	(3,287,056)	-12%	(4,968,512)	-15%
Capital Grant Contributions	14,242,511	19,167,833	6,659,395	(4,925,322)	-26%	12,508,438	188%
Increase (Decrease) in Net Assets	\$ 5,914,443	\$ 16,921,143	\$ 15,570,850	\$ (11,006,700)	-65%	\$ 1,350,293	9%



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2009 AND 2008**

Operating Revenues increased by 6% due to increased ridership for UC Santa Cruz, Cabrillo College, and the Highway 17 Express.

Operating Expenses increased by 9% primarily due to the implementation of GASB accounting standards 43 and 45 related to "other post employment benefits" (OPEB's).

Non-operating Revenues decreased by 12% due to lower than anticipated sales tax revenue, Transportation Development Act (TDA) revenue, and a significant reduction in interest income.

Capital Contributions are capital grant funds received for facilities improvements and the purchase of capital equipment including revenue vehicles. Capital contributions decreased by 26% from the prior year due to the receipt of a non-recurring State funded grant (AB3090) received last year related to construction of the Consolidated MetroBase Project, and the continued diversion of State Transit Assistance Program (STA) funds this fiscal year.

**Supplemental Revenue, Expense and Performance Report:  
(based on FTA account grouping guidelines)**

	2009	2008	2007	2009 to 2008 % Change	2008 to 2007 % Change
<b>Revenues</b>					
Passenger Fares	\$ 8,769,184	\$ 8,272,058	\$ 7,730,499	6.0%	7.0%
Sales and Use Tax <sup>(1)</sup>	14,923,142	17,054,735	17,652,773	-12.5%	-3.4%
Non-Operating Revenues <sup>(2)</sup>	642,744	1,558,759	2,032,515	-58.8%	-23.3%
TDA <sup>(3)</sup>	5,969,249	6,313,334	6,165,834	-5.5%	2.4%
Federal Operating Assistance	3,615,707	3,375,281	3,338,212	7.1%	1.1%
<b>Total Operating Revenue</b>	<b>\$ 34,651,934</b>	<b>\$ 36,574,167</b>	<b>\$ 36,919,833</b>	<b>-5.3%</b>	<b>-0.9%</b>
<b>Expenses</b>					
Route Operation	\$ 21,752,897	\$ 20,834,142	\$ 19,872,415	4.4%	4.8%
Vehicle Maintenance	4,982,067	4,998,255	4,811,254	-0.3%	3.9%
Facilities Maintenance	1,667,389	1,333,439	1,281,359	25.0%	4.1%
General Administration <sup>(4)</sup>	8,515,251	7,763,787	6,592,585	9.7%	17.8%
<b>Total Operating Expense (excluding depreciation)</b>	<b>\$ 36,917,604</b>	<b>\$ 34,929,623</b>	<b>\$ 32,557,613</b>	<b>5.7%</b>	<b>7.3%</b>
<b>Performance Indicators</b>					
Total Passengers	5,987,518	5,888,213	5,695,910	1.7%	3.4%
Revenue Hours	243,241	257,705	260,099	-5.6%	-0.9%
Revenue Miles	3,766,435	3,709,152	3,685,802	1.5%	0.6%
Farebox Recovery Ratio <sup>(5)</sup>	23.8%	23.7%	23.7%	0.2%	0.0%
Cost/Passenger	\$ 6.17	\$ 5.93	\$ 5.72	4.0%	3.7%
Cost/Hour <sup>(6)</sup>	\$ 151.77	\$ 135.54	\$ 125.17	12.0%	8.3%
Cost/Mile	\$ 9.80	\$ 9.41	\$ 8.83	4.2%	6.6%
Full Time Equivalent Employees	314	323	318	-2.8%	1.6%
Active Fleet - Fixed Route	112	112	115	0.0%	-2.6%
Active Fleet - Paratransit	38	38	34	0.0%	11.8%

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2009 AND 2008**

- (1) Sales Tax Revenues continue to decline as a result of the current economic recession and no job growth.
- (2) Non-Operating Revenues have decreased from last year due to a significant reduction in the interest rate paid on Santa Cruz METRO's deposits in the Santa Cruz County Pooled Investment Fund. In an effort to protect the safety of the principal of the pool, increase credit quality and liquidity, the County Treasurer increased the portion of the portfolio invested in US Treasuries and Government Sponsored Enterprises bonds (GSE's) which resulted in lower overall market rates and a lower yield on the portfolio.
- (3) Transportation Development Act (TDA) funding revenues fluctuate annually based on retail sales in the County and by the amount retained by the Santa Cruz County Regional Transportation Commission (SCCRTC) for other county-wide projects and overhead. Receipts continue to decline due to the current economic recession and the "no job growth" economy.
- (4) Total Operating Expenses increased this year due to the implementation and first time recognition of the accrued liability related to GASB accounting standards 43 and 45 as they pertain to "other post employment benefits" (OPEB's).
- (5) Farebox Recovery Ratio is a standard transit performance indicator that is calculated by dividing passenger fares by operating expenses and does not include depreciation.
- (6) Cost / Hour is calculated by dividing Total Operating Expenses by Revenue Hours. Cost / Hour increased as a result of the increase in total operating expenses this fiscal year.

**Condensed Statement of Cash Flows:**

	2009	2008	2007	2009 to 2008 Change	2008 to 2007 Change
Net Cash (Used) in Operating Activities	\$ (27,984,781)	\$ (25,145,487)	\$ (24,793,543)	\$ (2,839,294)	\$ (351,944)
Net Cash Provided by Non-Capital Financing Activities	25,012,481	27,045,524	32,400,938	(2,033,043)	(5,355,414)
Net Cash Provided by (Used) in Capital and Related Financing Activities	5,044,102	(5,206,123)	(4,919,921)	10,250,225	(286,202)
Net Cash Provided by Non-Transportation Activities	531,567	1,090,834	1,469,308	(559,267)	(378,474)
Net Increase (Decrease) in Cash and Cash Equivalents	2,603,369	(2,215,252)	4,156,782	4,818,621	(6,372,034)
Cash and Cash Equivalents, Beginning of Year	33,830,310	36,045,562	31,888,780	(2,215,252)	4,156,782
Cash and Cash Equivalents, End of Year	<u>\$ 36,433,679</u>	<u>\$ 33,830,310</u>	<u>\$ 36,045,562</u>	<u>\$ 2,603,369</u>	<u>\$ (2,215,252)</u>

Cash and cash equivalents held by Santa Cruz METRO increased by \$2,603,369 or 8% during the year.

**Contacting Santa Cruz METRO's Financial Management**

Santa Cruz METRO's financial report is designed to provide Santa Cruz METRO's Board of Directors, management, and the public with an overview of Santa Cruz METRO's finances. For additional information about this report, please contact Angela Aitken, Finance Manager and Acting Assistant General Manager, at 110 Vernon Street, Santa Cruz, CA 95060.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF NET ASSETS  
JUNE 30, 2009 AND 2008**

	2009	2008
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 24,072,345	\$ 20,709,070
Sales Tax and Other Receivables	7,211,566	12,290,177
Inventory	806,099	946,561
Prepays	481,547	389,232
	32,571,557	34,335,040
RESTRICTED ASSETS		
Cash and Cash Equivalents	12,361,334	13,121,240
CAPITAL ASSETS		
Building and Improvements	12,427,094	13,467,177
Revenue Vehicles	44,656,992	40,194,340
Operations Equipment	2,154,389	2,203,998
Other Equipment	1,500,624	1,489,053
Other Vehicles	1,218,674	1,217,023
Office Equipment	1,293,076	1,199,716
	63,250,849	59,771,307
Less Accumulated Depreciation	(35,479,687)	(34,516,865)
	27,771,162	25,254,442
Construction-in-Progress	30,175,183	23,160,708
Land	9,164,870	9,164,870
Total Property and Equipment	67,111,215	57,580,020
<b>TOTAL ASSETS</b>	<b>\$ 112,044,106</b>	<b>\$ 105,036,300</b>

The accompanying notes are an integral part of these financial statements.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**STATEMENTS OF NET ASSETS (Continued)**  
**JUNE 30, 2009 AND 2008**

	2009	2008
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 2,185,549	\$ 2,804,010
Accrued Payroll and Employee Benefits	3,799,326	3,726,070
Workers' Compensation Liabilities	972,231	1,022,608
Other Accrued Liabilities	419,585	417,684
Security Deposit	15,684	17,684
<b>Total Current Liabilities</b>	7,392,375	7,988,056
<b>LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>		
Deferred Revenue - Settlement Agreement	3,092,552	6,612,064
Deferred Revenue - STA Grant	1,836,010	2,066,267
Deferred Revenue - PTMISEA	7,003,247	4,442,909
Deferred Revenue - OHS 1B	429,525	-
Other Post-Employment Benefit Liabilities	2,561,254	-
<b>LONG-TERM LIABILITIES</b>		
Workers' Compensation Liabilities	3,538,987	3,651,291
<b>Total Liabilities</b>	25,853,950	24,760,587
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	67,111,215	57,580,020
Unrestricted Net Assets	19,078,941	22,695,693
<b>Total Net Assets</b>	86,190,156	80,275,713
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 112,044,106	\$ 105,036,300

The accompanying notes are an integral part of these financial statements.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>OPERATING REVENUES</b>		
Passenger Fare	\$ 4,742,581	\$ 4,671,177
Special Transit Fare	4,026,604	3,600,881
<b>Total Operating Revenues</b>	<u>8,769,185</u>	<u>8,272,058</u>
<b>OPERATING EXPENSES</b>		
Wages, Salaries and Employee Benefits	30,373,279	26,900,557
Purchased Transportation Services	176,002	288,787
Material and Supplies	2,389,907	4,068,119
Other Expenses	3,978,416	3,672,161
Depreciation	5,057,488	3,754,019
<b>Total Operating Expenses</b>	<u>41,975,092</u>	<u>38,683,643</u>
<b>Net Operating Loss</b>	<u>(33,205,907)</u>	<u>(30,411,585)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Sales and Use Tax	14,923,139	17,054,735
Transportation Development Act Assistance	5,696,249	6,313,334
Section 8/5303 Planning Fund	27,799	54,609
Section 9/5307 Operating Assistance	3,426,293	3,153,552
Section 18/5307 Operating Assistance	161,615	167,120
Interest Income	391,808	942,456
Rental Income	139,759	148,378
Other Revenue	200,341	467,925
Loss on Sale and Disposal of Property, Equipment, and Inventory	(89,164)	(137,214)
<b>Total Non-Operating Revenues</b>	<u>24,877,839</u>	<u>28,164,895</u>
<b>Net Gain (Loss) Before Capital Contributions</b>	<u>(8,328,068)</u>	<u>(2,246,690)</u>
<b>CAPITAL CONTRIBUTIONS</b>		
Grants Restricted for Capital Expenditures	14,242,511	19,167,833
<b>NET ASSETS</b>		
Increase in Net Assets	5,914,443	16,921,143
<b>Total Net Assets, Beginning of Year</b>	<u>80,275,713</u>	<u>63,354,570</u>
<b>Total Net Assets, End of Year</b>	<u>\$ 86,190,156</u>	<u>\$ 80,275,713</u>

The accompanying notes are an integral part of these financial statements.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts From Customers	\$ 9,594,562	\$ 8,210,333
Payments to Employees	(30,462,704)	(26,906,499)
Payments to Suppliers	(7,116,639)	(6,449,321)
	<u>(27,984,781)</u>	<u>(25,145,487)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Operating Grants Received, Including Sales and Use Tax	25,000,666	27,039,733
Other Nonoperating	11,815	5,791
	<u>25,012,481</u>	<u>27,045,524</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds From Sale of Property and Equipment	-	1,265
Capital Grants Received	19,632,785	13,814,670
Capital Expenditures	(14,588,683)	(19,022,058)
	<u>5,044,102</u>	<u>(5,206,123)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment and Rental Income Received	531,567	1,090,834
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,603,369	(2,215,252)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>33,830,310</u>	<u>36,045,562</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 36,433,679</u>	<u>\$ 33,830,310</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating Loss	\$ (33,205,907)	\$ (30,411,585)
Adjustments to Reconcile Net Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	5,057,488	3,754,019
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	825,377	(61,725)
(Increase) in Inventory	140,462	47,989
(Increase) Decrease in Prepaid Expenses	(92,315)	12,246
Increase (Decrease) in Accounts Payable	(618,461)	1,519,711
Increase (Decrease) in Other Liabilities	(91,425)	(6,142)
	<u>\$ (27,984,781)</u>	<u>\$ (25,145,487)</u>

The accompanying notes are an integral part of these financial statements.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Organization**

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) was formed February 9, 1969, following a favorable election in conformity with Section 9800 *et. seq.* of the Public Utilities Code. The transit system serves the general public in the cities of Santa Cruz, Watsonville, Scotts Valley, Capitola and the unincorporated areas of Santa Cruz County. A Board of eleven directors, and one Ex-Officio director representing the University of California, Santa Cruz governs Santa Cruz METRO. At June 30, 2009, the directors were as follows:

Chairperson:	Dene Bustichi		
Vice Chair:	Ellen Pirie		
Members:	Ron Graves	Michelle Hinkle	Mark Stone
	Mike Rotkin	Pat Spence	Donald Hagen
	Lynn Robinson	Marcela Tavantzis	Emilio Martinez
Ex-Officio:	Donna Blitzer		

Santa Cruz METRO also serves the Highway 17 corridor into Santa Clara County to provide commuter express service through a memorandum of understanding with the California Department of Transportation, the Capitol Corridor Joint Powers Authority and the Santa Clara Valley County Transit District (VTA). Amtrak Thruway bus service is also provided by Santa Cruz METRO on the same corridor.

**B. Reporting Entity**

Santa Cruz METRO and the Santa Cruz Civic Improvement Corporation (the Corporation) have a financial and operational relationship, which meets the reporting entity definition criteria of GASB Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*, for inclusion of the Corporation as a component unit of Santa Cruz METRO. Accordingly, the financial activities of the Corporation have been included in the financial statements of Santa Cruz METRO. For the years ending June 30, 2009 and 2008, this activity was minimal.

**Scope of Public Service:**

The Corporation is a nonprofit, public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in July 1986. The Corporation was formed for the sole purpose of providing financial assistance to Santa Cruz METRO for the construction and acquisition of major capital facilities.

The following are those aspects of the relationship between Santa Cruz METRO and the Corporation, which satisfy GASB Statement No. 14/39 criteria.

**Accountability:**

1. Santa Cruz METRO's Board of Directors appointed the Corporation's Board of Directors.

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **B. Reporting Entity (Continued)**

2. Santa Cruz METRO is able to impose its will upon the Corporation, based on the following:
  - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of Santa Cruz METRO.
  - Santa Cruz METRO exercises significant influence over operations of the Corporation as it is anticipated that Santa Cruz METRO will be the sole lessee of all facilities owned by the Corporation. Likewise, it is anticipated that Santa Cruz METRO's lease payments will be the sole revenue source of the Corporation.
3. The Corporation provides specific financial benefits or imposes specific financial burdens on Santa Cruz METRO based upon the following:
  - Santa Cruz METRO has assumed a "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation.

### **C. Basis of Accounting and Presentation**

Santa Cruz METRO is accounted for as a Business Type Activity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion & Analysis – for State and Local Governments* and its financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Santa Cruz METRO adopted GASB Statement No. 34 as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, as of and for the year ended June 30, 2003, and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into three net asset categories; namely, those invested in capital assets, net of related debt, restricted net assets and unrestricted net assets.

#### **Contributed Capital/Reserved Retained Earnings:**

Santa Cruz METRO receives grants from the Federal Transit Administration (FTA) and other agencies of the U.S. Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant have been incurred. Capital grant funds earned, less amortization equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, Santa Cruz METRO changed its method of accounting for capital grants from capital contributions to reserved nonoperating revenues. In accordance with GASB No. 33, capital grants are required to be included in the determination of net income resulting in an increase in net revenue of \$14,242,511 and \$19,167,833 for the fiscal years 2009 and 2008, respectively.

Under GASB Statement No. 34, contributed capital and reserved retained earnings are presented in the net asset section as invested in capital assets, net of related debt.

#### **Retained Earnings:**

Retained earnings which represented the residual value of operations and capital assets constructed with funds other than grants, were restated to reclassify the capital assets to invested in capital assets, net of related debt and the remaining assets resulting from operations as either restricted or unrestricted net assets.



**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting and Presentation (Continued)**

**Proprietary Accounting and Financial Reporting:**

As required under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, Santa Cruz METRO will continue to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. Santa Cruz METRO has elected under GASB Statement No. 20 to not apply all FASB Statements and Interpretations issued after November 30, 1989, due to the governmental nature of Santa Cruz METRO's operations.

**Net Assets:**

Net assets represent the residual interest in Santa Cruz METRO's assets after liabilities are deducted. In accordance with GASB Statement No. 34, the Fund Equity section on the Statement of Net Assets was combined to report total net assets and present it in three broad components: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets invested in capital assets, net of related debt include capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Net assets are restricted when constraints are imposed by third parties or by law through constitutional provisions or enabling legislation. All other net assets are unrestricted.

When both restricted and unrestricted resources are available for use, generally it is Santa Cruz METRO's policy to use restricted resources first, and then unrestricted resources as they are needed.

**D. Cash and Cash Equivalents**

Santa Cruz METRO considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents. Santa Cruz METRO deposits funds into an external investment pool maintained by the County of Santa Cruz. These deposits are considered cash equivalents. The County of Santa Cruz Pooled Investment Fund is authorized to invest in obligations of the U.S. Treasury agencies and instrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, and the State Treasurer's investment pool. Cash and cash equivalents are stated at fair value. For purposes of the statement of cash flows, Santa Cruz METRO considers all highly liquid investments (including restricted assets) to be cash equivalents.

**E. Inventory**

Inventory is carried at cost using the first-in/first-out (FIFO) method. Inventory held by Santa Cruz METRO consists of spare bus parts and operating supplies that are consumed by Santa Cruz METRO and are not for resale purposes.

**F. Restricted Assets**

Certain assets are classified as restricted assets on the Statement of Net Assets because their use is subject to externally imposed stipulations, either by laws or regulations.

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Restricted Assets (Continued)**

The cash resulting from a settlement agreement, as described in Note 9, represents proceeds restricted by the Federal Transit Administration. The State Transit Assistance Grant, Proposition 1B PTMISEA Grant, and the Proposition 1B OHS CTSGP Grant are restricted for capital expenditures. Restricted assets at June 30, are as follows:

	<u>2009</u>	<u>2008</u>
Cash and Cash Equivalents		
Federal Transit Administration Grant	\$ 3,092,552	\$ 6,612,064
Proposition 1B PTMISEA Grant	7,003,247	4,442,909
Proposition 1B OHS CTSGP Grant	429,525	-
State Transit Assistance Grant	<u>1,836,010</u>	<u>2,066,267</u>
<b>Total Restricted Assets</b>	<b><u>\$ 12,361,334</u></b>	<b><u>\$ 13,121,240</u></b>

**G. Property and Equipment**

Property and equipment are recorded at cost. Depreciation for all such assets is computed on a straight-line basis. Estimated useful lives of assets are as follows:

Buildings and structures	20-30 years
Revenue vehicles	12 years
Other vehicles and equipment	3-10 years

Depreciation expense on assets acquired with capital grant funds are transferred to net assets - invested in capital assets, net of related debt after being charged to operations.

Major improvements and betterments to existing facilities and equipment are capitalized. Costs for maintenance and repairs, which do not extend the useful life of the applicable assets, are charged to expense as incurred. Upon disposition, costs and accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

Santa Cruz METRO completed and capitalized the Scotts Valley Transit Center in fiscal 1999. The cost of this facility totaled \$4,063,634, which was funded by federal, state and local funds. The Scotts Valley Redevelopment Agency (the Agency), a political subdivision of the state of California, was one of Santa Cruz METRO's funding sources for this project and has retained an interest in the property. The title to the property is retained by both Santa Cruz METRO and the Agency as tenants in common with each party holding an individual interest in proportion to each party's financial participation in the project. The Agency's portion of the property is 13.87%. The Agency's portion is not recorded in Santa Cruz METRO's financial statements.

**H. Sales and Use Tax**

Santa Cruz METRO receives a .5% sales and use tax levied on all taxable sales in Santa Cruz County, which is collected and administered by the California State Board of Equalization. Additionally, Santa Cruz METRO is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the .25% sales and use tax levied by the Transportation Development Act (TDA).

**I. Operating Assistance Grants**

Operating assistance grants are recognized as revenue in the grant period earned.

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Self-Insurance**

Santa Cruz METRO is self-insured for the first \$250,000 of general and vehicular liability. For settlements in excess of \$250,000, Santa Cruz METRO has total coverage up to \$20,000,000 per occurrence. Additionally, Santa Cruz METRO is self insured up to \$350,000 for workers' compensation claims. Santa Cruz METRO has recorded a liability for estimated claims to be paid including incurred but not reported claims.

**K. Employee Benefits**

Vacation and medical leave benefits are accrued when earned and reduced when used. Any paid medical leave accrued beyond 96 hours may, at the employee's option be converted to annual leave and credited to the employee's annual leave schedule or paid in cash, depending on the bargaining unit, at 100% of the earned rate. Employees are paid accrued and unused annual leave at the time of separation from Santa Cruz METRO service.

**L. Payroll**

Santa Cruz METRO contracts with the Santa Cruz County Auditor-Controller to provide payroll processing services.

**M. Pension Costs**

Pension costs are expensed as incurred. These costs equal the actuarially determined annual contribution amount.

**N. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**O. Implementation of New Accounting Pronouncements**

Santa Cruz METRO implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)* effective for the year ended June 30, 2009. This statement improves the relevance and usefulness of financial reporting by (a) requiring systematic, accrual-basis measurement and recognition of OPEB cost (expense) over a period that approximates employees' years of service and (b) providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. Note 16 shows the disclosures as required by GASB Statement No. 45.

In addition, Santa Cruz METRO also implemented the provisions of GASB Statements No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in AICPA Statements on Auditing Standards*. Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. Implementation of this statement did not cause any real changes to the preparation process of the financial statements and did not have a significant impact on the financial statements, thus the Board does not expect this statement will result in a change in current practice. Statement No. 56, incorporated into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' *Statements on Auditing Standards*, did not establish new accounting standards but rather incorporates the existing guidance (to the extent appropriate in a governmental environment) into the GASB standards. Thus, this provision did not cause any real changes to the preparation process of the financial statements and did not have a significant impact on the financial statements.

**NOTE 2 – CASH AND INVESTMENTS**

Cash and cash equivalents consists of the following at June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Cash on Hand	\$ 48,577	\$ 40,311
Demand Deposits	310,114	357,298
Deposits in Santa Cruz County Pooled Investment Fund	<u>36,074,988</u>	<u>33,432,701</u>
	<u>\$ 36,433,679</u>	<u>\$ 33,830,310</u>

Cash on Hand and Cash in Banks

**Investments Authorized by the California Government Code and Santa Cruz METRO’s Investment Policy**

The table below identifies the **investment types** that are authorized for Santa Cruz METRO by the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker’s Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
County Pooled Investment Funds	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

**Cash on Hand and Cash in Banks (Continued)**

**Disclosures Relating to Interest Rate Risk (Continued)**

Information about the sensitivity of the fair values of Santa Cruz METRO's investments to market interest rate fluctuations is provided by the following table that shows the distribution of Santa Cruz METRO's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
County Investment Pool	\$ 36,074,988	\$ 36,074,988	\$ -	\$ -	\$ -

**Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations**

Santa Cruz METRO's investments were not considered to be highly sensitive to interest rate fluctuations as of June 30, 2009 or 2008.

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, Santa Cruz METRO's investment policy, and the actual rating as of year-end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	Aa	Not Rated
County Investment Pool	\$ 36,074,988	N/A	\$ -	\$ -	\$ -	\$ 36,074,988

**Concentration of Credit Risk**

The investment policy of Santa Cruz METRO contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Santa Cruz METRO did not have any investments in any one issuer (other than external investment pools) that represent 5% or more of total Santa Cruz METRO's investments at June 30, 2009 or 2008.

**Custodial Credit Risk**

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and Santa Cruz METRO's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Cash on Hand and Cash in Banks (Continued)

**Custodial Credit Risk**

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: none of Santa Cruz METRO's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

**Investment in County Investment Pool**

Santa Cruz METRO is a voluntary participant in the Santa Cruz County Investment Fund. The fair value of Santa Cruz METRO's investment in this pool is reported in the accompanying financial statements at amounts based upon Santa Cruz METRO's pro-rata share of the fair value provided by the County for the entire County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County, which are recorded on an amortized cost basis.

**NOTE 3 – RECEIVABLES**

Receivables at June 30, are as follows:

	<u>2009</u>	<u>2008</u>
Federal Grants	\$ 1,793,004	\$ 8,589
State Grants	2,835,132	8,170,973
Sales Tax Revenue	2,181,400	2,818,400
Local Grants	-	37,500
Other	402,030	1,254,715
	<u>\$ 7,211,566</u>	<u>\$ 12,290,177</u>

**NOTE 4 – CHANGES IN CAPITAL ASSETS**

Facilities, property and equipment at June 30, are summarized as follows:

June 30, 2009

	Balance July 1, 2008	Additions and Transfers	Retirements and Transfers	Balance June 30, 2009
<b>Non Depreciated Assets</b>				
Land	\$ 9,164,870	\$ -	\$ -	\$ 9,164,870
Construction-in-Progress	23,160,708	7,070,170	(55,695)	30,175,183
<b>Total Non Depreciated Assets</b>	<b>32,325,578</b>	<b>7,070,170</b>	<b>(55,695)</b>	<b>39,340,053</b>
<b>Depreciated Assets</b>				
Building and Improvements	13,467,177	17,607	(1,057,690)	12,427,094
Revenue Vehicles	40,194,340	7,463,295	(3,000,643)	44,656,992
Operations Equipment	2,203,998	53,059	(102,668)	2,154,389
Other Equipment	1,489,053	11,671	(100)	1,500,624
Other Vehicles	1,217,023	1,651	-	1,218,674
Office Equipment	1,199,716	138,596	(45,236)	1,293,076
<b>Total Depreciated Assets</b>	<b>59,771,307</b>	<b>7,685,879</b>	<b>(4,206,337)</b>	<b>63,250,849</b>
<b>Less Accumulated Depreciation</b>	<b>(34,516,865)</b>	<b>(5,057,488)</b>	<b>4,094,666</b>	<b>(35,479,687)</b>
<b>Depreciated Assets Net of Accumulated Depreciation</b>	<b>25,254,442</b>	<b>2,628,391</b>	<b>(111,671)</b>	<b>27,771,162</b>
<b>Total</b>	<b>\$ 57,580,020</b>	<b>\$ 9,698,561</b>	<b>\$ (167,366)</b>	<b>\$ 67,111,215</b>

Depreciation expense at June 30, 2009 was \$5,057,488.

June 30, 2008

	Balance July 1, 2007	Additions and Transfers	Retirements and Transfers	Balance June 30, 2008
<b>Non Depreciated Assets</b>				
Land	\$ 5,948,526	\$ 3,216,344	\$ -	\$ 9,164,870
Construction-in-Progress	15,952,697	11,607,432	(4,399,421)	23,160,708
<b>Total Non Depreciated Assets</b>	<b>21,901,223</b>	<b>14,823,776</b>	<b>(4,399,421)</b>	<b>32,325,578</b>
<b>Depreciated Assets</b>				
Building and Improvements	10,486,491	3,101,325	(120,639)	13,467,177
Revenue Vehicles	35,609,181	5,109,897	(524,738)	40,194,340
Operations Equipment	2,818,470	66,489	(680,961)	2,203,998
Other Equipment	1,285,123	203,930	-	1,489,053
Other Vehicles	1,153,348	188,979	(125,304)	1,217,023
Office Equipment	1,143,615	83,541	(27,440)	1,199,716
<b>Total Depreciated Assets</b>	<b>52,496,228</b>	<b>8,754,161</b>	<b>(1,479,082)</b>	<b>59,771,307</b>
<b>Less Accumulated Depreciation</b>	<b>(32,084,205)</b>	<b>(3,754,019)</b>	<b>1,321,359</b>	<b>(34,516,865)</b>
<b>Depreciated Assets Net of Accumulated Depreciation</b>	<b>20,412,023</b>	<b>5,000,142</b>	<b>(157,723)</b>	<b>25,254,442</b>
<b>Total</b>	<b>\$ 42,313,246</b>	<b>\$ 19,823,918</b>	<b>\$ (4,557,144)</b>	<b>\$ 57,580,020</b>

Depreciation expense at June 30, 2008 was \$3,754,019.

**NOTE 5 – AVAILABLE NET ASSETS**

An analysis of Santa Cruz METRO's available (undesignated) net assets at June 30, follows:

	<u>2009</u>	<u>2008</u>
Current Assets	\$ 32,571,557	\$ 33,286,737
Current Liabilities	<u>(7,392,375)</u>	<u>(7,988,056)</u>
Working Capital	25,179,182	25,298,681
Less:		
Inventory	(806,099)	(946,561)
Prepaid Expenses	<u>(481,547)</u>	<u>(389,232)</u>
Total Available Net Assets	<u>23,891,536</u>	<u>23,962,888</u>
Net Assets Designated for the Following:		
Cash Flow	(5,059,022)	(5,059,022)
Workers' Compensation Reserve	(2,091,581)	(2,091,581)
110 Vernon Purchase - Renovation	(2,400,000)	(2,962,139)
Insurance Reserve	(700,757)	(750,757)
Alternative Fuel Conversion Fund	-	(462,000)
Bus Stop Improvements Reserve	-	(400,000)
Carryover for Fiscal Year 2008-2009 Operating Budget	(2,155,738)	(2,951,178)
Net Assets Required to Offset Projected Operating Budget Shortfall for Fiscal Year 2010	(3,154,251)	-
Net Assets Required to Fund Transportation Improvement Programs for the Fiscal Years 2008-2012	<u>(14,025,636)</u>	<u>(13,625,636)</u>
Available Undesignated Net Assets (Deficits)	<u>\$ (5,695,449)</u>	<u>\$ (4,339,425)</u>

**NOTE 6 – CAPITAL GRANTS**

Santa Cruz METRO receives grants from the Federal Transit Administration (FTA), which provides financing for the acquisition of rolling stock and construction of facilities. Santa Cruz METRO also receives grants under the State Transportation Development Act primarily for the acquisition of rolling stock and support equipment, and purchase of furniture and fixtures.

A summary of federal, state and local grant activity for the years ended June 30, are as follows:

	<u>2009</u>	<u>2008</u>
Federal Grants	\$ 6,194,664	\$ 2,152,133
State Grants	8,047,847	16,980,757
Local Grants	<u>-</u>	<u>34,943</u>
Total Capital Assistance	<u>\$ 14,242,511</u>	<u>\$ 19,167,833</u>



**NOTE 7 – COMMITMENTS**

Santa Cruz METRO leases a number of its facilities under operating leases extending through 2012. For the years ended June 30, 2009 and 2008, rental expense relating to the leases was \$728,350 and \$697,925, respectively. Santa Cruz METRO also leases to others retail space in their transit facilities under noncancelable agreements. Minimum lease payments and receipts for existing operating leases are as follows:

Year Ending June 30	Lease Commitments	Rental Income	Net
2010	\$ 241,974	\$ 111,795	\$ 130,179
2011	123,829	30,692	93,137
2012	21,697	-	21,697
	<u>\$ 387,500</u>	<u>\$ 142,487</u>	<u>\$ 245,013</u>

**NOTE 8 – JOINT VENTURES (Joint Powers Authority with CalTIP)**

Santa Cruz METRO participates in a joint powers authority (JPA), the California Transit Insurance Pool (CalTIP). The relationship between Santa Cruz METRO and the JPA is such that the JPA is not a component unit of Santa Cruz METRO for financial reporting purposes.

CalTIP arranges for and provides property and liability insurance for its 25 members. CalTIP is governed by a board that controls the operations of CalTIP, including selection of management and approval of operating budgets, independent of any influence by the member districts. Each member district pays a premium commensurate with the level of coverage requested and shares in surpluses and deficits proportionate to their participation in CalTIP.

Condensed unaudited financial information of CalTIP for the years ended April 30, (most recent information available) is as follows:

	2009	2008
Total Assets	\$ 25,860,459	\$ 22,411,570
Total Liabilities	<u>9,782,422</u>	<u>7,763,419</u>
Fund Balance	<u>\$ 16,078,037</u>	<u>\$ 14,648,151</u>
Total Revenues	\$ 7,915,686	\$ 9,055,989
Total Expenditures	<u>6,485,801</u>	<u>6,490,515</u>
Net Increase in Fund Balance	<u>\$ 1,429,885</u>	<u>\$ 2,565,474</u>

CalTIP has not calculated Santa Cruz METRO's share of year-end assets, liabilities, or fund balance.

**NOTE 9 – WATSONVILLE FLEET MAINTENANCE FACILITY**

Santa Cruz METRO's fleet maintenance facility in Watsonville was damaged in the Loma Prieta earthquake (the earthquake) in October 1989. An engineering study concluded that the demolition of the existing facility and construction of a new facility was the most practical course of action. Therefore, the net book value of the facility was written off the books in a prior year.

**NOTE 9 – WATSONVILLE FLEET MAINTENANCE FACILITY (Continued)**

In addition, due to design and construction deficiencies by the design and building contractors involved in the original project, Santa Cruz METRO initiated litigation against the contractors and came to a settlement agreement with said contractors on May 30, 1995. In accordance with this agreement, the contractors remitted \$4,776,858 (including \$171,538 in costs) to Santa Cruz METRO during fiscal year 1996, representing damages less attorney fees. FTA Section 3/5309 restricts the use of these proceeds, and the interest earned thereon. Accordingly, the net restricted amount of \$3,092,552 and \$6,612,064 is reflected on the statements of net assets as deferred revenue at June 30, 2009 and 2008, respectively.

**NOTE 10 – CONTINGENCIES**

Santa Cruz METRO has received state and federal funds for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, Santa Cruz METRO believes that any required reimbursement will not be material.

Additionally, Santa Cruz METRO is party to various claims and litigation in the normal course of business. In the opinion of management and in-house counsel, any ultimate losses have been adequately provided for in the financial statements.

**NOTE 11 – DEFINED BENEFIT PENSION PLAN**

Plan Description

Santa Cruz METRO's defined benefit pension plan, the Miscellaneous Plan for Santa Cruz Metropolitan Transit District (the Plan), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers with the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. Santa Cruz METRO selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board action. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy

There are 314 active plan members in the Fund as of June 30, 2009, which are required to contribute a percent of their annual covered salary. In lieu of salary increases and for employees who agreed to salary reductions in certain prior years, Santa Cruz METRO agreed to pay a portion of the employee contribution, based on formulas negotiated in their labor agreements. Santa Cruz METRO is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year ended June 30, 2009 was 13.383%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

Annual Pension Cost

For fiscal year ended June 30, 2009, Santa Cruz METRO's annual pension cost of \$2,215,058 was equal to Santa Cruz METRO's required and actual contributions. This includes Santa Cruz METRO's contribution to the employee contribution requirement. The required contribution for fiscal year ended June 30, 2009 was determined as part of the June 30, 2007 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.75% investment rate of return (net of administration expenses); (b) projected salary increases that vary by duration of service ranging from 3.25% to 14.45% for miscellaneous members, and (c) 3.25% cost-of-living adjustment. Both (a) and (b) include an inflation component of 3.0%. The actuarial value of the Plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three-year period. The Plan's excess assets are being amortized as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for the Fund

Three-year trend information, with respect to Santa Cruz METRO's participation in CalPERS is as follows:

<u>Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$ 1,791,125	100%	\$ -
6/30/2008	\$ 1,997,214	100%	\$ -
6/30/2009	\$ 2,215,058	100%	\$ -

Required Supplementary Information

Supplementary information is intended to show the progress made towards funding benefit obligations. Required three year supplemental information, available to date, for Santa Cruz METRO is as follows:

<u>Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/2005	\$ 74,915,137	\$65,041,527	\$ 9,873,610	86.8%	\$14,935,163	66.1%
6/30/2006	\$ 82,885,847	\$71,312,490	\$ 11,573,357	86.0%	\$15,022,920	77.0%
6/30/2007	\$ 90,009,906	\$78,752,158	\$ 11,257,748	87.5%	\$15,491,039	72.7%

**NOTE 12 – DEFERRED COMPENSATION PLAN**

Santa Cruz METRO offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and provisions of the Government Code of the State of California. The plan, available to all Santa Cruz METRO employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. Santa Cruz METRO employees participate in two such plans, the Great-West Life and Annuity Insurance (Great-West) plan and the other through CalPERS.

At June 30, 2009, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying balance sheet as required under Statement No. 27 of the Governmental Accounting Standards Board, *Accounting Standards for Pensions by State and Local Governmental Employers*.

**NOTE 13 – RISK MANAGEMENT**

Santa Cruz METRO is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which Santa Cruz METRO carries commercial insurance. Santa Cruz METRO has established limited risk management programs for workers' compensation, and general and vehicular liability, as described in Note 1, as well.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The IBNR for workers' compensation was based on an actuarial study dated June 12, 2007. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. Changes in the balances of claims liabilities are as follows:

	<u>2009</u>	<u>2008</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 4,673,899	\$ 4,673,900
Incurred Claims (Including IBNR's)	(903,021)	(974,098)
Claim Payments	<u>740,340</u>	<u>974,097</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 4,511,218</u>	<u>\$ 4,673,899</u>

**NOTE 14 – TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA ADMINISTRATIVE CODE**

Santa Cruz METRO is subject to compliance with the Transportation Development Act provisions, Sections 6634 and 6637 of the California Administrative Code and Sections 99267, 99268.1 and 99314.6 of the Public Utilities Code.

Section 6634

Pursuant to Section 6634, a Transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs, less the required fares, and local support. Santa Cruz METRO did not receive Transportation Development Act or State Transit Assistance revenues in excess of the prescribed formula amounts.

Section 6637

Pursuant to Section 6637, a claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators adopted by the State Controller. Santa Cruz METRO did maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators.

Sections 99267 and 99268.1

Pursuant to the Transportation Development Act, Santa Cruz METRO is defined as an older operator and is not required to meet the fare box ratio requirement of the Act. Santa Cruz METRO has met the 50% expenditure limitation requirement.

**NOTE 15 – PUBLIC TRANSPORTATION, MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)**

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of State general obligation bonds authorized, \$4 billion was set aside by the State as instructed by the statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement.

The audit of public transportation operator finances, pursuant to Section 99245 of the Public Utilities Code (PUC) and required under the Transportation Development Act (TDA), was expanded to include verification of receipt and appropriate expenditure of PTMISEA bond funds.

The Santa Cruz Regional Transportation Commission (SCCRTC) is responsible for allocating the Proposition 1B PUC Section 99313 funds in Santa Cruz County. In December 2007, the SCCRTC programmed 100% of its share of Section 99313 Proposition 1B PTMISEA funds (approximately \$2.1 million) to Santa Cruz METRO for the Consolidated MetroBase project. Funds audited include the SCCRTC share of PUC Section 99313 Proposition 1B Transit funds that have been passed-through to Santa Cruz METRO.

During the fiscal year ended June 30, 2009, Santa Cruz METRO applied for and received proceeds of \$2,560,338 including interest earned of \$79,428 from the State's PTMISEA account for construction funding for the Consolidated MetroBase Project. As of June 30, 2009, no qualifying expenditures were incurred and the entire proceeds of \$2,560,338 including accrued interest was deferred. Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

**Schedule of PTMISEA Bond 1B Funds  
For the Year Ended June 30, 2009**

	<u>2009</u>
<b>Balance - beginning of the year</b>	\$ 4,442,909
<b>Receipts:</b>	
Warrant No 63-181418 - Deposited 7/15/2009	2,480,910
Interest accrued 7/1/2008 through 6/30/2009	79,428
<b>Expenses:</b>	
MetroBase Construction	-
<b>Balance - end of year</b>	<u>\$ 7,003,247</u>

**Schedule of PTMISEA Bond 1B Funds  
For the Year Ended June 30, 2008**

	<u>2008</u>
<b>Balance - beginning of the year</b>	\$ -
<b>Receipts:</b>	
Warrant No 61-495327 - Deposited 3/19/2008	4,404,019
Interest accrued thru 6/30/2008	38,890
<b>Expenses:</b>	
MetroBase Construction	-
<b>Balance - end of year</b>	<u>\$ 4,442,909</u>

**NOTE 16 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

Plan Description

Santa Cruz METRO provides post-retirement CalPERS medical benefits to qualified retired employees age 50 and older (including eligible dependents) who have completed at least five years of CalPERS eligible service. Santa Cruz METRO pays medical premiums depending on bargaining union contract requirements. If the retiree has ten years of Santa Cruz METRO eligible service, Santa Cruz METRO provides post-retirement dental and vision benefits for qualified retirees (including eligible dependents), and life insurance for the retiree only, until the retiree reaches age 65. Bus operators who retired and reached the age of 65 prior to June 30, 1994, will continue to receive dental and vision coverage beyond age 65. Life insurance is not provided to management retirees who retired prior to July 1, 2005. The costs of providing these benefits are recognized when paid. Santa Cruz METRO has recognized approximately \$1,557,326 and \$1,496,061 of expense for these benefits for the years ending June 30, 2009 and 2008, respectively.

Annual OPEB Cost and Net OPEB Obligation

The Santa Cruz METRO's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed thirty years. For fiscal year 2008-09, the Santa Cruz Metropolitan Transit District's annual OPEB cost was \$2,561,254. The Santa Cruz METRO's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2009, were as follows:

Annual required contribution	\$ 3,980,818
Interest on net OPEB obligation	-
Adjustments to annual required contribution	-
	<hr/>
Annual OPEB cost	3,980,818
Contributions made	1,419,564
	<hr/>
Change in net OPEB obligation (asset)	2,561,254
Net OPEB obligation (asset) - beginning of year	-
	<hr/>
Net OPEB obligation (asset) - end of year	<u>\$ 2,561,254</u>

<u>Year Ended</u> <u>June 30,</u>	<u>Annual</u> <u>OPEB</u> <u>Cost</u>	<u>Actual</u> <u>Employer</u> <u>Contributions</u>	<u>Percentage of</u> <u>Annual OPEB Cost</u> <u>Contributed</u>	<u>Net Ending</u> <u>OPEB</u> <u>Obligation (Asset)</u>
2009	\$ 3,980,818	\$ 1,419,564	35.66%	\$ 2,561,254

Funding Policy, Funded Status and Funding Progress

The Santa Cruz Metropolitan Transit District's required contribution is based on Pay-As-You-Go financing requirements. For fiscal year 2008-09, the Santa Cruz METRO contributed \$1,419,564 to the plan.

As of April 1, 2008, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$44,208,804, all of which was unfunded.

## **NOTE 16 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)**

### **Funding Policy, Funded Status and Funding Progress (Continued)**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and probability about the occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the annual required contributions of the Santa Cruz METRO are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because 2008-09 was the year of implementation of GASB Statement No. 45 and the Santa Cruz METRO elected to apply the statement prospectively, only one year is presented in the schedule at this time. In future years, required trend analysis will be presented

### **Actuarial Methods and Assumptions**

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

The actuarial assumptions used for rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest were based on a standard set of actuarial assumptions modified as appropriate for the Santa Cruz METRO. Turnover rates were taken from CalPERS actuarial table for miscellaneous employees, which closely matches Santa Cruz METRO turnover experience. Retirement rates were also based on Santa Cruz METRO experience. Healthcare inflation rates are based on actuarial analysis of recent Santa Cruz METRO experience and actuarial knowledge of the general healthcare environment. The actuarial assumption to determine the cost of covering early retirees (those under the age of 65) was an age-specific claims cost matrix fitted to the average estimated equivalent one-party premium for the current retiree group. Healthcare costs were assumed to increase by 3% per year of age for ages under 65.

**REQUIRED SUPPLEMENTARY INFORMATION**



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
 SCHEDULE OF FUNDING PROGRESS  
 OTHER POST EMPLOYMENT BENEFITS  
 JUNE 30, 2009**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a)/c]
4/1/2008	\$ -	\$ 44,208,804	\$ 44,208,804	-	\$ 30,373,279	145.55%

**SUPPLEMENTARY INFORMATION**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF OPERATING EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
Labor		
Operators' Salaries and Wages	\$ 7,571,893	\$ 7,430,732
Other Salaries and wages	6,161,034	5,866,496
Overtime	1,771,761	1,736,090
	<u>15,504,688</u>	<u>15,033,318</u>
Fringe Benefits		
Absence with pay	3,017,547	2,839,773
Pension plans	2,215,059	1,997,214
Vision, medical, and dental plans	5,934,447	5,509,822
Workers' compensation insurance	577,659	979,924
Disability insurance	388,509	335,963
Other fringe benefits	174,116	204,543
Other Post Employment Benefits	2,561,254	-
	<u>14,868,591</u>	<u>11,867,239</u>
Services		
Accounting	79,984	84,436
Administrative and banking	185,856	176,719
Professional and technical services	350,007	373,166
Security	358,207	341,087
Outside repairs	790,841	660,244
Other Services	163,844	157,632
	<u>1,928,739</u>	<u>1,793,284</u>
Materials and Supplies Consumed		
Fuels and Lubricants	1,454,579	2,697,309
Tires and Tubes	180,368	185,825
Vehicle parts	460,132	775,902
Other materials and supplies	294,828	409,083
	<u>2,389,907</u>	<u>4,068,119</u>
Utilities	431,353	434,011
Casualty and Liability Costs	685,475	511,863
Taxes and Licenses	43,847	35,364
Purchased Transportation Services		
Para transit	176,002	288,787
Miscellaneous Expenses	144,675	179,802
Equipment and Facility Lease	744,327	717,837
Depreciation		
Property Acquired with operator funds	442,630	471,919
Property acquired by federal, state, or TDA funds	4,614,858	3,282,100
	<u>7,283,167</u>	<u>5,921,683</u>
Total Operating Expenses	<u>\$ 41,975,092</u>	<u>\$ 38,683,643</u>

**OTHER SCHEDULES AND REPORTS**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Federal Expenditures</u>
<b>U S DEPARTMENT OF TRANSPORTATION</b>			
Direct Programs:			
Federal Transit Administration (FTA)			
Section 9/5307			
Metrobase Construction	20 507*	CA-90-Y663	\$ 752,084
Operating Assistance	20 507*	CA-90-Y663	3,426,293
WiFi Equipment	20 507*	CA-95-X066	<u>12,935</u>
			<u>4,191,312</u>
Section 18/5311			
Operating Assistance	20 509	647163	<u>161,615</u>
AMBAG - Short Range Transit Plan (SRTP)	20 505	5303	9,906
AMBAG - Transit Planning - Rotational Intern	20 515	5305	10,545
AMBAG - Transit Professional Development	20 515	5305	<u>7,348</u>
			<u>27,799</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,380,726</u></u>

\* Major federal financial assistance program.

See accompanying notes to schedule of federal financial assistance.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

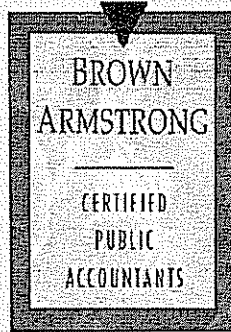
**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO). Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agents, is included on the schedule.

**NOTE 2 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Federal capital grant funds are used to purchase property, plant, and equipment. Federal grants receivable are included in capital and operating grants receivable, which also includes receivables from state and local grant sources.

Peter C. Brown, CPA  
Burton H. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
Chris M. Thornburgh, CPA  
Eric H. Xin, CPA, MBA  
Richard L. Halle, CPA, MST  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS AND THE RULES AND REGULATIONS  
OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT**

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited the basic financial statements of Santa Cruz Metropolitan Transit District, as of and for the year ended June 30, 2009, which collectively comprise Santa Cruz Metropolitan Transit District's basic financial statements and have issued our report thereon dated November 9, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Santa Cruz Metropolitan Transit District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz Metropolitan Transit District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz Metropolitan Transit District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Santa Cruz Metropolitan Transit District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Santa Cruz Metropolitan Transit District's financial statements that is more than inconsequential will not be prevented or detected by Santa Cruz Metropolitan Transit District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Santa Cruz Metropolitan Transit District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Santa Cruz Metropolitan Transit District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Santa Cruz Metropolitan Transit District in a separate letter dated November 9, 2009.

This report is intended solely for the information and use of management, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

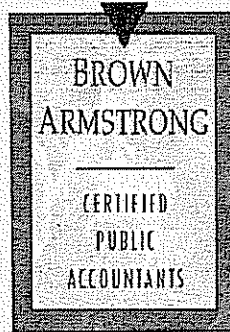
BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
November 9, 2009



Peter C. Brown, CPA  
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■ 8365 N. Fresno Street, Suite 440  
Fresno, California 93720  
Tel 559.476.3592 Fax 559.476.3593

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

Compliance

We have audited the compliance of Santa Cruz Metropolitan Transit District with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Santa Cruz Metropolitan Transit District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on Santa Cruz Metropolitan Transit District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Santa Cruz Metropolitan Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Santa Cruz Metropolitan Transit District's compliance with those requirements.

In our opinion, Santa Cruz Metropolitan Transit District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Santa Cruz Metropolitan Transit District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Santa Cruz Metropolitan Transit District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz Metropolitan Transit District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Santa Cruz Metropolitan Transit District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Santa Cruz Metropolitan Transit District's response and, accordingly, we express no opinion on it.

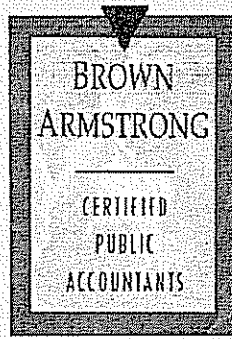
This report is intended for the information of management, the Board of Directors, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
November 9, 2009

Peter C. Brown, CPA  
Burton H. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
Chris M. Thornburgh, CPA  
Eric H. Xin, CPA, MBA  
Richard L. Halle, CPA, MST  
Aileen K. Keeter, CPA



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Fresno, California 93720  
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## REPORT ON COMPLIANCE WITH THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited the basic financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the year ended June 30, 2009, and have issued our report thereon dated November 9, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to Santa Cruz METRO is the responsibility of the management of Santa Cruz METRO. As part of obtaining reasonable assurance about whether the Santa Cruz METRO financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by the Santa Cruz METRO were made in accordance with the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to the Santa Cruz METRO. In connection with our audit, nothing came to our attention that caused us to believe the Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement.

During the fiscal year ended June 30, 2009, Santa Cruz METRO applied for and received \$2,560,338 from the State's PTMISEA account for the purpose of construction of the consolidated MetroBase project. As of June 30, 2009, PTMISEA funds received and expended were verified in the course of our audit as follows:

<b>Schedule of PTMISEA Bond 1B Funds For the Year Ended June 30, 2009</b>	
<b>Description</b>	<b>Amount</b>
<b>Balance – beginning of the year</b>	\$ 4,442,909
<b>Proceeds received:</b>	
PTMISEA	2,480,910
Interest earned	79,428
<b>Expenditures incurred:</b>	
MetroBase Construction	-
<b>Balance – end of year</b>	<u>\$ 7,003,247</u>

The results of our tests indicated that, with respect to the items tested, Santa Cruz METRO complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Santa Cruz METRO had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the Board of Directors, the State Controller's Office, the U.S. Department of Transportation, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

Bakersfield, California  
November 9, 2009

**FINDINGS AND QUESTIONED COSTS SECTION**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2009**

**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:  
 Material weakness identified? Yes  No

Significant deficiencies identified? Yes  None reported

Noncompliance material to financial statements noted? Yes  No

**Federal Awards**

**Internal control over major federal programs:**  
 Material weakness identified? Yes  No  
 Reportable conditions identified that are not considered  
 to be material weaknesses? Yes  None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in  
 accordance with Circular A-133, Section .510(a)? Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Clusters</u>
20.500	Federal Transit Administration-Section 3
20.507	Federal Transit Administration-Section 9

Dollar threshold used to distinguish Type A & B programs: \$300,000

Auditee qualified as low risk auditee?  Yes  No

**II. Findings Relating to Financial Statements Required Under GAGAS**

None

**III. Federal Award Findings and Questioned Costs**

None.

**IV. State Award Findings and Questioned Costs**

None.

**V. A Summary of Prior Audit (all June 30, 2008) Findings and Current Year Status Follows**

None.

# **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)**  
**For Financial Audit and Tax Services**  
**Santa Cruz METRO RFP No. 10-19**

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## **ATTACHMENT B**

**Santa Cruz Civic Improvement Corporation**  
**Tax Returns FY09 Audit**

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IN  
MAIL TO:  
Registry of Charitable Trusts  
P.O. Box 903447  
Sacramento, CA 94203-4470  
Telephone: (916) 445-2021

## ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code  
11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code Section 12586.1. IRS extensions will be honored.



WEBSITE ADDRESS:  
<http://lag.ca.gov/charities/>

State Charity Registration Number <u>CT065779</u>  <b>SANTA CRUZ CIVIC IMPROVEMENT CORP</b> <small>Name of Organization</small> <u>370 ENCINAL STREET #100</u> <small>Address (Number and Street)</small> <u>SANTA CRUZ, CA 95060</u> <small>City or Town State ZIP Code</small>	Check if: <input type="checkbox"/> Change of address <input type="checkbox"/> Amended report  Corporate or Organization No. <u>77-0125662</u>  Federal Employer ID No. <u>77-0125662</u>
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**ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312)**  
Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

**PART A – ACTIVITIES**

For your most recent full accounting period (beginning 7/01/08 ending 6/30/09) list:  
 Gross annual revenue \$ 0. Total assets \$ 0.

**PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT**

**Note:** If you answer 'yes' to any of the questions below, you must attach a separate sheet providing an explanation and details for each 'yes' response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If 'yes,' provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 During this reporting period, did the organization hold a raffle for charitable purposes? If 'yes,' provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Does the organization conduct a vehicle donation program? If 'yes,' provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Organization's area code and telephone number 831-426-6080

Organization's e-mail address \_\_\_\_\_

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

Angela Arken  
 Signature of authorized officer      Printed Name      Title Fin mgr & Acty Asst Gen Mgr      Date 9/24/09

**Part VI Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51. See Statement 4

	Yes	No
46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
49a Did the organization make any transfers to an exempt non-charitable related organization?		X
b If 'Yes,' was the related organization(s) a section 527 organization?		

50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$100,000. . . . .				

51 Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors receiving over \$100,000. . . . .		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature of officer: Angela Artken Date: 9/24/09  
 Type or print name and title: Angela Artken, Fin Mgr & Actg Asst Gen Mgr

**Paid Preparer's Use Only**

Preparer's signature: Steven R. Starbuck Date: 9/21/09 Check if self-employed:  Preparer's Identifying Number (See instructions): N/A  
 Firm's name (or yours if self-employed), address, and ZIP + 4: BROWN ARMSTRONG ACCOUNTANCY CORPORATION  
4200 TRUXTON AVE STE 300 EIN: N/A  
BAKERSFIELD, CA 93309-0668 Phone no.: (661) 324-4971

May the IRS discuss this return with the preparer shown above? See instructions. . . . .  Yes  No

BAA

Calendar year 2008 or fiscal year beginning month 07 day 01 year 2008, and ending month 06 day 30 year 2009

A First Return Filed? Yes No X No B Type of organization Exempt under Section 23701 D (insert letter) IRC Section 4947(a)(1) trust Corp # 77-0125662

Corporation/Organization Name SANTA CRUZ CIVIC IMPROVEMENT CORP FEIN 77-0125662

Address 370 ENCINAL STREET #100 City SANTA CRUZ, CA 95060 State ZIP Code

C Amended Return? D Are you a subordinate/affiliate in a group exemption? E Final return? F Check the box if the organization filed: G If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable...

H Accounting method used I If exempt under R&TC Section 23701d, has the organization during the year: J Did the organization have any changes in its activities... K Is the organization exempt under R&TC Section 23701g? L Is the organization under audit by the IRS... M Is the organization a Limited Liability Corporation? N Did the organization file Form 100 or Form 109 to report taxable income?

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Table with columns for Receipts and Revenues, Expenses, and Filing Fee. Rows include Gross sales, Total gross receipts, Total expenses, and Balance due.

Sign Here Under penalties of perjury, I declare that I have examined this return... Preparer's signature STEVEN B. STARBURK Date 9/21/09 Firm's name BROWN ARMSTRONG ACCOUNTANCY CORPORATION

May the FTB discuss this return with the preparer shown above? See instructions. X Yes No

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2008**

To be completed by all section 501 (c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization <b>Santa Cruz Civic Improvement Corp</b>	Employer identification number <b>77-0125662</b>
--	---

**Part I Reason for Public Charity Status** (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only one organization )

- 1  A church, convention of churches or association of churches described in section 170(b)(1)(A)(i).
- 2  A school described in section 170(b)(1)(A)(ii). (Attach Schedule E )
- 3  A hospital or cooperative hospital service organization described in section 170(b)(1)(A)(iii). (Attach Schedule H )
- 4  A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II )
- 8  A community trust described in section 170(b)(1)(A)(vi). (Complete Part II )
- 9  An organization that normally receives: (1) more than 33-1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See section 509(a)(4). (see instructions)
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h
  - a  Type I
  - b  Type II
  - c  Type III – Functionally integrated
  - d  Type III – Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization,  check this box

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) a family member of a person described in (i) above?
- (iii) a 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g (i)		X
11g (ii)		X
11g (iii)		X

h Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U S ?		(vii) Amount of Support
			Yes	No	Yes	No	Yes	No	
Santa Cruz Metro Transit District	94-2376658	Local Govt		X		X		X	0.
<b>Total</b>									<b>0.</b>

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (add lns 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%
19a 33-1/3 support tests – 2008. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 33-1/3 support tests – 2007. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ▶ <input type="checkbox"/>		



Santa Cruz Civic Improvement Corp

77-0125662

Statement 1  
Form 990-EZ, Part I, Line 16  
Other Expenses

Admin and Bank fees

Total \$ 20.  
Total \$ 20.

Statement 2  
Form 990-EZ, Part I, Line 20  
Other Changes In Net Assets Or Fund Balances

Additional Contribution of Capital

Total \$ 770.  
Total \$ 770.

Statement 3  
Form 990-EZ, Part III  
Organization's Primary Exempt Purpose

SUPPORTING ORGANIZATION OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Statement 4  
Form 990-EZ, Part VI  
Regarding Transfers Associated with Personal Benefit Contracts

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? No

**Short Form  
Return of Organization Exempt From Income Tax**

**2008**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form.

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**A** For the 2008 calendar year, or tax year beginning 7/01, 2008, and ending 6/30, 2009

<p><b>B</b> Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Termination</p> <p><input type="checkbox"/> Amended return</p> <p><input type="checkbox"/> Application pending</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p><b>C</b></p> <p>Santa Cruz Civic Improvement Corp 370 Encinal Street #100 Santa Cruz, CA 95060</p>	<p><b>D</b> Employer identification number 77-0125662</p> <p><b>E</b> Telephone number 831-426-6080</p> <p><b>F</b> Group Exemption Number .....</p>
---	--	---	--

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**G** Accounting method:  Cash  Accrual  
Other (specify) ▶

**I** Website: ▶ N/A

**H** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**J** Organization type (check only one) —  501(c) ( 3 ) (insert no.)  4947(a)(1) or  527

**K** Check  if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$1,000,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See the instructions for Part I.)

<b>REVENUE</b>	1	Contributions, gifts, grants, and similar amounts received		
	2	Program service revenue including government fees and contracts		
	3	Membership dues and assessments		
	4	Investment income		
	5a	Gross amount from sale of assets other than inventory		
	5b	Less: cost or other basis and sales expenses		
	5c	c Gain or (loss) from sale of assets other than inventory (Subtract in 5b from ln 5a) (att sch)		
	6	Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here <input type="checkbox"/>		
	6a	a Gross revenue (not including \$ _____ of contributions reported on line 1)		
	6b	b Less: direct expenses other than fundraising expenses		
	6c	c Net income or (loss) from special events and activities (Subtract line 6b from line 6a)		
	7a	7a Gross sales of inventory, less returns and allowances		
	7b	b Less: cost of goods sold		
	7c	c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)		
	8	8 Other revenue (describe ▶ _____)		
	9	<b>Total revenue</b> (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8) ▶	9	0.
<b>EXPENSES</b>	10	10 Grants and similar amounts paid (attach schedule)	10	
	11	11 Benefits paid to or for members	11	
	12	12 Salaries, other compensation, and employee benefits	12	
	13	13 Professional fees and other payments to independent contractors	13	750.
	14	14 Occupancy, rent, utilities, and maintenance	14	
	15	15 Printing, publications, postage, and shipping	15	
	16	16 Other expenses (describe ▶ See Statement 1)	16	20.
	17	<b>Total expenses</b> (add lines 10 through 16) ▶	17	770.
	18	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-770.
<b>ASSETS</b>	19	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	0.
	20	20 Other changes in net assets or fund balances (attach explanation) See Statement 2	20	770.
	21	21 Net assets or fund balances at end of year. Combine lines 18 through 20. ▶	21	0.

**Part II Balance Sheets.** If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments		22
23 Land and buildings		23
24 Other assets (describe ▶ _____)		24
25 Total assets	0.	25 align="right">0.
26 Total liabilities (describe ▶ _____)	0.	26 align="right">0.
27 Net assets or fund balances (line 27 of column (B) must agree with line 21) ▶	0.	27 align="right">0.





**Part V Other Information** (Note the statement requirement in General Instruction V.)

		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T		
35a	a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X
35b	b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' complete applicable parts of Schedule N		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions	0.	
37b	b Did the organization file Form 1120-POL for this year?		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		X
38b	b If 'Yes,' complete Schedule L, Part II and enter the total amount involved	N/A	
39	501(c)(7) organizations Enter:		
39a	a Initiation fees and capital contributions included on line 9	N/A	
39b	b Gross receipts, included on line 9, for public use of club facilities	N/A	
40a	501(c)(3) organizations Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0.		
40b	b 501(c)(3) and (4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' complete Schedule L, Part I		X
40c	c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	0.	
40d	d Enter amount of tax on line 40c reimbursed by the organization	0.	
40e	e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If 'Yes,' complete Form 8886-T		X
41	List the states with which a copy of this return is filed ▶ None		

42a The books are in care of ▶ The Corporation Telephone no ▶ 831-426-6080  
 Located at ▶ 370 Encinal Street, Santa Cruz, CA ZIP + 4 ▶ 95060

		Yes	No
42b	b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country: ▶ _____		X
42c	c At any time during the calendar year, did the organization maintain an office outside of the U S ? If 'Yes,' enter the name of the foreign country: ▶ _____		X

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶  N/A  
 ▶ 43 | N/A

		Yes	No
44	Did the organization maintain any donor advised funds? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If 'Yes,' Form 990 must be completed instead of Form 990-EZ		X

**Part VI Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51. See Statement 4

- |     |     |    |
|-----|-----|----|
|     | Yes | No |
| 46  |     | X  |
| 47  |     | X  |
| 48  |     | X  |
| 49a |     | X  |
| 49b |     |    |
- 46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I
- 47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II
- 48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E
- 49a Did the organization make any transfers to an exempt non-charitable related organization?
- b If 'Yes,' was the related organization(s) a section 527 organization?

50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$100,000. . . . . ▶				

51 Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors receiving over \$100,000. . . . . ▶		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

▶ Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

▶ Type or print name and title \_\_\_\_\_

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ <u>Steven R. Starbuck</u>	Date <u>9/21/09</u>	Check if self-employed ▶ <input type="checkbox"/>	Preparer's identifying number (See instructions) <u>N/A</u>
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ <u>BROWN ARMSTRONG ACCOUNTANCY CORPORATION 4200 TRUXTUN AVE STE 300 BAKERSFIELD, CA 93309-0668</u>	EIN ▶ <u>N/A</u>	Phone no. ▶ <u>(661) 324-4971</u>	

May the IRS discuss this return with the preparer shown above? See instructions. . . . . ▶  Yes  No

BAA Form 990-EZ (2008)



**ADDENDUM NO. 1**

**Santa Cruz Metropolitan Transit District Request for Proposals(RFP)**

**No. 10-19 For Financial Audit and Tax Services**

**RFP DUE DATE: February 16, 2010 @ 5:00 PM, PST**

**Date of Addendum Issue: February 3, 2010**

Notice is hereby given that the Santa Cruz Metropolitan Transit District (METRO) is providing the following clarifications, modifications, additions and / or deletions to the Request for Proposals(RFP) No. 10-19 for Financial Audit and Tax Services. This Addendum shall become a part of the original RFP as issued by METRO.

**Receipt of this Addendum No. 1 shall be acknowledged in your proposal response.** Any adjustment resulting from this addendum shall be included in the RFP. Where in conflict, the terms and conditions of this addendum supersede those in the Invitation for Bid.

All questions concerning this Addendum shall be referred to Lloyd Longnecker, Purchasing Agent at 110 Vernon Street, Santa Cruz, CA 95060, (831) 426-0199 Voice, (831) 423-2918 Fax, or email address [llongnecker@scmttd.com](mailto:llongnecker@scmttd.com).

This Addendum forms a part of the Contract Documents, and modifies the following as noted below:

1. **ADDENDUM CONTENT:** Addendum No. 1: A total of seven (7) pages

2. **CHANGES TO PREVIOUS ADDENDA:** (NONE)

3. **BIDDERS REQUESTS FOR CLARIFICATIONS:**

3.1 *QUESTION: What is the reason for this RFP?*

**ANSWER: Please review Part III Specifications for Financial Audit and Tax Services, Article 1.2 Purpose of Request for Proposals and Article 1.3 Scope of Required Services.**

3.2 *QUESTION: Are the prior year auditors being asked to submit a proposal as well?*

**ANSWER: Yes**

3.3 *QUESTION: Have there been any major changes in the past year (change in accounting programs, turnover in staffing, etc.)?*

**ANSWER: Implementation of GASB 43/45 in FY09.**

3.4 *QUESTION: What were the prior year fees? Did this include travel?*

**ANSWER: Fees for last year were \$39,500 for financial audit services and \$250 for preparation of Federal and State Tax Returns for Santa Cruz Civic Improvement Project. Travel was included in the fees.**

**RFP No. 10-19, Addendum No. 1 – Issue: February 3, 2010**

3.5 *QUESTION: About how long did the prior year auditors spend on-site?*

**ANSWER: Two weeks scheduled, seven days on site.**

3.6 *QUESTION: How did you hear about us?*

**ANSWER: The mailing list was generated from previous RFPs, requests received to be on Santa Cruz METRO's mailing list, and a search of business directories on the internet.**

3.7 *QUESTION: Was interim work done in the prior year? If so, when was it completed?*

**ANSWER: Interim – one week in August of 2009.**

3.8 *QUESTION: How much were the auditors paid for the audit and tax return each year for the past 3 years?*

**ANSWER: Each year the fees for the financial audit were \$39,500. Each year the fees for the preparation of Federal and State Tax Returns for Santa Cruz Civic Improvement Project were \$250.**

3.9 *QUESTION: How long have you had the current auditors?*

**ANSWER: Six (6) years.**

3.10 *QUESTION: Are the current auditors allowed to bid on the contract again?*

**ANSWER: Yes**

3.11 *QUESTION: Does the District prepare its own financial statements, or does it seek assistance from its auditor?*

**ANSWER: Audit assisted.**

3.12 *QUESTION: It would appear from the demographics included in your RFP that the District is of sufficient size to require reporting with the National Transportation Department (NTD) (urbanized area >200,000 population with 100 or more vehicles operated in annual maximum service across all modes and types of service). If that is true, does the District:*

a. *Use the Uniform System of Accounts and records specified by the Federal Transit Administration (FTA)?* **YES**

b. *Have its Statement for Federal Funding Allocation Statistics Form (FFA-10) audited?*

*If such audit procedures are required, are they considered to be part of this RFP and included in the audit price, or as a separate engagement?*

**ANSWER: FFA-10 is prepared and submitted by the auditors and is included in the audit price.**

3.13 *QUESTION: Has the District prepared internal control documentation by transaction cycle and/or key assertion, or has it relied on its past auditor to prepare the documentation? If prepared by the auditor, will it be made available to the new auditor, or will it need to be recreated?*

**ANSWER: Internal control assessment was compiled by Santa Cruz METRO and provided to the auditor in FY08. Santa Cruz METRO does not have all documents.**

3.14 *QUESTION: Were there any audit adjustments proposed last year? If so, what were they?*

**ANSWER: None**

**RFP No. 10-19, Addendum No. 1 – Issue: February 3, 2010**

3.15 *QUESTION: Was there a summary of uncorrected audit adjustments last year? If so, what were they?*

**ANSWER: None**

3.16 *QUESTION: For the prior year single audit did the District provide documentation of internal controls over compliance for its major program, or did it rely on its auditor to prepare the documentation?*

**ANSWER: Auditors always prepare.**

3.17 *QUESTION: Is it possible to provide us with the prior year management letter and status of any findings noted?*

**ANSWER: Yes, See Attachment A.**

3.18 *QUESTION: What were the audit fees for the past two years? Were there changes from the original contract?*

**ANSWER: See answer provided in question 3.8 above.**

3.19 *QUESTION: During what months did the auditor perform interim work in the prior year? When would be the timing you prefer?*

**ANSWER: August. August is fine with final in October.**

3.20 *QUESTION: Does the District have any potential GASB 49 "Accounting and Financial Reporting for Pollution Remediation Obligations" issues?*

**ANSWER: Do not know – probably not.**

3.21 *QUESTION: What were the audit fees in 2007 and 2008?*

**ANSWER: See answer provided in question 3.8 above.**

3.22 *QUESTION: How many auditors have been on site in the past? For how long?*

**ANSWER: Interim – 4 Auditors 3.5 to 4 days. Final – 4 auditors 3.5 to 4 days.**

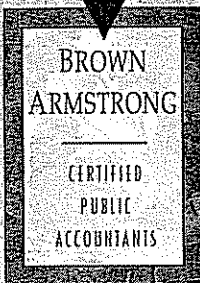
**4. CHANGES TO RFP TERMS AND CONDITIONS:**

**4.1 Part III Specifications for Financial Audit and Tax Services, Article 1.1 Introduction, second paragraph is corrected as follows:**

Santa Cruz METRO has an annual current operating budget of ~~thirty-five million nine hundred sixty-four million, nine hundred thirty-five thousand dollars~~ (\$40,935,000) and presently employs 314 people.

**END OF ADDENDUM NO. 1**

Lloyd Longnecker  
Purchasing Agent



ATTACHMENT A

PAUL

J & KEETER

CERTIFIED PUBLIC ACCOUNTANTS

Main Office
4200 Truxtun Ave., Suite 300
Bakersfield, California 93309
Tel 661-324-4971 Fax 661-324-4997
e-mail: info@bacpas.com

Shafter Office
560 Central Avenue
Shafter, California 93263
Tel 661-746-2145 Fax 661-746-1218

- Andrew J Paulden, CPA
Peter C Brown, CPA
Burton H Armstrong, CPA, MST
Steven R Starbuck, CPA
Aileen K Keeter, CPA
Chris M Thornburgh, CPA
Eric H Xin, MBA, CPA
Richard L Halle, CPA, MST

AGREED UPON CONDITIONS DESIGNED TO INCREASE EFFICIENCY, INTERNAL CONTROLS AND/OR FINANCIAL REPORTING

To the Board of Directors and Management
Santa Cruz Metropolitan Transit District
Santa Cruz, California

- Harvey J McCown, MBA, CPA
Lynn R Krausse, CPA, MST
Rosalva Flores, CPA
Connie M Perez, CPA
Diana H Branthoover, CPA
Thomas M Young, CPA
Alicia Dias, CPA, MBA
Matthew R Gilligan, CPA
Hanna J Sheppard, CPA
Ryan L Nielsen, CPA
Jian Ou-Yang, CPA
Ryan S Johnson, CPA
Jialan Su, CPA
Ariadne S Prunes, CPA
Samuel O Newland, CPA
Brooke N DeCuir, CPA
Kenneth J Wilham, CPA
Clint W Baird, CPA

We have audited the financial statements of Santa Cruz Metropolitan Transit District (SCMTD) for the year ended June 30, 2008 and have issued our report thereon dated November 10, 2008. In planning and performing our audit of the financial statements of SCMTD, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

As a result of our audit, we noted certain agreed-upon findings. These findings and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other efficiencies and are summarized as follows:

Current Year Findings and Recommendations

Finding 1

The District should perform a ticket reconciliation semi-annually that provides assurance that tickets are properly safeguarded and sales are accurately reported

Recommendation

The District should perform ticket-related procedures that determine whether ticket sales are accurately reported and that tickets in inventory are safeguarded. The reconciliation should be performed at least semi-annually until the process results in tolerable variance level.

Management Response

Meetings have been conducted with the ticketing staff at Metro Center, the Operations Management and the Finance Management. Groundwork and preliminary procedures, forms and policies have been created and tested to insure safeguarding of tickets beginning with receivership from the printing vendor through the sale of the ticket. A complete and comprehensive process is now in place.

Further discussions with auditors revealed that in addition to properly safeguarding the tickets, a reconciliation between tickets received, ticket sales and revenue collected needs to be performed, and a procedure needs to be in place. We anticipate this additional step to the process to be in place by Summer of 2009.



## Prior Year Findings and Recommendations

### **Finding 1**

The District should perform a ticket reconciliation semi-annually that provides assurance that tickets are properly safeguarded and sales are accurately reported

### **Recommendation**

The District should perform ticket-related procedures that determine whether ticket sales are accurately reported and that tickets in inventory are safeguarded. The reconciliation should be performed at least semi-annually until the process results in tolerable variance level.

### **Current Year Status**

Partially implemented. See current year Finding 1.

### **Finding 2**

The District does not have a strict policy on the type of clothing allowed to be worn in the count room. Employees are allowed to wear shirts and pants with pockets. The wearing of inappropriate clothing in the count room could lead to the possible misappropriation of the District's assets.

### **Recommendation**

The District should establish a policy requiring all employees working in the count room to wear a District Uniform that reduces the risk of misappropriation.

### **Current Year Status**

Implemented

### **Finding 3**

While reviewing the procedures for counting fare box revenues we noted that the District has one individual that participates in, and supervises, the counting of cash, prepares the daily deposit and has access to the daily revenue reports. The lack of separation of duties could lead to the possible misappropriation of fare box revenues.

### **Recommendation**

The District should restrict access to the revenue reports to those individuals that do not participate in the counting of the fare box revenues and preparation of daily deposits.

In addition, the District should have an individual, separate from cash counting and preparation of deposits, reconcile the deposit amounts to the daily revenue reports and investigate any material overages or shortages.

### **Current Year Status**

Implemented

### **Finding 4**

While reviewing the procedures for payroll testing, we noted that the District does not require review of overtime payroll entries pertaining to the coach operators. The lack of this control could lead to the possible misappropriation of the District's payroll.

### **Recommendation**

The District should develop a report that would detail all overtime paid to the coach operators during each pay period so it may be reviewed by someone separate from coach operators payroll preparation.

### **Current Year Status**

Implemented

\*\*\*\*\*

This information is intended solely for the use of the Board of Directors and management of Santa Cruz Metropolitan Transit District should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited

BROWN ARMSTRONG PAULDEN  
McCOWN STARBUCK THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION



By: Steven R Starbuck

Bakersfield, California  
November 10, 2008



**ADDENDUM NO. 2**

**Santa Cruz Metropolitan Transit District Request for Proposals(RFP)**

**No. 10-19 For Financial Audit and Tax Services**

**NEW RFP DUE DATE: February 19, 2010 @ 5:00 PM, PST**

**Date of Addendum Issue: February 8, 2010**

Notice is hereby given that the Santa Cruz Metropolitan Transit District (METRO) is providing the following clarifications, modifications, additions and / or deletions to the Request for Proposals(RFP) No. 10-19 for Financial Audit and Tax Services. This Addendum shall become a part of the original RFP as issued by METRO.

**Receipt of this Addendum No. 2 shall be acknowledged in your proposal response.** Any adjustment resulting from this addendum shall be included in the RFP. Where in conflict, the terms and conditions of this addendum supersede those in the Invitation for Bid.

All questions concerning this Addendum shall be referred to Lloyd Longnecker, Purchasing Agent at 110 Vernon Street, Santa Cruz, CA 95060, (831) 426-0199 Voice, (831) 423-2918 Fax, or email address [llongnecker@scmttd.com](mailto:llongnecker@scmttd.com).

This Addendum forms a part of the Contract Documents, and modifies the following as noted below:

1. **ADDENDUM CONTENT:** Addendum No. 2: A total of one hundred twenty-four (124) pages
2. **CHANGES TO PREVIOUS ADDENDA:** (NONE)
3. **BIDDERS REQUESTS FOR CLARIFICATIONS:**

3.1 *QUESTION: Since there is no bidder's conference, may we meet with you?*  
**ANSWER: No.**

3.2 *QUESTION: Which firms received your RFP?*  
**ANSWER: See Attachment B for a current list of firms that have the RFP package.**

3.3 *QUESTION: Who did last year's audit?*  
**ANSWER: BROWN ARMSTRONG PAULDEN MCCOWN STARBUCK THORNBURGH & KEETER ACCOUNTANCY CORPORATION**

3.4 *QUESTION: Have you been satisfied with their performance?*  
**ANSWER: Yes.**

**RFP No. 10-19, Addendum No. 2 – Issue: February 8, 2010**

3.5 *QUESTION: Was last year's scope the same as stated in the RFP(i.e., same reports)?*

**ANSWER: Yes.**

3.6 *QUESTION: If applicable: How many major programs do you have under the Single Audit Act?*

**ANSWER: Four at this time.**

3.7 *QUESTION: If applicable: Do you anticipate significant changes in grantors or in federal expenditures? Any changes to the programs?*

**ANSWER: If Santa Cruz METRO is awarded funds in the TIGER Grant Program there would be new reporting requirements.**

3.8 *QUESTION: Will the auditor be responsible for preparing the financial statements, editing, printing, and distribution?*

**ANSWER: Auditor will be responsible for everything except distribution which Santa Cruz METRO will do except for PTMISEA Compliance for which the auditor sends out the report.**

3.9 *QUESTION: What unique qualifications/characteristics are you looking for in a firm that was not mentioned in the RFP?*

**ANSWER: Please review Part III of the RFP.**

3.10 *QUESTION: What are some of your main concerns regarding policies, operations issues, upcoming changes in accounting reporting requirements, etc.?*

**ANSWER: Santa Cruz METRO's new concerns are about PTMISEA compliance, report new OPEB/GASB45 liability reporting.**

3.11 *QUESTION: Did your previous auditors have significant deficiencies or material weaknesses? If yes, what were they?*

**ANSWER: No**

3.12 *QUESTION: I was interested in getting copies of the following public documents:*

- The most recent executed contract with Brown Armstrong for the audit services
- The related proposal submitted by the same firm

**ANSWER: See Attachment C.**

**4. CHANGES TO RFP TERMS AND CONDITIONS: (NONE)**

**END OF ADDENDUM NO. 2**

Lloyd Longnecker  
Purchasing Agent

## ATTACHMENT B

**RFP 10-19**  
**Financial Audit & Tax Services**  
**Due: February 16, 2010 5pm**

Macias, Gini & Company, CPA's  
Attn Ernest J. Gini  
2175 N California Blvd, Ste 645  
Walnut Creek CA 94596

Susanne C. Campbell  
Brown Armstrong Paulden McCown  
Starbuck Thornburgh & Keeter, CPA's  
4200 Truxtun Ave, Ste 300  
Bakersfield CA 93309

Vavrinek, Trine, Day & Co.  
Attn Leonard P. Danna  
260 Sheridan Ave, Suite 440  
Palo Alto CA 94306-2011

Jane Lao  
MuniServices, LLC  
7335 N. Palm Bluffs Avenue  
Fresno, CA 93711

Burim Gashi  
Sotomayor & Associates, LLP  
540 S. Marengo Avenue  
Pasadena, CA 91101

Michelle O. Nelson  
Mann, Urrutia, Nelson, CPAs  
& Associates LLP  
2515 Venture Oaks Way, Suite 135  
Sacramento, CA 95833

Hutchinson and Bloodgood  
Attn Michael W. Machado  
17 Aspen Way  
Watsonville CA 95076

Gilbert Associates Inc.  
2880 Gateway Oaks Drive  
Suite 100  
Sacramento CA 95833

Mia Lam  
Thornton & Fathy, LLP  
150 S. Los Robles Ave., Suite 650  
Pasadena, CA 91101

Claire Martinez  
Bond Logistix LLC  
777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5855

Robert H. Griffin, Partner  
Williams, Adley & Company, LLP  
1330 Broadway, Suite 1825  
Oakland, CA 94612

BDO Seidman  
50 West San Fernando Street  
Suite 200  
San Jose, CA 95113

Leonard G. Birnbaum & Co., LLP  
Attn: Hilla Dumas  
1733 Woodside Road, Suite 210  
Redwood City, CA 94061-3464

Carlos E. Soler, CPA  
910 Florin Road, Suite 200  
Sacramento, CA 95831

Lorri Harrison  
Moss Adams LLP  
975 Oak St. Suite 500  
Eugene OR 97401

Lisa Monteiro, CPA  
Reznick Group, P.C.  
400 Capitol Mall  
Suite 900  
Sacramento, CA 95814-4424

# ATTACHMENT - C

## CONTRACT FOR FINANCIAL AUDIT AND TAX SERVICES (06-20)

This contract is made effective on May 1, 2007 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District"), and BROWN, ARMSTRONG, PAULDEN, MCCOWN, STARBUCK, THORNBURGH & KEETER ACCOUNTANCY CORPORATION ("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 Financial Audit and Tax Services

District has the need for Financial Audit and Tax Services. In order to obtain these services, the District issued a Request for Proposals, dated February 13, 2007, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

#### 1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Financial Audit and Tax Services and whose principal place of business is 4200 Truxtun Avenue, Bakersfield, California. Pursuant to the Request for Proposals by the District, Contractor submitted a proposal for Financial Audit and Tax Services, which is attached hereto and incorporated herein by reference as Exhibit "B."

#### 1.04 Selection of Contractor and Intent of Contract

On April 27, 2007 District selected Contractor as the offeror whose proposal was most advantageous to the District, to provide the Financial Audit and Tax Services described herein. This Contract is intended to fix the provisions of these services.

District and Contractor agree as follows:

### 2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

#### 2.01 Documents Incorporated in this Contract

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

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 13, 2007 and addendum No. 1 dated February 20, 2007.

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

Contractor's Proposal to the District for Financial Audit and Tax Services, signed by Contractor and dated March 14, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by District for this project in accordance with the Request for Proposals issued February 13, 2007.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued February 13, 2007.

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

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

4. TIME OF PERFORMANCE

4.01 Term

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

At the option of the District, this contract agreement may be renewed for two (2) additional one (1) year terms upon mutual written consent.

5. COMPENSATION

5.01 Terms of Payment

District shall compensate Contractor in an amount not to exceed \$39,750. District shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within forty-five (45) days of District written approval of

Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$39,750 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

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

6. NOTICES

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

DISTRICT

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

CONTRACTOR

Brown, Armstrong, Paulden, McCown, Starbuck, Thornburgh & Keeter Accountancy Corporation  
4200 Truxtun Avenue  
Suite 300  
Bakersfield CA 93309  
Attention: Steven R. Starbuck, CPA, Principal

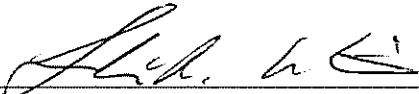


7. AUTHORITY

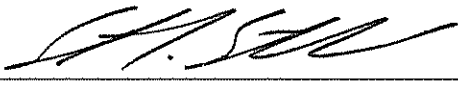
Each party has full power and authority to enter into and perform this Contract and the person signing this Contract on behalf of each has been properly authorized and empowered to enter into this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to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

Signed on 5/17/07

DISTRICT  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

  
\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR  
BROWN, ARMSTRONG, PAULDEN, MCCOWN, STARBUCK, THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION

By   
\_\_\_\_\_  
Steven R. Starbuck, CPA  
Principal

Approved as to Form:

  
\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

**EXHIBIT -A-**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)**

**For Financial Audit and Tax Services**

**District RFP NO. 06-20**

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**Date Issued: February 13, 2007**

**Proposal Deadline: 5:00 P.M., March 14, 2007**

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**Contents of this RFP**

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

**PART I**  
**INSTRUCTIONS TO OFFERORS**

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

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

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

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

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

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

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

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

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

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

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

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

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

**PART II**

**GENERAL INFORMATION FORM**

**FINANCIAL AUDIT AND TAX SERVICES 06-20**

(To be completed by the offeror and placed at the front of your proposal)

\_\_\_\_\_  
Legal Name of Firm

\_\_\_\_\_  
Date

\_\_\_\_\_  
Firm's Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
FAX Number

\_\_\_\_\_  
Type of Organization (Partnership, Corporation, etc.)

\_\_\_\_\_  
Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with the District that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to the District the required insurance certificates within ten (10) calendar days of the Notice of Award.

\_\_\_\_\_  
Signature of Authorized Principal

\_\_\_\_\_  
Name of Principal-in-Charge and Title

\_\_\_\_\_  
Name of Project Manager and Title

\_\_\_\_\_  
Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

\_\_\_\_\_  
Addresses Where Correspondence Should Be Sent

\_\_\_\_\_  
Areas of Responsibility of Prime Contractor

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

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**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.

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Signature and Title of Authorized Official



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

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

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

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

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

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

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

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

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

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

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

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

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

**BUY AMERICA CERTIFICATE**

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

# CONTRACTOR DBE INFORMATION

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

CONTRACTOR'S ADDRESS \_\_\_\_\_

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

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

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

SIGNATURE OF CONTRACTOR \_\_\_\_\_

DATE \_\_\_\_\_

AREA CODE/TELEPHONE \_\_\_\_\_

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

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

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



## PART III

### SPECIFICATIONS FOR FINANCIAL AUDIT AND TAX SERVICES

#### 1. NATURE OF THE PROJECT

##### 1.1 Introduction

The Santa Cruz Metropolitan Transit District ("District") is the sole public transit operator in Santa Cruz County with a fleet of 112 buses and operates 41 routes. District also provides ADA Complementary Paratransit service throughout Santa Cruz County. After hours Paratransit services are also operated for the District under contract with a private transportation company. Its service area is the entire county, an area of 441 square miles, with a population estimate of over 249,666 (according to a 2005 estimate by the U.S. Census Bureau). The District was formed in 1968 and is a political subdivision of the State of California.

The District has an annual current operating budget of thirty-five million nine hundred sixty thousand dollars (\$35,960,000.00) and presently employs 326 people.

##### 1.2 Purpose of Request for Proposals

The Santa Cruz Metropolitan Transit District invites independent certified public accountants licensed in California to submit proposals to perform the District's annual financial audit. The initial period to be audited will be July 1, 2006 through June 30, 2007. It is contemplated that the agreement will cover three years and the proposal should be submitted on that basis.

##### 1.3 Scope of Required Services

The District requires a financial audit of its Statement of Net Assets for each fiscal year ending June 30 and the related Statements of Revenues, Expense and Changes in Fund Net Assets and Cash Flows for the year then ended, as well as a report of Independent Certified Public Accountant (opinion) thereon. The statements will be prepared in accordance with generally accepted accounting principles and must be examined in accordance with generally accepted auditing standards using procedures deemed necessary. The standards for financial and compliance audits are contained in the Standards for Audit of Governmental Organizations, Programs, Activities and Functions issued by the U. S. Government Accounting Office, the Single Audit Act of 1997, and the provisions of OMB Circular A-133, Audits of State and Local Governments, and Non-Profit Organizations.

Specifically, the independent certified public accountant will be required to:

- 1.3.1 Provide a separate audit report under the Single Audit Program to meet Federal DOT Inspector General audit requirements on grants by recipient organizations. These requirements are identified in OMB Circulars A-133, with guidelines included in Circular A-102, the "common rules," and Circular A-87;
- 1.3.2 Provide a separate audit report on Compliance and on Internal Control over Financial Reporting;
- 1.3.3 Provide a separate audit report to indicate the District's compliance, as outlined by Section 6667 of Articles 5.5 of the California Administrative Code, with the Transportation Development Act (TDA), including Public Utility Code Section 99245;
- 1.3.4 Provide a management letter for each year audited, to include a statement of audit findings and recommendations affecting the financial statements, internal control, accounting, accounting

systems, legality of actions, other instances of non-compliance with laws and regulations, and any other material matters.

All accounting records are computerized and the systems are operational and well documented. An in-house Information Technology department provides data processing services and support to all District departments. Financial information is electronically available

A suitable work area will be provided in the Finance Department, located in the Administrative Office of the District, 370 Encinal Street, Suite 100, Santa Cruz, California. District staff will generally be available to provide customary information, explanations, or other assistance

Required deadlines for FY 06-07 work:

Draft Audit Report: November 1, 2007

Final Audit Report: December 1, 2007

Deadlines for future years shall be provided by the District upon renewal of the contract.

The following additional services are also required:

1.3.4.1 Prepare and file Federal tax returns for fiscal years ending 2007, 2008, and 2009 for the Santa Cruz Civic Improvement Corporation, a component unit of the District

1.3.4.2 Prepare and file State tax returns for fiscal years ending 2007, 2008, and 2009 for the Santa Cruz Civic Improvement Corporation.

## **2. SPECIFIC REQUIREMENTS**

Accountant must possess the following qualifications:

- 2.1 Experience involving primary responsibility for conducting a financial and compliance audit of a public agency, preferably a transit authority;
- 2.2 Thorough familiarity with Office of Management and Budget Circular No. A-102, "Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments."
- 2.3 Thorough familiarity with Standards for Audit of Governmental Organizations, Programs, Activities and Functions, as issued by the Comptroller General of the United States.
- 2.4 Familiarity with the accounting and auditing requirements imposed upon recipients of grant funds under the Transportation Development Act (California Government Code, Sections 29530, et seq., Public Utilities Code, Sections 99200, et. seq., and rules and regulations adopted by the State Controller and the Secretary of Business and Transportation.)
- 2.5 Submitted proposal shall provide names, addresses and telephone numbers for at least three clients for whom he/she has performed services similar in nature and complexity to that proposed in this RFP

## **3. STATISTICAL DATA**

The following items of information are provided in order to assist offeror in understanding the District:

- 3.1 Number of checks issued by the District monthly (exclusive of payroll): 300-320

- 3.2 Number of general ledger accounts: 640
- 3.3 Average number of active vendors: 350
- 3.4 Number of operating departments: 12
- 3.5 Number of vendor invoices processed monthly: 900-950
- 3.6 The District uses "ABS - Business Accounting Control System" for the general ledger and accounts payable. The County of Santa Cruz performs payroll services. Accounts receivable are minimal and are calculated and tracked on Excel spreadsheets.

Attached to these Specifications are the following documents:

- 1. Attachment A: Santa Cruz Metropolitan Transit District's Financial Statements and Report of Independent Certified Public Accountants, June 30, 2006.
- 2. Attachment B: Santa Cruz Civic Improvement Corporation, Federal and State Tax Returns

**4. PROPOSAL SUBMISSION REQUIREMENTS**

The proposal must include the following items in the order listed below. (Please complete and include the General Information Form enclosed in this packet with your proposal.) Your firm may include any additional information considered helpful in the evaluation of the proposal. However, proposals should be kept as brief and concise as possible.

- 4.1 A statement of the offeror's understanding of the engagement and the maximum all-inclusive fee for the performance of that work
- 4.2 Names of the individuals who will be authorized to make representations for the offeror, their titles, addresses, and telephone numbers
- 4.3 Names of individuals who are authorized to bind the offeror
- 4.4 Submit a profile of the firm, including the following:
  - 4.4.1. Whether or not the firm is local, regional, national or multi-national.
  - 4.4.2. The location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors and other professional staff employed at that office
  - 4.4.3. A description of the range of activities performed by the local office such as auditing, accounting, tax services, and management services
- 4.5 A description of the local and regional office's auditing experience with transit districts.
- 4.6 A work plan to accomplish the requirements of the Request for Proposals and the estimated hours required to complete the engagement using the level of staff indicated
- 4.7 The District's FY 06-07 financial statements and records should be ready for audit no later than August 30, 2007. Please submit a timeline for actual field work, draft audit report and final audit report.

**5. DEADLINE FOR RECEIPT OF PROPOSALS**

The sealed proposal, one original and five (5) copies, and addenda (if any) must be received by the District no later than 5:00 p.m., March 14, 2007.

Mail or deliver to:  
Santa Cruz Metropolitan Transit District  
Attn: Purchasing Agent  
110 Vernon Street, Suite B  
Santa Cruz, CA 95060

Marked: "Request for Proposals for Audit and Tax Services RFP No. 06-20 "

The Purchasing Office shall date/time stamp the proposal package. Late proposals will be considered non-responsive and rejected.

## 6. INQUIRIES AND CORRESPONDENCE

Questions pertaining to this Request for Proposals shall be directed to the Purchasing Agent, Lloyd Longnecker, by email address: [llongnec@scmttd.com](mailto:llongnec@scmttd.com) or by writing to the District Purchasing Office, 110 Vernon Street, Suite B, Santa Cruz, CA 95060. No offeror may consider any verbal instructions, interpretations, or changes as an official expression on the District's behalf. Only written addenda signed by the Purchasing Agent may be considered valid.

## 7. EVALUATION AND SELECTION

### 7.1 Evaluation

Proposals will be evaluated on the basis of a variety of respective qualifications-based criteria, including, without limitation, experience, caliber of staff, reputation of company, time commitments of staff performing the audit, completeness and clarity of proposal, price and Disadvantaged Business Enterprise (DBE) participation. The District will consider those firms known to be interested in the account, and other firms known to have similar audit experience.

Proposals will be evaluated according to the following criteria, listed in order of priority, which shall be the sole criteria for determining qualifications for contract award:

Responsiveness Of Proposal To Scope Of Work And Specifications	10 Points
Contractor's Experience With Governmental Audits	10 Points
Contractor's Experience With Transit Systems Audits	20 Points
Ability Of Contractor To Finish All Required Work By Deadline	20 Points
Use Of Experienced Professional Audit Staff	20 Points
Proposal Pricing	<u>20 points</u>
TOTAL POINTS POSSIBLE	100 points

### 7.2 Selection

Oral interviews may be conducted to assist in the final selection.

- 7.2.1 The District reserves the right to make the selection within ninety (90) calendar days from the date proposals are opened, during which period proposals shall not be withdrawn.
- 7.2.2 District reserves the right to delay making a selection in order to permit proper study and analysis of all proposals received and/or reject any or all proposals received.
- 7.2.3 District reserves the right to investigate the qualifications of all firms under consideration, to confirm any part of the information furnished by the firm, and to require further evidence of managerial, financial or professional capabilities which are considered necessary for the successful performance of the Contract.



**8. CONTRACT ADMINISTRATION**

The Finance Manager of the District shall be the District's administrator for this contract.

**9. AWARD OF CONTRACT**

It is anticipated that award for the contract for financial audit services will be made at the Santa Cruz Metropolitan Transit District's Board of Director's meeting of April 27, 2007.

## PART IV

### GENERAL CONDITIONS TO THE CONTRACT

#### 1 GENERAL PROVISIONS

##### 1.01 Governing Law & Compliance with All Laws

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

##### 1.02 Right to Modify Contract

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

#### 2. TERMINATION

##### 2.01 Termination for Convenience

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

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

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

## 2.02 Termination for Default

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

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

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

## 2.03 No Limitation

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

## 3 FORCE MAJEURE

### 3.01 General

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

### 3.02 Notification by Contractor

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

### 3.03 Losses

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

#### 4. PROFESSIONAL STANDARDS

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

#### 5. PROFESSIONAL RELATIONS

##### 5.01 Independent Contractor

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

##### 5.02 Benefits

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

#### 6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

##### 6.01 Scope

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

6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which District may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's performance under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property (ies) of Contractor and third persons.

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

#### 7. INSURANCE

##### 7.01 General

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

## 7.02 Types of Insurance and Minimum Limits

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

- (1) Worker's Compensation and Employer's Liability Insurance in conformance with the laws of the State of California (not required for Contractor's subcontractors having no employees)
- (2) 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.
  - (a) Full Personal Injury coverage
  - (a) Broad form Property Damage coverage
  - (a) A cross-liability clause in favor of the District.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

## 7.03 Other Insurance Provisions

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

## 8. 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.

### I. PROMPT PAYMENT

#### 11.01 Prompt Progress Payment to Subcontractors

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

#### A. Prompt Payment of Withheld Funds to Subcontractors

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

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

## 12. RESERVED

## 13. MISCELLANEOUS PROVISIONS

13.01 Successors and Assigns

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

13.02 Survival of Rights and Obligations

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

13.03 Limitation on District Liability

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

13.04 Drug and Alcohol Policy

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

13.05 Publicity

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

13.06 Consent to Breach Not Waiver

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

13.07 Attorneys' Fees

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

13.08 No Conflict of Interest

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

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

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

13.10 Cal OSHA/Hazardous Substances

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

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

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

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

13.11 Non-Assignment of Contract

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

13.12 No Subcontract

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

13.13 Severability

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

13.14 All Amendments in Writing

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

13.15 Audit

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



13.16 Smoking Prohibited

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

13.17 Responsibility for Equipment

13.17 01 District shall not be responsible nor held liable for any damage to person or property consequent upon the use, or misuse, or failure of any equipment used by Contractor, or any of its employees, even though such equipment be furnished, rented or loaned to Contractor by District.

13.17 02 Contractor is responsible to return to the District in good condition any equipment, including keys, issued to it by the District pursuant to this Agreement. If the contractor fails or refuses to return District-issued equipment within five days of the conclusion of the contract work the District shall deduct the actual costs to repair or replace the equipment not returned from the final payment owed to contractor or take other appropriate legal action at the discretion of the District.

13.18 Grant Contracts

13.18 01 Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements District is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19 01 Time is of the essence in this Contract

## PART V

### CONTRACT FOR FINANCIAL AUDIT AND TAX SERVICES (06-20)

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

#### 1 RECITALS

##### 1.01 District's Primary Objective

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

##### 1.02 District's Need for Financial Audit and Tax Services

District has the need for Financial Audit and Tax Services. In order to obtain these services, the District issued a Request for Proposals, dated February 13, 2007, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

##### 1.03 Contractor's Proposal

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

##### 1.04 Selection of Contractor and Intent of Contract

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

District and Contractor agree as follows:

#### 2 INCORPORATED DOCUMENTS AND APPLICABLE LAW

##### 2.01 Documents Incorporated in this Contract

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

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 13, 2007

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

Contractor's Proposal to the District for Financial Audit and Tax Services, signed by Contractor and dated March 14, 2007.

2.02 Conflicts

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

2.03 Recitals

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

3. DEFINITIONS

3.01 General

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

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

3.01.02 CONTRACTOR - The Contractor selected by District for this project in accordance with the Request for Proposals issued February 13, 2007

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued February 13, 2007.

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

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

4 TIME OF PERFORMANCE

4.01 Term

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

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

5. COMPENSATION

5.01 Terms of Payment

District shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by the District. District shall reasonably determine whether work has been successfully performed for purposes of

payment. Compensation shall be made within forty-five (45) days of District written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$ \_\_\_\_\_ maximum amount payable under this contract, that it does so at its own risk

5.02 Invoices

Contractor shall submit invoices with a 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 project.

6. NOTICES

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

DISTRICT

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

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

7      AUTHORITY

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

Signed on \_\_\_\_\_

DISTRICT  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

## PART VI

### FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS

#### 1.0 GENERAL

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

#### 2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS

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

#### 3.0 INELIGIBLE CONTRACTORS

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

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

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

#### 5.0 TITLE VI CIVIL RIGHTS ACT OF 1964

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

##### 5.1 Compliance with Regulations

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

##### 5.2 Nondiscrimination

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

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

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

5.4 Information and Reports

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

5.5 Sanctions for Noncompliance

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

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

5.6 Incorporation of Provisions

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

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

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

## 7.0 CONSERVATION

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

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

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

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

### 9.1 Overtime Requirements

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

### 9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

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

### 9.3 Withholding for Unpaid Wages and Liquidated Damages

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

### 9.4 Nonconstruction Grants

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



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

#### 9.5 Subcontracts

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

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

The Contractor agrees:

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

#### 11.0 BUY AMERICA PROVISION

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

## 12 0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

### 12 1 Policy

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

### 12 2 DBE Obligation

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

### 12 3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

## 13 0 CONFLICT OF INTEREST

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

## 14 0 MOTOR VEHICLE EMISSION REQUIREMENTS (Applicable only to Contracts involving the purchase of new motor vehicles)

The Contractor must provide a certification that:

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

## 15 0 MOTOR VEHICLE SAFETY STANDARDS (Applicable only to contracts involving the purchase of new motor vehicles)

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

## 16.0 DEBARRED BIDDERS

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

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

### 17.1 General

The District and Contractor agree:

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

### 17.2 Applicability

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

### 17.3 Definitions

The terms used in this clause have the following meanings:

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

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

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

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

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

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

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

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

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

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

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

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

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

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

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

### 20.2 Disclosure

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

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

### 20.3 Agreement

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

### 20.4 Penalties

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

### 20.5 Cost allowability

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

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### PROCUREMENT PROTESTS

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

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

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

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

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

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

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

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

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

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

An Offeror may seek FTA review of the DISTRICT's decision. A protest appeal to the FTA must be filed in accordance with the provisions of FTA circular 4220 1E. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under the DISTRICT's protest procedure. Protest appeals should be filed with:

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



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)**

**For Financial Audit and Tax Services**

**District RFP NO. 06-20**

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**ATTACHMENT A**

**District's Financial Statements and Report of  
Independent Certified Public Accountants, June 30, 2006**

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

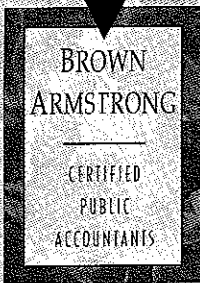
**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2006 AND 2005**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
JUNE 30, 2006 AND 2005**

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**BROWN ARMSTRONG**  
**PAULDEN McCOWN STARBUCK THORNBURGH & KEETER**  
 CERTIFIED PUBLIC ACCOUNTANTS

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- Diana H Branthoover, CPA
- Matthew R Gilligan, CPA
- Michael C Olivares, CPA
- Hanna J Sheppard, CPA
- Ryan S Johnson, CPA

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
 Santa Cruz Metropolitan Transit District  
 Santa Cruz, California

We have audited the accompanying basic financial statements of the Santa Cruz Metropolitan Transit District (the District), as of June 30, 2006 and 2005, as listed in the table of contents. These basic financial statements are the responsibility of the Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Santa Cruz Metropolitan Transit District, as of June 30, 2006 and 2005, and the results of its operations and the cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2006 on our consideration of the Santa Cruz Metropolitan Transit District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Santa Cruz Metropolitan Transit District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the financial statements. The accompanying statements of operating expenses by function are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BROWN ARMSTRONG PAULDEN  
McCOWN STARBUCK THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION



Bakersfield, California  
October 26, 2006

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2006 AND 2005**

**Introduction**

This report provides a narrative and analytical overview of the financial activities of the Santa Cruz Metropolitan Transit District (the District) with selected comparative information for the years ended June 30, 2006 and 2005. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The District is an independent agency formed in 1969 by the legislature of the State of California for the purpose of providing transit service to the general public in Santa Cruz County. The District is governed by a Board of Directors composed of eleven members, and one ex-officio member as described in Note 1.A.

**The Financial Statements**

The District's basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. The District reports its financial results using one enterprise fund under the accrual method of accounting which records revenue when earned and expenses when incurred.

The Statements of Net Assets present information on the District's assets and liabilities, with the difference between the two reported as net assets.

The Statements of Revenue, Expenses and Changes in Fund Net Assets report the *operating* revenues and expenses, *non-operating* revenues and expenses and *capital grant* revenues. *Capital grant* expenses are listed in the Schedule of Expenditures of Federal Awards and are included in the current year increase in fixed assets.

The Statements of Cash Flows report the sources and uses of cash for the fiscal years resulting from *operating* activities, *non-capital* financing activities (operating grants and sales tax revenue), *capital* financing activities (acquisitions and disposal) and *financing* activities (non-transportation revenues). The net result of these activities, added to the cash balances at the beginning of the year reconciles to the cash balances (current plus restricted) at the end of the current fiscal year on the Statement of Net Assets.

The Statements of Operating Expenses, located in the Supplementary Information section of the financial statements, reports expenditures in greater detail.

**Financial Highlights**

A strike called by United Transportation Union, Local 23, began on September 27, 2005, resulting in the immediate cessation of all fixed-route bus service. ParaCruz (complementary paratransit service) continued to operate. The strike significantly reduced revenues and expenses from September 27, 2005, to November 2, 2005. The District offered fare-free days to riders when service resumed on November 3, 2005, which impacted passenger revenue.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2006 AND 2005**

**Condensed Statement of Net Assets:**

	2006	2005	Increase/(Decrease)	
			Amount	%
Total Assets	\$ 71,935,684	\$ 68,424,328	\$ 3,511,356	5%
Total Liabilities	\$ 24,151,964	\$ 20,616,897	\$ 3,535,067	17%
Total Net Assets	\$ 47,783,720	\$ 47,807,431	\$ (23,711)	0%

Total Assets increased primarily due to sales tax and other receivables and construction in progress. Total Liabilities increased from accounts payable and the addition to restricted capital funds (STA).

An increase or decrease in net assets is an indicator of the financial health of the District's. For the fiscal year ended June 30, 2005, the District's net assets increased by \$1,261,781 due to federal, state and local capital contribution for capital acquisitions. For the fiscal year ended June 30, 2006, the District's net assets decreased by \$23,711, which is the equivalent of no change.

**Condensed Statement of Revenues, Expenses and Change in Fund Net Assets:**

	2006	2005	Increase/(Decrease)	
			Amount	%
Operating Revenues	\$ 6,283,590	\$ 7,120,869	\$ (837,279)	-12%
Operating Expenses	(35,021,591)	(34,994,171)	(27,420)	0%
Operating Loss	(28,738,001)	(27,873,302)	(864,699)	3%
Nonoperating Revenues	27,059,329	24,958,525	2,100,804	8%
Capital Contributions	1,654,961	4,176,558	(2,521,597)	-60%
Increase (Decrease) in Net Assets	\$ (23,711)	\$ 1,261,781	\$ (1,285,492)	-102%

Operating revenue decreased due to the 2005 strike and subsequent loss of riders. Non-operating revenues increased 8% due to higher interest income resulting from more favorable interest rates, along with higher sales tax revenue.

Operating expenses were flat due to the strike. Pension, healthcare and fuel costs continue to be a significant cause of a higher cost of operating. However, those increases were offset by decreases in other expense categories. The increase in absence with pay was due to the fact that most employees represented by Service Employees International Union, Local 415, were on paid status during the five-week strike. This increase was matched by a corresponding decrease in other salaries and wages.

Capital contributions are capital grant funds received for purchases of revenue vehicles and facilities improvement. Capital acquisitions were significantly reduced from the prior year because no buses were purchased during the year.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2006 AND 2005**

**Supplemental Revenue, Expense and Performance Report:  
(based on FTA account grouping guidelines)**

	2006	2005	% Change
<b>Revenues</b>			
Passenger Fares	\$ 6,283,590	\$ 7,120,869	-11.8%
Sales and Use Tax	16,583,132	15,848,098	4.6%
Non-Operating Revenues <sup>(1)</sup>	1,649,085	709,709	132.4%
TDA <sup>(2)</sup>	5,740,612	5,413,251	6.0%
Federal Operating Assistance	3,087,031	3,203,659	-3.6%
<b>Total Operating Revenue</b>	<b>\$ 33,343,450</b>	<b>\$ 32,295,586</b>	<b>3.2%</b>
<b>Expenses</b>			
Route Operation	\$ 19,010,849	\$ 19,035,254	-0.1%
Vehicle Maintenance	4,855,236	4,684,140	3.7%
Facilities Maintenance	1,227,780	1,325,515	-7.4%
General Administration	6,152,708	5,975,454	3.0%
<b>Total Operating Expense (excluding depreciation)</b>	<b>\$ 31,246,573</b>	<b>\$ 31,020,363</b>	<b>0.7%</b>
<b>Performance Indicators <sup>(3)</sup></b>			
Total Passengers	4,850,405	5,581,328	-13.1%
Revenue Hours	237,645	247,464	-4.0%
Revenue Miles	3,400,955	3,701,940	-8.1%
<b>Farebox Recovery Ratio <sup>(4)</sup></b>			
	20.1%	23.0%	-12.4%
Cost/Passenger	\$ 6.44	\$ 5.56	15.9%
Cost/Hour	\$ 131.48	\$ 125.35	4.9%
Cost/Mile	\$ 9.19	\$ 8.38	9.6%
Full Time Equivalent Employees	321	305	5.2%
Active Fleet - Fixed Route	113	111	1.8%
Active Fleet - Paratransit	33	32	

(1) Non-Operating Revenues increased substantially due to higher interest rates and interest income in 2006

(2) Transportation Development Act (TDA) funding constitutes a significant percentage of the District's operating revenues. The funding the District receives fluctuates annually based on retail sales in the County and by the amount retained by the Santa Cruz County Regional Transportation Commission for other county-wide projects and overhead.

(3) Farebox Recovery Ratio is a standard transit performance indicator that is calculated by dividing passenger fares by operating expenses.

(4) Restated for 2005 to include paratransit ridership



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2006 AND 2005**

**Condensed Statement of Cash Flows:**

	<u>2006</u>	<u>2005</u>	<u>Change</u>
Net Cash (Used) in Operating Activities	\$ (23,524,607)	\$ (23,477,969)	\$ (46,638)
Net Cash Provided by Non-Capital Financing Activities	24,410,619	24,319,820	90,799
Net Cash Provided by (Used) in Capital and Related Financing Activities	263,631	(592,234)	855,865
Net Cash Provided by Non-Transportation Activities	<u>1,217,371</u>	<u>631,517</u>	<u>585,854</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,367,014	881,134	1,485,880
Cash and Cash Equivalents, Beginning of Year	<u>29,521,766</u>	<u>28,640,632</u>	<u>881,134</u>
Cash and Cash Equivalents End of Year	<u>\$ 31,888,780</u>	<u>\$ 29,521,766</u>	<u>\$ 2,367,014</u>

Cash and cash equivalents held by the District increased by \$881,134 or 3% during the year

**Contacting the District's Financial Management**

The District's financial report is designed to provide the District's Board of Directors, management, and public with an overview of the District's finances. For additional information about this report, please contact Elisabeth Ross, Finance Manager, at 370 Encinal Street, Suite 100, Santa Cruz, CA 95060

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF NET ASSETS  
JUNE 30, 2006 AND 2005**

	2006	2005
<u>ASSETS</u>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 20,258,964	\$ 19,689,759
Sales Tax and Other Receivables	6,026,987	3,996,933
Inventory	928,026	903,863
Prepays	555,353	155,792
	27,769,330	24,746,347
<b>RESTRICTED ASSETS</b>		
Cash and Cash Equivalents	11,629,816	9,832,007
	11,629,816	9,832,007
<b>PROPERTY AND EQUIPMENT</b>		
Building and Improvements	10,452,483	10,452,483
Revenue Vehicles	34,649,265	34,555,916
Operations Equipment	2,687,228	2,686,565
Other Equipment	1,285,123	1,285,123
Other Vehicles	898,514	829,537
Office Equipment	1,094,759	1,152,497
	51,067,372	50,962,121
Less Accumulated Depreciation	(30,324,213)	(26,845,932)
	20,743,159	24,116,189
Construction in Progress	4,816,956	2,753,362
Land	6,976,423	6,976,423
	32,536,538	33,845,974
<b>Total Property and Equipment</b>	32,536,538	33,845,974
<b>TOTAL ASSETS</b>	\$ 71,935,684	\$ 68,424,328

The accompanying notes are an integral part of these financial statements

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**STATEMENTS OF NET ASSETS (Continued)**  
**JUNE 30, 2006 AND 2005**

	2006	2005
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 1,449,500	\$ 643,186
Accrued Payroll and Employee Benefits	3,351,093	2,994,662
Workers' Compensation Liabilities	1,378,844	1,228,191
Other Accrued Liabilities	466,558	465,252
Security Deposit	16,684	17,684
Deferred Revenue	189,500	241,170
	6,852,179	5,590,145
<b>LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>		
Deferred Revenue - Settlement Agreement	7,321,289	6,998,304
Deferred Revenue - STA Grant	4,308,527	2,833,703
	5,669,969	5,194,745
<b>LONG-TERM LIABILITIES</b>		
Workers' Compensation Liabilities	5,669,969	5,194,745
	24,151,964	20,616,897
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	32,536,538	33,845,974
Unrestricted Net Assets	15,247,182	13,961,457
	47,783,720	47,807,431
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 71,935,684</b>	<b>\$ 68,424,328</b>

The accompanying notes are an integral part of these financial statements

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
<b>OPERATING REVENUES</b>		
Passenger Fare	\$ 3,837,280	\$ 4,465,736
Special Transit Fare	2,446,310	2,655,133
<b>Total Operating Revenues</b>	<u>6,283,590</u>	<u>7,120,869</u>
<b>OPERATING EXPENSES</b>		
Wages, Salaries and Employee Benefits	24,659,059	23,853,713
Purchased Transportation Services	142,892	977,899
Material and Supplies	2,954,093	2,696,571
Other Expenses	3,490,530	3,492,180
Depreciation	3,775,017	3,973,808
<b>Total Operating Expenses</b>	<u>35,021,591</u>	<u>34,994,171</u>
<b>Net Operating Loss</b>	<u>(28,738,001)</u>	<u>(27,873,302)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Sales and Use Tax	16,583,132	15,848,098
Transportation Development Act Assistance	5,740,612	5,413,251
Section 9/5307 Operating Assistance	3,021,556	3,110,731
Section 18/5307 Operating Assistance	65,475	92,928
Interest Income	1,035,565	472,279
Rental Income	181,806	159,238
Other Revenue	431,714	78,192
Loss on Sale and Disposal of Property, Equipment, and Inventory	<u>(531)</u>	<u>(216,192)</u>
<b>Total Non-Operating Revenues</b>	<u>27,059,329</u>	<u>24,958,525</u>
<b>Net Loss Before Capital Contributions</b>	<u>(1,678,672)</u>	<u>(2,914,777)</u>
<b>CAPITAL CONTRIBUTIONS</b>		
Grants Restricted for Capital Expenditures	<u>1,654,961</u>	<u>4,176,558</u>
<b>NET ASSETS</b>		
Increase in Net Assets	(23,711)	1,261,781
<b>Total Net Assets, Beginning of Year</b>	<u>47,807,431</u>	<u>46,545,650</u>
<b>Total Net Assets, End of Year</b>	<u>\$ 47,783,720</u>	<u>\$ 47,807,431</u>

The accompanying notes are an integral part of these financial statements.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005**

	2006	2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts From Customers	\$ 6,354,890	\$ 7,059,543
Payments to Employees	(23,676,751)	(23,249,767)
Payments to Suppliers	(6,202,746)	(7,287,745)
	<u>(23,524,607)</u>	<u>(7,287,745)</u>
Net Cash Used in Operating Activities	<u>(23,524,607)</u>	<u>(23,477,969)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Operating Grants Received, Including Sales and Use Tax	23,986,692	24,457,042
Other Nonoperating	423,927	(137,222)
	<u>24,410,619</u>	<u>24,319,820</u>
Net Cash Provided by Noncapital Financing Activities	<u>24,410,619</u>	<u>24,319,820</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds From Sale of Property and Equipment	1,553	74,463
Capital Grants Received	2,732,391	5,166,335
Capital Expenditures	(2,470,313)	(5,833,032)
	<u>263,631</u>	<u>(592,234)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>263,631</u>	<u>(592,234)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment and Rental Income Received	1,217,371	631,517
	<u>1,217,371</u>	<u>631,517</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>2,367,014</u>	<u>881,134</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>29,521,766</u>	<u>28,640,632</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 31,888,780</u>	<u>\$ 29,521,766</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating Loss	\$ (28,738,001)	\$ (27,873,302)
Adjustments to Reconcile Net Operating Loss to Net Cash Used in Operating Activities:		
(Gain) Loss on Sale / Disposal of Fixed Assets and Inventory	3,179	216,192
Depreciation	3,775,017	3,973,808
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	71,300	(61,326)
(Increase) in Inventory	(24,163)	(79,607)
(Increase) Decrease in Prepaid Expenses	(399,561)	15,678
Increase (Decrease) in Accounts Payable	806,314	(273,678)
Increase in Other Liabilities	981,308	604,266
	<u>981,308</u>	<u>604,266</u>
Net Cash Used in Operating Activities	<u>\$ (23,524,607)</u>	<u>\$ (23,477,969)</u>

The accompanying notes are an integral part of these financial statements

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2006 AND 2005**

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Description of Organization

The Santa Cruz Metropolitan Transit District (the District) was formed February 9, 1969, following a favorable election in conformity with Section 9800 *et seq* of the Public Utilities Code. The transit system serves the general public in the cities of Santa Cruz, Watsonville, Scotts Valley, Capitola and the unincorporated areas of Santa Cruz County. The District is governed by a Board of eleven directors, and one Ex-Officio director representing the University of California, Santa Cruz. At June 30, 2006, the directors were as follows:

Chairperson:	Mike Rotkin		
Vice Chair:	Marcela Tavantzis		
Members:	Dale Skillicorn	Michelle Hinkle	Mark Stone
	Jan Beautz	Emily Reilly	Pat Spence
	Dene Bustichi	Mike Keogh	Kirby Nicol
Ex-Officio:	Wes Scott		

The District also serves the Highway 17 corridor into Santa Clara County to provide commuter express service through a joint powers agreement with the Santa Clara County Transit District (known as Valley Transportation Authority (VTA)). Amtrak Thruway bus service is also provided by the District on the same corridor through a memorandum of understanding with the California Department of Transportation, the Capitol Corridor Joint Powers Authority and VTA.

B. Reporting Entity

The District and the Santa Cruz Civic Improvement Corporation (the Corporation) have a financial and operational relationship, which meets the reporting entity definition criteria of GASB Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*, for inclusion of the Corporation as a component unit of the District. Accordingly, the financial activities of the Corporation have been included in the financial statements of the District. For the years ending June 30, 2006 and 2005, this activity was minimal.

**Scope of Public Service:**

The Corporation is a nonprofit, public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in July 1986. The Corporation was formed for the sole purpose of providing financial assistance to the District for the construction and acquisition of major capital facilities.

The following are those aspects of the relationship between the District and the Corporation, which satisfy GASB Statement No. 14/39 criteria:

Accountability:

1. The Corporation's Board of Directors was appointed by the District's Board of Directors.

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### **B Reporting Entity** (Continued)

2. The District is able to impose its will upon the Corporation, based on the following:
  - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of the District.
  - The District exercises significant influence over operations of the Corporation as it is anticipated that the District will be the sole lessee of all facilities owned by the Corporation. Likewise, it is anticipated that the District's lease payments will be the sole revenue source of the Corporation.
3. The Corporation provides specific financial benefits or imposes specific financial burdens on the District based upon the following:
  - The District has assumed a "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation.

### **C Basis of Accounting and Presentation**

The District is accounted for as a Business Type Activity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion & Analysis – for State and Local Governments* and its financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

The District adopted GASB Statement No. 34 as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Omnibus*, as of and for the year ended June 30, 2003, and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into three net asset categories; namely, those invested in capital assets, net of related debt, restricted net assets and unrestricted net assets.

#### **Contributed Capital/Reserved Retained Earnings:**

The District receives grants from the Federal Transit Administration (FTA) and other agencies of the U.S. Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant have been incurred. Capital grant funds earned, less amortization equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the District changed its method of accounting for capital grants from capital contributions to reserved nonoperating revenues. In accordance with GASB No. 33, capital grants are required to be included in the determination of net income resulting in an increase in net revenue of \$1,654,961 and \$4,176,558 for the fiscal years 2006 and 2005, respectively.

Under GASB Statement No. 34, contributed capital and reserved retained earnings are presented in the net asset section as invested in capital assets, net of related debt.

#### **Retained Earnings:**

Retained earnings which represented the residual value of operations and capital assets constructed with funds other than grants, were restated to reclassify the capital assets to invested in capital assets, net of related debt and the remaining assets resulting from operations as either restricted or unrestricted net assets.

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C Basis of Accounting and Presentation (Continued)

**Proprietary Accounting and Financial Reporting:**

As required under GASB Statement No 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the District will continue to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The District has elected under GASB Statement No 20 to not apply all FASB Statements and Interpretations issued after November 30, 1989, due to the governmental nature of the District's operations

**Net Assets:**

Net assets represent the residual interest in the District's assets after liabilities are deducted. In accordance with GASB Statement No 34, the Fund Equity section on the Statement of Net Assets was combined to report total net assets and present it in three broad components: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets invested in capital assets, net of related debt include capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Net assets are restricted when constraints are imposed by third parties or by law through constitutional provisions or enabling legislation. All other net assets are unrestricted.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D Cash and Cash Equivalents

The District considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents. The District deposits funds into an external investment pool maintained by the County of Santa Cruz. These deposits are considered cash equivalents. The County of Santa Cruz Pooled Investment Fund is authorized to invest in obligations of the U.S. Treasury agencies and instrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, and the State Treasurer's investment pool. Cash and cash equivalents are stated at fair value. For purposes of the statement of cash flows, the District considers all highly liquid investments (including restricted assets) to be cash equivalents.

E. Inventory

Inventory is carried at cost using the first-in/first-out (FIFO) method. Inventory held by the District consists of spare bus parts that are consumed by the District and are not for resale purposes.

F Restricted Assets

Certain assets are classified as restricted assets on the Statement of Net Assets because their use is subject to externally imposed stipulations, either by laws or regulations.



**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F Restricted Assets (Continued)**

The cash resulting from a settlement agreement as described in Note 9, represents proceeds restricted by the Federal Transit Administration. The State Transit Assistance grant is restricted for capital expenditures. Restricted assets at June 30, are as follows:

	<u>2006</u>	<u>2005</u>
Cash and Cash Equivalents		
Federal Transit Administration Grant	\$ 7,321,289	\$ 6,998,304
State Transit Assistance Grant	<u>4,308,527</u>	<u>2,833,703</u>
Total Restricted Assets	<u>\$ 11,629,816</u>	<u>\$ 9,832,007</u>

**G Property and Equipment**

Property and equipment are recorded at cost. Depreciation for all such assets is computed on a straight-line basis. Estimated useful lives of assets are as follows:

Buildings and structures	20-30 years
Revenue vehicles	12 years
Other vehicles and equipment	3-10 years

Depreciation expense on assets acquired with capital grant funds are transferred to net assets - invested in capital assets, net of related debt after being charged to operations.

Major improvements and betterments to existing facilities and equipment are capitalized. Costs for maintenance and repairs which do not extend the useful life of the applicable assets are charged to expense as incurred. Upon disposition, costs and accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

The District completed and capitalized the Scotts Valley Transit Center in fiscal 1999. The cost of this facility totaled \$4,063,634, which was funded by federal, state and local funds. The Scotts Valley Redevelopment Agency (the Agency), a political subdivision of the state of California, was one of the District's funding sources for this project and has retained an interest in the property. The title to the property is retained by both the District and the Agency as tenants in common with each party holding an individual interest in proportion to each party's financial participation in the project. The Agency's portion of the property is 13.87%. The Agency's portion is not recorded in the District's financial statements.

**H. Sales and Use Tax**

The District receives a .5% sales and use tax levied on all taxable sales in Santa Cruz County, which is collected and administered by the California State Board of Equalization. Additionally, the District is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the 25% sales and use tax levied by the Transportation Development Act.

**I Operating Assistance Grants**

Operating assistance grants are recognized as revenue in the grant period earned.

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J Self-Insurance**

The District is self-insured for the first \$250,000 of general and vehicular liability. For settlements in excess of \$250,000, the District has total coverage up to \$20,000,000 per occurrence. Additionally, the District is self insured up to \$350,000 for workers' compensation claims. The District has recorded a liability for estimated claims to be paid including incurred but not reported claims.

**K Employee Benefits**

Vacation and medical leave benefits are accrued when earned and reduced when used. Any paid medical leave accrued beyond 96 hours may, at the employee's option be converted to annual leave and credited to the employee's annual leave schedule or paid in cash, depending on the bargaining unit, at 100% of the earned rate. Employees are paid accrued and unused annual leave at the time of separation from District service.

**L Payroll**

The District contracts with the Santa Cruz County Auditor-Controller to provide payroll processing services.

**M Pension Costs**

Pension costs are expensed as incurred. These costs equal the actuarially determined annual contribution amount.

**N Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – CASH AND INVESTMENTS**

Cash and cash equivalents consists of the following at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Cash on Hand	\$ 44,331	\$ 47,558
Demand Deposits	961,462	373,950
Deposits in Santa Cruz County Pooled Investment Fund	<u>30,882,987</u>	<u>29,100,258</u>
	<u>\$ 31,888,780</u>	<u>\$ 29,521,766</u>

**NOTE 2 – CASH AND INVESTMENTS** (Continued)

Cash on Hand and Cash in Banks

**Investments Authorized by the California Government Code and the District's Investment Policy**

The table below identifies the **investment types** that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
County Pooled Investment Funds	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More Than 60 Months</u>
County Investment Pool	<u>\$ 30,882,987</u>	<u>\$ 30,882,987</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations**

The District's investments were not considered to be highly sensitive to interest rate fluctuations as of June 30, 2006 or 2005.

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Cash on Hand and Cash in Banks (Continued)

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, and the actual rating as of year end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	Aa	Not Rated
County Investment Pool	<u>\$ 30,882,987</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$30,882,987</u>

**Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District did not have any Investments in any one issuer (other than external investment pools) that represent 5% or more of total District's investments at June 30, 2006 or 2005.

**Custodial Credit Risk**

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

**Investment in County Investment Pool**

The District is a voluntary participant in the Santa Cruz County Investment Fund. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County for the entire County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County, which are recorded on an amortized cost basis.

**NOTE 3 -- RECEIVABLES**

Receivables at June 30, are as follows:

	<u>2006</u>	<u>2005</u>
Federal Grants	\$ 1,156,558	\$ 454,387
State Grants	409,336	406,025
Sales Tax Revenue	2,541,900	2,613,200
Other	1,919,193	523,321
	<u>\$ 6,026,987</u>	<u>\$ 3,996,933</u>

**NOTE 4 -- CHANGES IN CAPITAL ASSETS**

Facilities, property and equipment at June 30, are summarized as follows:

June 30, 2006

	<u>Balance July 1, 2005</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2006</u>
<b>Non Depreciated Assets</b>				
Land	\$ 6,976,423	\$ -	\$ -	\$ 6,976,423
Construction-in-Progress	2,753,362	2,063,594	-	4,816,956
<b>Total Non Depreciated Assets</b>	9,729,785	2,063,594	-	11,793,379
<b>Depreciated Assets</b>				
Building and Improvements	10,452,483	-	-	10,452,483
Revenue Vehicles	34,555,916	93,349	-	34,649,265
Operations Equipment	2,686,565	6,657	(5,994)	2,687,228
Other Equipment	1,285,123	-	-	1,285,123
Other Vehicles	829,537	68,977	-	898,514
Office Equipment	1,152,497	224,541	(282,279)	1,094,759
<b>Total Depreciated Assets</b>	50,962,121	393,524	(288,273)	51,067,372
<b>Less Accumulated Depreciation</b>	<u>(26,845,932)</u>	<u>(3,775,017)</u>	<u>296,736</u>	<u>(30,324,213)</u>
<b>Depreciated Assets Net of Accumulated</b>	<u>24,116,189</u>	<u>(3,381,493)</u>	<u>8,463</u>	<u>20,743,159</u>
<b>Total</b>	<u>\$ 33,845,974</u>	<u>\$ (1,317,899)</u>	<u>\$ 8,463</u>	<u>\$ 32,536,538</u>

Depreciation expense at June 30, 2006 was \$3,775,017.

**NOTE 4 – CHANGES IN CAPITAL ASSETS (Continued)**

June 30, 2005

	Balance July 1, 2004	Additions and Transfers	Retirements and Transfers	Balance June 30, 2005
Non Depreciated Assets				
Land	\$ 3,763,502	\$ 3,212,921	\$ -	\$ 6,976,423
Construction-in-Progress	963,826	1,842,766	(53,230)	2,753,362
<b>Total Non Depreciated Assets</b>	<b>4,727,328</b>	<b>5,055,687</b>	<b>(53,230)</b>	<b>9,729,785</b>
Depreciated Assets				
Building and Improvements	10,414,360	60,109	(21,986)	10,452,483
Revenue Vehicles	36,299,525	481,951	(2,225,560)	34,555,916
Operations Equipment	2,942,838	15,648	(271,921)	2,686,565
Other Equipment	1,279,607	5,516	-	1,285,123
Other Vehicles	855,238	70,898	(96,599)	829,537
Office Equipment	1,093,534	184,049	(125,086)	1,152,497
<b>Total Depreciated Assets</b>	<b>52,885,102</b>	<b>818,171</b>	<b>(2,741,152)</b>	<b>50,962,121</b>
Less Accumulated Depreciation	(25,335,025)	(3,973,808)	2,462,901	(26,845,932)
Depreciated Assets Net of Accumulated	27,550,077	(3,155,637)	(278,251)	24,116,189
<b>Total</b>	<b>\$ 32,277,405</b>	<b>\$ 1,900,050</b>	<b>\$ (331,481)</b>	<b>\$ 33,845,974</b>

Depreciation expense at June 30, 2005 was \$3,973,808.

**NOTE 5 – AVAILABLE NET ASSETS**

An analysis of the District's available (undesignated) net assets at June 30, follows:

	2006	2005
Current Assets	\$ 27,769,330	\$ 24,746,347
Current Liabilities	(6,852,179)	(5,590,145)
Working Capital	20,917,151	19,156,202
Less:		
Inventory	(928,026)	(903,863)
Prepaid Expenses	(555,353)	(155,792)
<b>Total Available Net Assets</b>	<b>19,433,772</b>	<b>18,096,547</b>
Net Assets Designated for the Following:		
Cash Flow	(2,600,000)	(2,600,000)
Workers' Compensation Reserve	(2,075,940)	(1,641,128)
Insurance Reserve	(947,229)	(804,008)
Alternative Fuel Conversion Fund	(462,000)	(462,000)
Bus Stop Improvements Reserve	(400,000)	(400,000)
Carryover for fiscal year 2006-2007 Operating Budget	(649,817)	(1,296,236)
Carryover for Sales Tax-Based UTU Wage Adjustment	(77,697)	-
Net Assets Required to Fund Transportation Improvement Programs for the Fiscal Years 2005-2009	(13,969,000)	(16,331,011)
<b>Available Undesignated Net Assets (Deficits)</b>	<b>\$ (1,747,911)</b>	<b>\$ (5,437,836)</b>

**NOTE 6 – CAPITAL GRANTS**

The District receives grants from the Federal Transit Administration (FTA), which provides financing for the acquisition of rolling stock and construction of facilities. The District also receives grants under the State Transportation Development Act primarily for the acquisition of rolling stock and support equipment, and purchase of furniture and fixtures.

A summary of federal, state and local grant activity for the years ended June 30, are as follows:

	<u>2006</u>	<u>2005</u>
Federal Grants	\$ 1,650,311	\$ 4,143,678
State Grants	<u>4,650</u>	<u>32,880</u>
Total Capital Assistance	<u>\$ 1,654,961</u>	<u>\$ 4,176,558</u>

**NOTE 7 – COMMITMENTS**

The District leases a number of its facilities under operating leases extending through 2010. For the years ended June 30, 2006 and 2005, rental expense relating to the leases was \$737,829 and \$702,530, respectively. The District also leases to others retail space in their transit facilities under noncancelable agreements. Minimum lease payments and receipts for existing operating leases are as follows:

<u>Year Ending June 30</u>	<u>Lease Commitments</u>	<u>Rental Income</u>	<u>Net</u>
2007	\$ 747,768	\$ 123,433	\$ 624,335
2008	774,636	122,707	651,929
2009	307,137	112,582	194,555
2010	196,297	93,755	102,542
Thereafter	-	12,951	(12,951)
	<u>\$ 2,025,838</u>	<u>\$ 465,428</u>	<u>\$ 1,560,410</u>

**NOTE 8 – JOINT VENTURES (Joint Powers Authority)**

The District participates in a joint powers authority (JPA), the California Transit Insurance Pool (CalTIP). The relationship between the District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes.

CalTIP arranges for and provides property and liability insurance for its 25 members. CalTIP is governed by a board that controls the operations of CalTIP, including selection of management and approval of operating budgets, independent of any influence by the member districts. Each member district pays a premium commensurate with the level of coverage requested and shares in surpluses and deficits proportionate to their participation in CalTIP.

**NOTE 8 – JOINT VENTURES (Joint Powers Authority)** (Continued)

Condensed audited financial information of CalTIP for the years ended April 30, (most recent information available) is as follows:

	<u>2005</u>	<u>2004</u>
Total Assets	\$ 15,047,005	\$ 11,796,205
Total Liabilities	<u>11,202,232</u>	<u>9,620,106</u>
Fund Balance	<u>\$ 3,844,773</u>	<u>\$ 2,176,099</u>
Total Revenues	\$ 7,459,957	\$ 8,329,709
Total Expenditures	<u>5,791,283</u>	<u>7,325,335</u>
Net Increase in Fund Balance	<u>\$ 1,668,674</u>	<u>\$ 1,004,374</u>

The District's share of year-end assets, liabilities, or fund balance has not been calculated by CalTIP

**NOTE 9 – WATSONVILLE FLEET MAINTENANCE FACILITY**

The District's fleet maintenance facility in Watsonville was damaged in the Loma Prieta earthquake (the earthquake) in October 1989. An engineering study concluded that the demolition of the existing facility and construction of a new facility was the most practical course of action. Therefore, the net book value of the facility was written off the books in a prior year

In addition, due to design and construction deficiencies by the design and building contractors involved in the original project, the District initiated litigation against the contractors and came to a settlement agreement with said contractors on May 30, 1995. In accordance with this agreement, the contractors remitted \$4,776,858 (including \$171,538 in costs) to the District during fiscal year 1996, representing damages less attorney fees. The use of these proceeds, and the interest earned thereon, is restricted by FTA Section 3/5309. Accordingly, the net restricted amount of \$7,321,289 and \$6,998,304 is reflected on the statements of net assets as deferred revenue at June 30, 2006 and 2005, respectively

**NOTE 10 – CONTINGENCIES**

The District has received state and federal funds for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, the District believes that any required reimbursement will not be material.

Additionally, the District is party to various claims and litigation in the normal course of business. In the opinion of management and in-house counsel, any ultimate losses have been adequately provided for in the financial statements



**NOTE 11 -- DEFINED BENEFIT PENSION PLAN**

Plan Description

The District's defined benefit pension plan, the Miscellaneous Plan for Santa Cruz Metropolitan Transit District (the Plan), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers with the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board action. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy

There are 321 active plan members in the Fund as of June 30, 2006, which are required to contribute a percent of their annual covered salary. In lieu of salary increases and for employees who agreed to salary reductions in certain prior years, the District agreed to pay a portion of the employee contribution, based on negotiated formulas. The District is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year ended June 30, 2006 was 12.95%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

For fiscal year ended June 30, 2006, the District's annual pension cost of \$1,800,967 was equal to the District's required and actual contributions. This includes the District's contribution to the employee contribution requirement. The required contribution for fiscal year ended June 30, 2006 was determined as part of the June 30, 2004 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.75% investment rate of return (net of administration expenses); (b) projected salary increases that vary by duration of service ranging from 3.25% to 14.45% for miscellaneous members, and (c) 3.25% cost-of-living adjustment. Both (a) and (b) include an inflation component of 3.0%. The actuarial value of the Plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three year period. The Plan's excess assets are being amortized as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for the Fund

Three-year trend information, with respect to the District's participation in CalPERS is as follows:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2004	\$ 1,024,064	100%	\$ -
6/30/2005	\$ 1,392,098	100%	\$ -
6/30/2006	\$ 1,800,967	100%	\$ -

**NOTE 11 – DEFINED BENEFIT PENSION PLAN** (Continued)

Required Supplementary Information

Supplementary information is intended to show the progress made towards funding benefit obligations. Required three year supplemental information, available to date, for the District is as follows:

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded/ (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
6/30/2002	\$ 50,823,042	\$54,728,235	\$ (3,905,193)	107.70%	\$13,697,134	(28.5%)
6/30/2003	\$ 60,913,062	\$56,208,723	\$ 4,704,339	92.3%	\$13,332,537	35.3%
6/30/2004	\$ 66,923,612	\$59,816,757	\$ 7,106,855	89.4%	\$14,011,732	50.7%

**NOTE 12 – POST-RETIREMENT BENEFITS**

The District provides post-retirement benefits to its employees who have completed at least ten years of full-time service with the District, have reached the age of 50 and have retired under the provisions of CalPERS while an employee of the District. The District pays a portion of the premiums for medical insurance for retirees and eligible dependents. The District also provides dental, vision and life insurance plan coverage of retirees and eligible dependents until the retiree attains the age of 65. Bus operators who retired and reached the age of 65 prior to June 30, 1994, will continue to receive dental and vision coverage beyond age 65. Life insurance is not provided to management retirees who retired prior to July 1, 2005. The costs of providing these benefits are recognized when paid. The District has recognized approximately \$1,100,476 and \$925,740 of expense for these benefits for the years ending June 30, 2006 and 2005, respectively.

**NOTE 13 – DEFERRED COMPENSATION PLAN**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and provisions of the Government Code of the State of California. The plan, available to all district employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. The District employees participate in two such plans, the Great-West Life and Annuity Insurance (Great-West) plan and the other through CalPERS.

At June 30, 2006, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying balance sheet as required under Statement No. 27 of the Governmental Accounting Standards Board, *Accounting Standards for Pensions by State and Local Governmental Employers*.

**NOTE 14 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District has established limited risk management programs for workers' compensation, and general and vehicular liability, as described in Note 1, as well.

**NOTE 14 – RISK MANAGEMENT (Continued)**

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The IBNR for workers' compensation was based on an actuarial study dated June 28, 2004. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Changes in the balances of claims liabilities are as follows:

	<u>2006</u>	<u>2005</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 6,422,936	\$ 5,822,739
Incurred Claims (Including IBNR's)	475,224	784,970
Claim Payments	<u>150,653</u>	<u>(184,773)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 7,048,813</u>	<u>\$ 6,422,936</u>

**NOTE 15 – TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA ADMINISTRATIVE CODE**

The District is subject to compliance with the Transportation Development Act provisions, Sections 6634 and 6637 of the California Administrative Code and Sections 99267, 99268.1 and 99314.6 of the Public Utilities Code.

Section 6634

Pursuant to Section 6634, a Transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs, less the required fares, and local support. The District did not receive Transportation Development Act or State Transit Assistance revenues in excess of the prescribed formula amounts.

Section 6637

Pursuant to Section 6637, a claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators adopted by the State Controller. The District did maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators.

Sections 99267 and 99268.1

Pursuant to the Transportation Development Act, the District is defined as an older operator and is not required to meet the fare box ratio requirement of the Act. The District has met the 50% expenditure limitation requirement.

**NOTE 16 – SUBSEQUENT EVENT**

On September 7, 2006, the District sold property at 25 Sakata Lane in Watsonville, California to Don Houpt with net proceeds of \$2,974,520. The proceeds from the sale will be applied to the construction of the MetroBase facility.

**SUPPLEMENTARY INFORMATION**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENTS OF OPERATING EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005**

	2006	2005
<b>Labor</b>		
Operators' salaries and wages	\$ 6,453,163	\$ 6,692,531
Other salaries and wages	4,979,939	5,481,662
Overtime	1,792,415	1,422,856
<b>Fringe Benefits</b>		
Absence with pay	3,152,479	2,708,466
Pension plans	1,800,967	1,392,098
Vision, medical, and dental plans	4,376,694	3,861,507
Workers' compensation insurance	1,587,745	1,768,897
Disability insurance	353,466	386,017
Other fringe benefits	162,191	139,679
<b>Services</b>		
Accounting	54,869	84,285
Administrative and banking	204,987	209,743
Professional and technical services	461,007	419,642
Security	435,724	357,997
Outside repairs	304,913	390,684
Other services	141,049	191,618
<b>Materials and Supplies Consumed</b>		
Fuels and lubricants	1,923,832	1,719,807
Tires and tubes	159,324	194,318
Vehicle parts	547,291	428,117
Other materials and supplies	323,646	354,329
<b>Utilities</b>	321,561	316,170
<b>Casualty and Liability Costs</b>	665,125	680,760
<b>Taxes and Licenses</b>	36,287	36,758
<b>Purchased Transportation Services</b>		
Paratransit	142,892	977,899
<b>Miscellaneous Expenses</b>	87,568	84,480
<b>Equipment and Facility Lease</b>	777,440	720,043
<b>Depreciation</b>		
Property acquired with operator funds	653,897	657,671
Property acquired by federal, state, or TDA funds	3,121,120	3,316,137
<b>Total Operating Expenses</b>	\$ 35,021,591	\$ 34,994,171

**OTHER SCHEDULES AND REPORTS**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2006**

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Federal Expenditures</u>
U S. DEPARTMENT OF TRANSPORTATION			
Direct Programs:			
Federal Transit Administration (FTA)			
Cluster Defined by the Department of Transportation			
Section 3/5309 Consolidation			
Final Engineering	20 500*	CA-03-0413	\$ 211,518
Land Acquisition	20 500*	CA-03-0413	49,621
Construction	20 500*	CA-03-0505	1,380,697
Fixed Route Buses	20 500*	CA-03-0505	<u>8,475</u>
			<u>1,650,311</u>
Section 9/5307			
Operating Assistance ParaCruz	20 507*	CA-90-Y285	63,820
Operating Assistance	20 507*	CA-90-Y375	<u>3,021,556</u>
			<u>3,085,376</u>
Section 18/5311			
Operating Assistance	20 509	649068	<u>65,475</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,801,162</u></u>

\* Major federal financial assistance program

See accompanying notes to schedule of federal financial assistance

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2006**

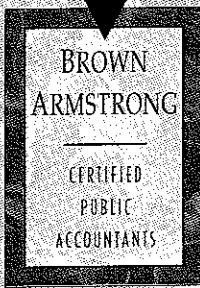
**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Santa Cruz Metropolitan Transit District (the District). Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agents, is included on the schedule.

**NOTE 2 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Federal capital grant funds are used to purchase property, plant, and equipment. Federal grants receivable are included in capital and operating grants receivable, which also includes receivables from state and local grant sources.





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 Tel 661-746-2145 Fax 661-746-1218

- Andrew J Paulden, CPA
- Peter C Brown, CPA
- Burton H Armstrong, CPA, MST
- Harvey J McCown, MBA, CPA
- Steven R Starbuck, CPA
- Aileen K Keeter, CPA
- Chris M Thornburgh, CPA
- Eric H Xin, MBA, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
 AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
 OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
 GOVERNMENT AUDITING STANDARDS AND THE RULES AND  
 REGULATIONS OF THE TRANSPORTATION DEVELOPMENT ACT**

- Lynn R Krausse, CPA, MST
- Bradley M Hankins, CPA
- Rosalva Flores, CPA
- Connie M Perez, CPA
- M Sharon Jones, CPA, MST
- Diana H Branthoover, CPA
- Matthew R Gilligan, CPA
- Michael C Olivares, CPA
- Hanna J Sheppard, CPA
- Ryan S Johnson, CPA

To the Board of Directors  
 Santa Cruz Metropolitan Transit District  
 Santa Cruz, California

We have audited the financial statements of the business-type activities of Santa Cruz Metropolitan Transit District as of and for the year ended June 30, 2006, which collectively comprise Santa Cruz Metropolitan Transit District's basic financial statements and have issued our report thereon dated October 26, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Santa Cruz Metropolitan Transit District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control over financial reporting that we have reported to management of Santa Cruz Metropolitan Transit District in a separate letter dated October 26, 2006.

Compliance and Other Matters

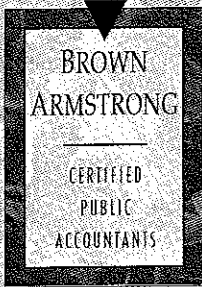
As part of obtaining reasonable assurance about whether the Santa Cruz Metropolitan Transit District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG PAULDEN  
McCOWN STARBUCK THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to be "A.P. Paulden", written in a cursive style.

Bakersfield, California  
October 26, 2006



**BROWN ARMSTRONG**  
**PAULDEN McCOWN STARBUCK THORNBURGH & KEETER**  
 CERTIFIED PUBLIC ACCOUNTANTS

■ Main Office  
 4200 Truxtun Ave., Suite 300  
 Bakersfield, California 93309  
 Tel 661-324-4977 Fax 661-324-4997  
 e-mail: info@baepas.com

■ Shafter Office  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
 TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
 COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

\_\_\_\_\_

Lynn R Krausse, CPA, MSI  
 Bradley M Hankins, CPA  
 Rosalva Flores, CPA  
 Connie M Perez, CPA  
 M Sharon Jones, CPA, MSI  
 Diana H Branthoover, CPA  
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 Michael C Olivares, CPA  
 Hanna J Sheppard, CPA  
 Ryan S Johnson, CPA

To the Board of Directors  
 Santa Cruz Metropolitan Transit District  
 Santa Cruz, California

Compliance

We have audited the compliance of Santa Cruz Metropolitan Transit District with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2006. Santa Cruz Metropolitan Transit District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on Santa Cruz Metropolitan Transit District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Santa Cruz Metropolitan Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Santa Cruz Metropolitan Transit District's compliance with those requirements.

In our opinion, the Santa Cruz Metropolitan Transit District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of Santa Cruz Metropolitan Transit District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Santa Cruz Metropolitan Transit District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

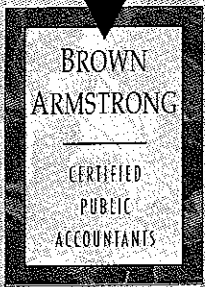
Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Board of Directors, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG PAULDEN  
McCOWN STARBUCK THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION



Bakersfield, California  
October 26, 2006



**BROWN ARMSTRONG**  
**PAULDEN McCOWN STARBUCK THORNBURGH & KEETER**  
 CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON COMPLIANCE WITH THE  
 TRANSPORTATION DEVELOPMENT ACT**

To the Board of Directors  
 Santa Cruz Metropolitan Transit District  
 Santa Cruz, California

Lynn R Krausse, CPA, MSI  
 Bradley M Hankins, CPA  
 Rosalva Flores, CPA  
 Connie M Perez, CPA  
 M Sharon Jones, CPA, MSI  
 Diana H Branthoover, CPA  
 Matthew R Gilligan, CPA  
 Michael C Olivares, CPA  
 Hanna J Sheppard, CPA  
 Ryan S Johnson, CPA

We have audited the basic financial statements of the Santa Cruz Metropolitan Transit District (the District), as of and for the year ended June 30, 2006, and have issued our report thereon dated October 26, 2006

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the management of the District. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of the Transportation Development Act, including Public Utilities Code Section 99245 as enacted and amended by statute through June 30, 2006, and the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission as required by Section 6667 of the California Code of Regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the Board of Directors, the State Controller's Office, the U.S. Department of Transportation, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG PAULDEN  
 McCOWN STARBUCK THORNBURGH & KEETER  
 ACCOUNTANCY CORPORATION



Bakersfield, California  
 October 26, 2006

**FINDINGS AND QUESTIONED COSTS SECTION**

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2006**

**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness identified?	Yes	<input checked="" type="checkbox"/>	No
Reportable conditions identified that are not considered to be material weaknesses?	Yes	<input checked="" type="checkbox"/>	None reported

Noncompliance material to financial statements noted? Yes  No

**Federal Awards**

**Internal control over major federal programs:**

Material weakness identified?	Yes	<input checked="" type="checkbox"/>	No
Reportable conditions identified that are not considered to be material weaknesses?	Yes	<input checked="" type="checkbox"/>	None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Clusters</u>
20 500	Federal Transit Administration-Section 3
20 507	Federal Transit Administration-Section 9

Dollar threshold used to distinguish Type A & B programs: \$300,000

Auditee qualified as low risk auditee?  Yes  No

**II. Findings Relating to Financial Statements Required Under GAGAS**

None

**III. Federal Award Findings and Questioned Costs**

None

**IV. State Award Findings and Questioned Costs**

None.

**V. A Summary of Prior Audit (all June 30, 2005) Findings and Current Year Status Follows**

None



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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**Request for Proposals (RFP)  
For Financial Audit and Tax Services**

**District RFP NO. 06-20**

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**ATTACHMENT B**

**Santa Cruz Civic Improvement Corporation  
Federal and State Tax Returns**

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California Exempt Organization Annual Information Return

For calendar or fiscal year beginning month 07 day 01 year 2005, and ending month 06 day 30 year 2006

IMPORTANT: Your number is required.

California corporation number 77-0125662 Federal employer identification number (FEIN) 77-0125662

Corporation/Organization name Santa Cruz Civic Improvement Corp

Address 370 Encinal Street #100 PMB no

City State ZIP Code Santa Cruz, CA 95060

Final return? Check applicable box. A Final return? Check applicable box. B Check forms filed this year. C If organization is exempt under R&TC Section 23701d. D Is this a group filing? E Accounting method used Accrual. F Type of organization Exempt under Section 23701 d

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Table with 14 rows for Receipts and Revenues, Expenses, and Filing Fee. Includes line numbers 1-14 and corresponding amounts.

15 If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation... 16 Did the organization have any changes in its activities... 17 Is the organization exempt under R&TC Section 23701g? 18 Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income? 19 The financial records are in care of The Corporation Daytime telephone 831-426-6080 located at 370 Encinal Street, Santa Cruz, CA 95060

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true correct and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer Steven R. Starbuck Date 11/7/02 Title Daytime telephone 831-426-6080 Paid preparer's signature Steven R. Starbuck Date 11/7/02 Check if self-employed Paid preparer's SSN or PTIN P00542667 Firm's name (or yours, if self-employed) and address Brown Armstrong Accountancy Corporation 4200 Truxtun Avenue Ste. 300 Bakersfield, CA 93309 Daytime telephone (661) 324-4971

**Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts – complete Part II or furnish substitute information. See Specific Line Instructions.**

<b>Receipts from Other Sources</b>	1	Gross sales or receipts from all business activities See instructions	1	
	2	Interest	2	
	3	Dividends	3	
	4	Gross rents	4	
	5	Gross royalties	5	
	6	Gross amount received from sale of assets	6	
	7	Other income Attach schedule	7	
	8	<b>Total gross sales or receipts from other sources. Add line 1 through line 7</b> Enter here and on Side 1, Part I, line 1.	8	
<b>Expenses and Disbursements</b>	9	Contributions, gifts, grants, and similar amounts paid Attach schedule	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees Attach schedule See Statement 1	11	0.
	12	Other salaries and wages	12	
	13	Interest	13	
	14	Taxes	14	
	15	Rents	15	
	16	Depreciation and depletion	16	
	17	Other Attach schedule See Statement 2	17	500.
	18	<b>Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9.</b>	18	500.

Schedule L Balance Sheets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash				
2 Net accounts receivable				
3 Net notes receivable Attach schedule				
4 Inventories				
5 Federal and state government obligations				
6 Investments in other bonds Attach schedule				
7 Investments in stock Attach schedule				
8 Mortgage loans (number of loans _____)				
9 Other investments Attach schedule				
10a Depreciable assets				
b Less accumulated depreciation				
11 Land				
12 Other assets Attach schedule				
13 Total assets				
<b>Liabilities and net worth</b>				
14 Accounts payable				
15 Contributions, gifts, or grants payable				
16 Bonds and notes payable Attach schedule				
17 Mortgages payable				
18 Other liabilities Attach schedule				
19 Capital stock or principle fund				
20 Paid-in or capital surplus Attach reconciliation		190,937.		200,437.
21 Retained earnings or income fund		-190,937.		-200,437.
22 Total liabilities and net worth				

**Schedule M-1 Reconciliation of income per books with income per return**

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000

1	Net income per books	7	Income recorded on books this year not included in this return Attach schedule
2	Federal income tax	8	Deductions in this return not charged against book income this year Attach schedule
3	Excess of capital losses over capital gains	9	Total Add line 7 and line 8
4	Income not recorded on books this year Attach schedule	10	Net income per return Subtract line 9 from line 6
5	Expenses recorded on books this year not deducted in this return Attach schedule		
6	Total Add line 1 through line 5		

Form **990-EZ**

# Short Form Return of Organization Exempt From Income Tax

CMB No. 1545-1150

## 2005

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

▶ For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year.

▶ *The organization may have to use a copy of this return to satisfy state reporting requirements.*

**Open to Public Inspection**

**A** For the 2005 calendar year, or tax year beginning 7/01, 2005, and ending 6/30, 2006

**B** Check if applicable:

- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

Please use IRS label or print or type. See Specific Instructions.

**C**  
Santa Cruz Civic Improvement Corp  
370 Encinal Street #100  
Santa Cruz, CA 95060

**D** Employer identification number

77-0125662

**E** Telephone number

831-426-6080

**F** Group Exemption Number ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

**G** Accounting method:  Cash  Accrual  
Other (specify) ▶

**H** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

**I** Web site: ▶ N/A

**J** Organization type (check only one) —  501(c) ( 3 ) ◀ (insert no.) | 4947(a)(1) or | 527

**K** Check  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

**L** Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See Instructions)

<b>R E V E N U E</b>	<b>1</b> Contributions, gifts, grants, and similar amounts received		<b>1</b>	
	<b>2</b> Program service revenue including government fees and contracts		<b>2</b>	
	<b>3</b> Membership dues and assessments		<b>3</b>	
	<b>4</b> Investment income		<b>4</b>	
	<b>5a</b> Gross amount from sale of assets other than inventory	<b>5a</b>		
	<b>b</b> Less: cost or other basis and sales expenses	<b>5b</b>		
	<b>c</b> Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule)		<b>5c</b>	
	<b>6</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1)	<b>6a</b>		
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>6b</b>		
<b>c</b> Net income or (loss) from special events and activities (line 6a less line 6b)		<b>6c</b>		
<b>7a</b> Gross sales of inventory, less returns and allowances	<b>7a</b>			
	<b>b</b> Less: cost of goods sold	<b>7b</b>		
	<b>c</b> Gross profit or (loss) from sales of inventory (line 7a less line 7b)		<b>7c</b>	
<b>8</b> Other revenue (describe ▶ _____)		<b>8</b>		
<b>9</b> Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)		<b>9</b>	0.	
<b>E X P E N D I T U R E S</b>	<b>10</b> Grants and similar amounts paid (attach schedule)		<b>10</b>	
	<b>11</b> Benefits paid to or for members		<b>11</b>	
	<b>12</b> Salaries, other compensation, and employee benefits		<b>12</b>	
	<b>13</b> Professional fees and other payments to independent contractors		<b>13</b>	
	<b>14</b> Occupancy, rent, utilities, and maintenance		<b>14</b>	
	<b>15</b> Printing, publications, postage, and shipping		<b>15</b>	
	<b>16</b> Other expenses (describe ▶ _____ See Statement 1)		<b>16</b>	500.
<b>17</b> Total expenses (add lines 10 through 16)		<b>17</b>	500.	
<b>18</b> Excess or (deficit) for the year (line 9 less line 17)		<b>18</b>	-500.	
<b>A S S E T S</b>	<b>19</b> Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)		<b>19</b>	0.
	<b>20</b> Other changes in net assets or fund balances (attach explanation) See Statement 2		<b>20</b>	500.
	<b>21</b> Net assets or fund balances at end of year (combine lines 18 through 20)		<b>21</b>	0.

**Part II Balance Sheets** — If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

	(A) Beginning of year	(B) End of year
<b>22</b> Cash, savings, and investments	<b>22</b>	
<b>23</b> Land and buildings	<b>23</b>	
<b>24</b> Other assets (describe ▶ _____)	<b>24</b>	
<b>25</b> Total assets	<b>25</b>	0.
<b>26</b> Total liabilities (describe ▶ _____)	<b>26</b>	0.
<b>27</b> Net assets or fund balances (line 27 of column (B) must agree with line 21)	<b>27</b>	0.

IN  
 MAIL TO:  
 Registry of Charitable Trusts  
 P.O. Box 903447  
 Sacramento, CA 94203-4470  
 Telephone: (916) 445-2021

## ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code  
 11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code Section 12586.1. IRS extensions will be honored.



WEBSITE ADDRESS:  
<http://ag.ca.gov/charities/>

State Charity Registration Number <u>ct065779</u>  <u>Santa Cruz Civic Improvement Corp</u> <small>Name of Organization</small> <u>370 Encinal Street #100</u> <small>Address (Number and Street)</small> <u>Santa Cruz, CA 95060</u> <small>City or Town State ZIP Code</small>	Check if: <input type="checkbox"/> Change of address <input type="checkbox"/> Amended report  Corporate or Organization No. <u>77-0125662</u>  Federal Employer ID No. <u>77-0125662</u>
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### ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312) Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

#### PART A – ACTIVITIES

For your most recent full accounting period (beginning 7/01/05 ending 6/30/06) list:  
 Gross annual revenue \$ 0. Total assets \$ 0.

#### PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

**Note:** If you answer 'yes' to any of the questions below, you must attach a separate sheet providing an explanation and details for each 'yes' response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If 'yes,' provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 During this reporting period, did the organization hold a raffle for charitable purposes? If 'yes,' provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Does the organization conduct a vehicle donation program? If 'yes,' provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Organization's area code and telephone number 831-426-6080

Organization's e-mail address \_\_\_\_\_

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of authorized officer

Leslie R. White  
 Printed Name

Chief Executive Officer  
 Title

11/14/06  
 Date

YEAR  
2005

# California Exempt Organization Annual Information Return

For calendar or fiscal year beginning month 07 day 01 year 2005, and ending month 06 day 30 year 2006

**IMPORTANT: Your number is required.**

California corporation number 77-0125662 Federal employer identification number (FEIN) 77-0125662

Corporation/Organization name  
Santa Cruz Civic Improvement Corp

Address 370 Encinal Street #100 PMB no. \_\_\_\_\_

City Santa Cruz, CA 95060 State \_\_\_\_\_ ZIP Code \_\_\_\_\_

A Final return? Check applicable box.  Yes  No  
•  Dissolved  Withdrawn  Merged/Reorganized (attach explanation)

If a box is checked, enter date ●  
B Check forms filed this year. State:  109  100  100S  100W Fed:  990  
Fed:  990EZ  990T  990PF  1041  1120H  1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. See General Instruction F. No filing fee is required.

D Is this a group filing? See General Instruction N.  Yes  No

E Accounting method used Accrual

F Type of organization  Exempt under Section 23701 d (insert letter)  
 IRC Section 4947(a)(1) trust

### Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues <small>(Enclose, but do not staple, any payment.)</small>	1	Gross sales or receipts from other sources From Side 2, Part II, line 8	●	1	
	2	Gross dues and assessments from members and affiliates	●	2	
	3	Gross contributions, gifts, grants, and similar amounts received See instructions	●	3	
	4	Total gross receipts for filing requirement test. Add line 1 through line 3 <b>This line must be completed.</b> If the result is less than \$25,000, see General Instruction C.	●	4	
	5	Cost of goods sold		5	
	6	Cost or other basis, and sales expenses of assets sold		6	
	7	Total costs. Add line 5 and line 6		7	
	8	Total gross income. Subtract line 7 from line 4		8	
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18		9	500.
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8		10	-500.
Filing Fee	11	Filing fee \$10 or \$25. See General Instruction F		11	10.
	12	Penalty for failure to file on time See General Instruction L		12	
	13	Use tax. See instructions	●	13	
	14	Balance due. Add line 11, line 12, and line 13		14	10.

15 If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? If 'Yes,' complete and attach form FTB 3509, Political or Legislative Activities by Section 23701d Organizations  Yes  No

16 Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? If 'Yes,' complete an explanation and attach copies of revised documents.  Yes  No

17 Is the organization exempt under R&TC Section 23701g?  Yes  No  
If 'Yes,' enter amount of gross receipts from nonmember sources \$ \_\_\_\_\_

18 Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income?  Yes  No  
If 'Yes,' enter amount of total income reported \$ \_\_\_\_\_

19 The financial records are in care of The Corporation Daytime telephone 831-426-6080  
located at 370 Encinal Street, Santa Cruz, CA 95060

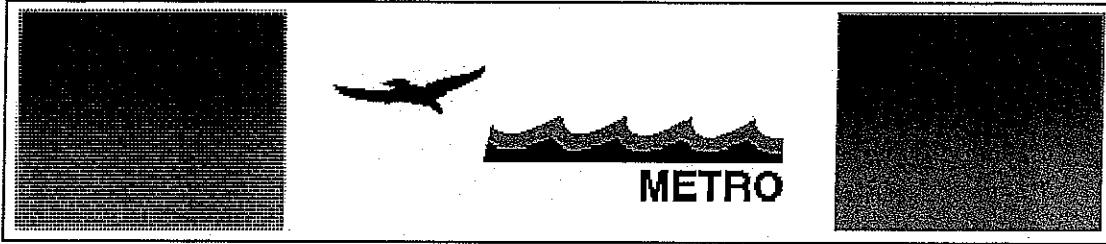
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here  
Signature of officer [Signature] Date 11/14/06  
Title Chief Executive Officer  
Daytime telephone 831-426-6080

Paid Preparer's Use Only  
Paid Preparer's signature Steven R. Starbuck Date 11/14/06 Check if self-employed  Paid preparer's SSN or PTIN P00542667  
Firm's name (or yours, if self-employed) and address Brown Armstrong Accountancy Corporation  
4200 Truxtun Avenue Ste. 300  
Bakersfield, CA 93309 Daytime telephone (661) 324-4971

**EXHIBIT - B**

**PROPOSAL TO**



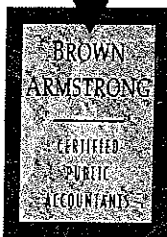
**SANTA CRUZ METROPOLITAN  
TRANSIT DISTRICT**

**TO PROVIDE FINANCIAL AUDIT  
AND TAX SERVICES**

**FOR THE FISCAL  
YEARS ENDING  
JUNE 30, 2007 THROUGH 2009**

**RFP NO. 06-20**

*Submitted: March 14, 2007*



Brown Armstrong Paulden  
McCown Starbuck Thornburgh & Keeter  
Accountancy Corporation  
4200 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309  
(661) 324-4971

Contacts:  
Steven R. Starbuck, CPA, Principal  
E-mail: [sstarbuck@bacpas.com](mailto:sstarbuck@bacpas.com)

Thomas M. Young, CPA, Audit Manager  
E-mail: [tyoung@bacpas.com](mailto:tyoung@bacpas.com)

**ORIGINAL**

**Proposal to Santa Cruz Metropolitan Transit District  
Presented by Brown Armstrong CPAs**

**Proposal to**  
**Santa Cruz Metropolitan**  
**Transit District**

**To Provide Financial Audit**  
**and Tax Services**

**For the Fiscal Years Ending**  
**June 30, 2007 through 2009**

**Presented:**  
**March 14, 2007**

**By:**

**Brown Armstrong Paulden**  
**McCown Starbuck**  
**Thornburgh & Keeter**  
**Accountancy Corporation**  
4200 Truxtun Ave., Ste. 300  
Bakersfield, CA 93309  
Tel. (661) 324-4971  
Fax (661) 324-4997  
**www.bacpas.com**

**Contacts:**  
**Steven R. Starbuck, CPA**  
E-mail: [sstarbuck@bacpas.com](mailto:sstarbuck@bacpas.com)

**Thomas M. Young, CPA**  
E-mail: [tyoung@bacpas.com](mailto:tyoung@bacpas.com)

**Section 1**

*Letter of Transmittal*

**Section 2**

*Proposal Forms*

**Section 3**

*Qualifications and Technical Section*

**Section 4**

*Exhibits*

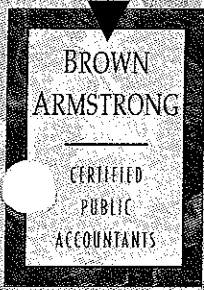




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**BROWN ARMSTRONG**  
**PAULDEN McCOWN STARBUCK THORNBURGH & KEETER**  
CERTIFIED PUBLIC ACCOUNTANTS

**Main Office**  
4200 Truxtun Ave., Suite 300  
Bakersfield, California 93309  
Tel 661-324-4971 Fax 661-324-4997  
e-mail: info@bacpas.com

**Shafter Office**  
560 Central Avenue  
Shafter, California 93263  
Tel 661-746-2145 Fax 661-746-1218

- Andrew J Paulden, CPA
- Peter C. Brown, CPA
- Burton H. Armstrong, CPA, MSI
- Harvey J. McCown, MBA, CPA
- Steven R. Starbuck, CPA
- Aileen K. Keeter, CPA
- Chris M. Thornburgh, CPA
- Eric H. Xin, MBA, CPA
- Lynn R. Krausse, CPA, MSI
- Rosalva Flores, CPA
- Connie M. Perez, CPA
- M. Sharon Jones, CPA, MSI
- Diana H. Branthoover, CPA
- Thomas M. Young, CPA
- Montgomery, CPA, MBA
- Maunew R. Gilligan, CPA
- Ryan S. Johnson, CPA
- Hanna J. Sheppard, CPA
- Michael C. Olivares, CPA
- Ryan J. Nielsen, CPA
- Amanda Fedewa, CPA
- Jian Ou-Yang, CPA
- Jialan Su, CPA

*Letter of Transmittal*

March 14, 2007

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

Dear Mr. Longnecker:

We are pleased to respond to your request for proposal to perform financial and compliance audits and to submit our qualifications to perform audits of the financial statements of the Santa Cruz Metropolitan Transit District (the District) for the fiscal years ending June 30, 2007 through June 30, 2009.

We have enjoyed our professional auditor relationship with you for the past several years, and hope to continue for three more. We have now documented your major internal control systems into our audit files. With our institutional knowledge of your accounting systems and with the likelihood of continuing with our same audit personnel for the ensuing years, audit disruption to your normal workflow will be minimal.

I, Steven R. Starbuck, will continue to be your Engagement Partner. As a principal of the Firm, I am authorized to represent our firm in contract negotiations and to contractually bind the Firm. I can be contacted at: 4200 Truxtun Avenue, Suite 300, Bakersfield, California 93309, Tel (661) 324-4971, Fax (661) 324-4997 or e-mail: sstarbuck@bacpas.com.

This proposal is firm and irrevocable for ninety (90) days. Please call if we may clarify any item

Sincerely,

**BROWN ARMSTRONG PAULDEN  
McCOWN STARBUCK THORNBURGH & KEETER  
ACCOUNTANCY CORPORATION**

By: Steven R. Starbuck, CPA



**SECTION 2. PROPOSAL FORMS**

**GENERAL INFORMATION FORM  
FINANCIAL AUDIT AND TAX SERVICES**

Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter  
Legal Firm Name

March 14, 2007  
Date

4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309  
Firm's Address

(661) 324-4971  
Telephone Number

(661) 324-4997  
Fax Number

Corporation

95-3109182

Type of Organization (Partnership, Corporation, etc.)

Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with the District that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to the District that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to the District the required insurance certificates within ten (10) calendar days of the Notice of Award.

\_\_\_\_\_  
Signature of Authorized Principal

Steven R. Starbuck, CPA, Principal  
Name of Principal-in-Charge and Title

Steven R. Starbuck, CPA, Principal  
Name of Project Manager and Title

Steven R. Starbuck, CPA, Principal, sstarbuck@bacpas.com, (661) 324-4971  
Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309  
Addresses Where Correspondence Should be Sent

All Areas  
Areas of Responsibility of Prime Contractor

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

N/A





FORM OF PROPOSAL
FINANCIAL AUDIT & TAX SERVICES

The undersigned ("Offeror"), upon acceptance by the District, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Request for Proposals (RFP) entitled "Financial Audit and Tax Services" dated February 13, 2007

Offeror understands that the costs for the Financial Audit and Tax Services takes into account all requirements, express and implied, of the aforementioned Request for Proposals (RFP) as specified in Part III (Specifications) of this RFP

The Board of Directors reserves the right to reject all proposals for any reason. The criteria for determining the successful Offeror are indicated in Part III - Specifications. The successful Offeror obligates him/herself to provide Financial Audit and Tax Services at the firm fixed prices provided below for the initial year of contract service and the two additional option years.

Table with 3 columns: Service Description, Year, and Price. Rows include Provision of District Financial Audit Services for Year One, First Option Year, and Second Option Year, all priced at \$39,500.

Provision of Preparation of Federal and State Tax Returns For Santa Cruz Civic Improvement Corporation

Table with 3 columns: Year, Price. Rows include Year One, First Option Year, and Second Option Year, all priced at \$250.

Offeror has examined and is fully familiar with all terms and conditions of the Request for Proposals and any addenda issued by the District thereto, and Offeror unconditionally submits this proposal in strict accordance with said Request for Proposals.

Offeror acknowledges receipt of the following addenda to the Request for Proposals. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the offeror and included in the proposal

Addenda No.'s: 1

Brown Armstrong Paulden
McCown Starbuck Thornburgh & Keeter
Accountancy Corporation
Firm Name

Signature: Steven R. Starbuck, CPA





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

(Contractor) Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter 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) Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter 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





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

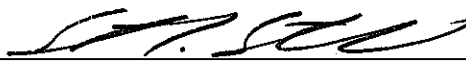
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance

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: March 14, 2007  
Signature:   
Company Name: Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter  
Title: Principal

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b)(3) of the Surface Transportation Assistance Act of 1982, by 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: \_\_\_\_\_





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

**Lobbying Certification for Contract 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 contracts 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 Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter

Signature of Authorized Official 

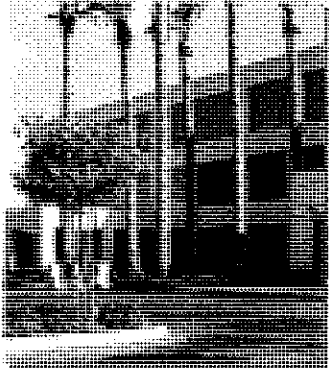
Name and Title of Authorized Official Steven R. Starbuck, Principal

Date March 14, 2007



**SECTION 3. QUALIFICATIONS AND TECHNICAL SECTION**

**PROFILE OF OUR FIRM**



Brown Armstrong had its roots in the late 1960's when Peter C. Brown and Burton H. Armstrong began their public accounting careers in Denver and San Diego with Big Eight international accounting firms. Brown formed a local Bakersfield accounting firm in 1974, whereas Armstrong returned to Bakersfield in 1970 to join another international accounting firm. He eventually joined Brown in 1985 to form one of Bakersfield's largest public accounting firms. Steven R. Starbuck joined the firm in 1991. Andrew J Paulden, Burton H. Armstrong, Steven R. Starbuck, and Eric H. Xin are the four partners involved in providing governmental auditing and accounting services.

Brown Armstrong is a regional accounting firm providing accounting, auditing, tax services and management services to public and private entities throughout California.

**GENERAL**

This technical proposal will demonstrate that Brown Armstrong has the qualifications, competence, and capacity to perform the independent audit of the Santa Cruz Metropolitan Transit District.

**INDEPENDENCE**

Our firm and its shareholders and employees are independent of the Santa Cruz Metropolitan Transit District (the District) and its component units, as defined by the United States General Accounting Office's Government Auditing Standards.

**LICENSE TO PRACTICE IN CALIFORNIA**

Our firm and all assigned key professional staff are properly licensed to practice in the State of California.







**FIRM QUALIFICATIONS AND EXPERIENCE**

Brown Armstrong currently employs 73 people:

<u>Personnel</u>	<u>Total</u>
Shareholders (Partners)	8
Managers	13
Seniors, Audit and Tax	8
Staff Accountants, Audit and Tax	25
Technicians and Other Support	<u>19</u>
Total	<u>73</u>

All work on the Santa Cruz Metropolitan Transit District audit will be performed by personnel employed at our office located in Bakersfield, California. All assigned personnel will be employed on a full-time basis.

As part of its commitment to quality control, the firm has been a member of the SEC Practice Section of the American Institute of Certified Public Accountants (AICPA). We have completed five quality peer reviews over a period of fifteen years under the Section's guidance, and we have enclosed our most recent unqualified report. As a part of the peer review, the AICPA mandates a Single Audit Act client be reviewed by the review team, which was done during each of our reviews. No substantive problems or issues were raised. A copy of this report is included as Exhibit I.

We have had no disciplinary action taken against the firm or any of its members nor do we have any actions pending at the date of this proposal. Single audit reports are filed annually with the Federal Audit Clearinghouse. All of our school district reports are desk reviewed by the California State Controller's Office (SCO) every year. During the last three years, none of the referenced reports have been remanded to the clients for additional work. All were accepted upon the initial submission.





**PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE**

The members of the audit team assigned to the engagement are:

Steven R. Starbuck, CPA, Engagement Partner  
Burton H. Armstrong, CPA, Concurring Engagement Partner  
Thomas M. Young, CPA, Engagement Manager  
Ariadne S. Prunés, CPA, Engagement Senior  
Heidi M. Rocha, Engagement Staff  
Melissa M. Magallon, Engagement Staff

Mr. Starbuck has over sixteen years of government and commercial audit experience. He participates in the standard setting process, being a past and current member of various state society committees'. He currently manages the firm's transportation audits, which include Santa Cruz Metropolitan Transit District, Riverside Transit Agency, Central Contra Costa Transit Authority, Golden Empire Transit District and Kern Council of Governments.

Mr. Armstrong has over thirty years of governmental auditing experience. Among his current engagement responsibilities are audits of the North San Diego County Transit District, County of Santa Barbara, County of Kern, and Kern County Water District. Mr. Armstrong will be the concurring audit partner. As part of our quality control procedures, a concurring partner must review every engagement.

Mr. Young has ten years of governmental auditing experience. Among his current audit responsibilities are the Santa Cruz Metropolitan Transit District, Kern Council of Governments, San Bernardino Employees Retirement Association, County of Tulare, and City of Bakersfield. Mr. Young will supervise the financial and compliance audit required under the Single Audit Act and OMB Circular No. 133.

Ms. Prunés has nearly three years of experience auditing governmental entities. Most recently she has assisted with the audits of Santa Cruz Metropolitan Transit District, Golden Empire Transit District and Kern Council of Governments.

Ms. Rocha and Ms. Magallon have each been with the firm for over a year and have assisted with the audits of Santa Cruz Metropolitan Transit District and numerous other governmental audits.

**PRIOR ENGAGEMENTS WITH THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

We have completed the District's financial statement audits for the past six years



**SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES**

The following schedule of references indicates five audit engagements that we have performed in the last five years that are similar to Santa Cruz Metropolitan Transit District.

<u>Client</u>	<u>Scope of Work</u>	<u>Date(s)</u>	<u>Partner</u>
Riverside Transit Agency 1825 Third St. Riverside, CA 92517 Craig Fajon (951) 565-5156	Annual Financial Audit Single Audit Act	2003 to 2006	Steven R. Starbuck, CPA
North County Transit Agency 810 Mission Ave. Oceanside, CA 92056 Richard Hannasch (760) 967-2828	Annual Financial Audit GASB 34 Implementation Single Audit Act	2002 to 2006	Burton H. Armstrong, CPA, MST
Santa Cruz Metropolitan Transit 370 Encinal St. Suite 100 Santa Cruz, CA 95060 Marilyn Fenn (831) 426-6143	Annual Financial Audit GASB 34 Implementation Single Audit Act	2001 to 2006	Steven R. Starbuck, CPA
Golden Empire Transit 1401 19 <sup>th</sup> Street Bakersfield, CA 93301 Steven Woods (661) 861-2191	Annual Financial Audit Single Audit Act Pension Audit	1999 to 2001, 2006	Steven R. Starbuck, CPA
Kern Council of Governments 1401 19 <sup>th</sup> Street Bakersfield, CA 93301 Greg Palomo (661) 861-2191	Annual Financial Audit Single Audit Act Transit Streets and Roads	1999 to 2001, 2006	Steven R. Starbuck, CPA

## TECHNICAL AUDIT APPROACH

We emphasize "hands-on" partner involvement and consistency of staff assignments in our audits. We believe this emphasis benefits our clients in two ways:

1. A superior, quality audit is delivered on time; and
2. We reduce the cost of the audit - in audit fees, and in that unseen cost, the "training of an auditor" unfamiliar with the District's personnel and procedures.

The methods employed to formulate our auditors' opinions consist of several phases. These phases are: planning, study and evaluation of internal control compliance testing, final audit plan, final field work, final review, and completion of the audit.

### Planning

We will begin the planning of the examination upon notification of award of the contract. Tasks to be accomplished during this phase include:

- Kick-off meeting with the finance director and all key finance department personnel and department heads of key offices or programs to discuss the scope of the examination, availability (vacation schedules) of your staff, prior audit problems, the interim work to be performed, the establishment of overall liaison for the audit, and arrangements for work space and other needs of the auditor.
- Develop the program to study and evaluate internal control.
- Conferences with all audit personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of audit emphasis.
- Analytical review of the District's year-to-date financial information, and the District's budget and related materials.
- Develop and submit a Calendar of Activities for approval by the Finance Director.



Based on experience auditing California transit agencies, we have developed standard audit plans, which have been tailored to comply with:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.
- The standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards.
- The provisions of the Single Audit Act of 1984.
- The provisions of U.S. Office of Management and Budget (OMB) Circular A-133.
- The provisions of PUC Section 99243 and 99245 and the Transportation Development Act.

Study and Evaluation of Internal Control in Connection with the Financial Statement Audit

This is the cornerstone of the examination. Internal accounting control generally comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records.

Based on our experience with transit agencies, we will focus our evaluation of the internal control system in the following areas:

- controls over the evaluation of passenger fares,
- controls over disbursements and purchasing,
- controls over payroll, and
- controls related to the administration of federal programs.

We will begin by preparing flow charts and other memoranda to describe the internal control system. These flow charts and other memoranda are prepared based on information obtained through our inquiry and observation of District personnel, and from our review of the District's organizational charts, procedural manuals and programs, and documented financial and management information systems. Our flow charts and memorandum will then be reviewed to isolate significant strengths and weaknesses that would affect the extent of our substantive audit procedures to be employed. Each strength is then tested and the results subjected to evaluation. These evaluations assist us in determining the amount of reliance we can place on the significant strengths we have identified.



At this point in our plan, we will have a progress conference with the finance director and/or designated personnel to summarize the results of our study and evaluation of internal control. This conference will occur in accordance with the approved Calendar of Activities.

Compliance Testing

Based on the results of our study and evaluation of the internal control structure, we will then perform compliance tests on the following:

<u>Area</u>	<u>Sample Size</u>
• Receipts and revenues;	25-60
• Disbursements and accounts payable;	25-60
• Payroll and related liabilities; and	25-60
• Controls over requirements of federal and state grants.	60 (per major program)

Staff will perform compliance testing with direct supervision by a senior. Any findings will be discussed with management for accuracy and the process of development of recommendations immediately started.

Final Audit Plan

Based on the results of our study and evaluation of the internal control structure, the results of our compliance testing, and the results of our planning analytical procedures, we prepare our final audit plan. This plan is documented in our audit programs in accordance with generally accepted auditing standards. This plan is then reviewed by the engagement partner for approval. This plan is then discussed with the finance director prior to the commencement of final field work. This conference will occur in accordance with the approved Calendar of Activities.

Final Field Work

In this phase of the examination, we obtain sufficient competent evidential matter to afford a reasonable basis for our opinions and reports. This evidential matter is obtained through the performance of substantive procedures consisting of inspection, observation, inquiry, confirmation, and analytical tests.

At the end of our field work, we will have an exit conference with the finance director and department heads of key offices or programs. The purpose of this meeting will be to summarize the results of our field work and to review significant findings. As part of this conference, we will review significant audit adjustments and items needed to complete the audit, if any exist. We will also review significant commitments and contingencies discovered during our audit and the need for disclosure. This conference will occur at the end of field work.

### Final Review

The review process is constant throughout the engagement. Each working paper prepared by a staff assistant is reviewed by the engagement senior. The engagement partner then reviews all working papers and all financial statements and reports to be issued. These financial statements and reports are then reviewed by a governmental audit partner not directly involved in the engagement for concurrence of opinion prior to release of these statements and reports to the District.

### Completion of the Audit

The objective of our audit plan is to express our opinion on the fair presentation of the District's financial statements, to report on the District's compliance with applicable laws and regulations, to report on the District's internal control structure, and to issue a management letter.

The following events will transpire between the conclusion of field work and delivery of the audited financial statements:

1. We will provide draft financial statements and supplementary schedules to the District no later than two weeks after final field work.
2. We will be available for any meetings that may be necessary to discuss the audit reports.
3. We will be available for a meeting with the Budget and Finance Committee.
4. The District will approve the draft no later than two weeks after receipt of the draft.
5. The final report will be issued in accordance with the approved Calendar of Activities.



Proposed Calendar of Activities

We propose the following calendar of activities:

- |          |   |
|----------|---|
| May      | Planning Meeting – Conference Call              |
| May      | Submit Final Calendar of Activities             |
| August   | Preliminary Field Work                          |
| October  | Final Field Work                                |
| October  | Submit Draft Audit Report                       |
| November | Receive changes/approval for Draft Audit Report |
| November | Final Audit Report                              |







**Information Incorporated into our Audit Approach:**

Proposed Segmentation of the Engagement

The various phases of our audit plan, and the hours to complete each phase, will be divided among the audit team as follows:

<u>Segment</u>	<u>Level of Staff</u>	<u>Hours</u>
Planning	Partner	8
	Manager	<u>12</u>
		20
Study and Evaluation of Internal Control	Partner	4
	Manager	4
	Senior	16
	Staff	<u>32</u>
		56
Compliance Testing	Partner	2
	Senior	4
	Staff	<u>24</u>
		30
Final Audit Plan and Field Work	Partner	18
	Manager	40
	Senior	40
	Staff	<u>80</u>
		178
Completion of Audit	Partner	16
	Manager	16
	Senior	<u>24</u>
		56
Total Hours		<u>340</u>



### Sample Sizes and Anticipated Statistical Sampling

We will utilize Statement on Auditing Standards Number 39 for guidance in selecting sampling techniques and sizes. We anticipate using statistical sampling and evaluation in our tests of receipts, disbursements, payroll and expenditures. Usually to achieve 95% confidence over large populations, we do not sample more than 120 items, selected with replacement. We emphasize compliance items over substantive when using sampling.

Judgmental sampling and evaluation will be used for large dollar items, usually in excess of our selected materiality levels and bearing a strong relationship to our risk evaluation profile.

**Analytical Procedures.** We will use analytical procedures exactly as described in the foregoing paragraph, both in planning and auditing phases of our work. In addition, we will use internal data such as passenger fares per revenue miles to test reasonableness of fares collected and to determine reasonableness of fluctuation in operating expenses.

**Extent of EDP Software in the Engagement.** Each staff person has a personal computer, and has knowledge of a generic software we have purchased for auditing municipalities and report writing. We use this software in the beginning, inputting all prior year actual numbers, and the client current year budget, including amendments. We then input year-to-date numbers and run analytical work at the end of the audit comparing appropriation-expenditure numbers to prior year and budget amounts. All significant differences are investigated.

**Report Writing.** Our software is capable of complete report writing, including combining statements and footnotes.

**Data Extraction.** We will use "ACL" for data inquiry, analysis and reporting. Some of the procedures we perform with ACL are:

- Select disbursements over \$100,000 for testing.
- Test for duplicate payments
- Test for aging of receivables
- Test of fixed asset depreciation
- Test of inventory pricing

Understanding the District's Internal Control Structure

We use inquiry, both written and oral, to document our understanding of the District's internal control structure. We then test our understanding with compliance auditing, sometimes called tests of transactions.

Approach to Determine Applicable Laws and Regulations Subject to Audit Test Work

Our experience with various transit agencies and municipal audit clients, most with federal or state monies, has created a reservoir of knowledge of many laws and regulations. However, by inquiry and observation, we will determine all major programs (over \$300,000 annually) participated in by the District. We then consult the actual law, the Federal Register, Catalogue of Federal programs, or the California State Controllers guide to State and Federal Compliance to obtain understanding of the requirements of the law. For major programs, we specifically test those requirements by inspection of documents. However, based on our prior experience with transit agencies, we will probably identify the District's federal capital grant as a major program.

Approach for Drawing Audit Samples for Compliance Tests

Compliance test samples will be drawn usually by statistical sampling techniques. The universe from which the sample is drawn begins at the beginning of the year under audit, and ends with the end of that year. If a null is picked, it is replaced in draw sequence until sufficient live items comprise the planned sample size.

We use Excel to draw audit samples. We will need the District to provide us with all disbursements and payroll data files for the year in D-BASE or OBDC format from which to draw our samples.



**IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS**

None at this time.



**SECTION 4. EXHIBITS**

**EXHIBITS**

- I. External Quality Control Review Report
- II. Resumes
- III. Summary of Recent Governmental Audit Experience



EXHIBIT I

EXTERNAL QUALITY CONTROL REVIEW REPORT



WEAVER AND TIDWELL

L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

To the Shareholders of BROWN ARMSTRONG PAULDEN McCOWN STARBUCK AND KEETER, A.C. and the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Paulden McCown Starbuck and Keeter A.C. (the firm) applicable to non-SEC issuers in effect for the year ended October 31, 2005. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to non-SEC issuers of Brown Armstrong Paulden McCown Starbuck and Keeter, A.C. in effect for the year ended October 31, 2005, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with professional standards.

As is customary in a peer review, we have issued a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. The matters described in the letter were not considered to be of sufficient significance to affect the opinion expressed in this report.

DALLAS

Three Rivers Plaza 1221 Maple Drive Suite 1000 Dallas, Texas 75251-3289 972 490 1970 972 490 8821

FORT WORTH

600 W. 2 Street, Suite 200 Fort Worth, Texas 76102-2506 817 332 2905 817 429 5936

WWW.WEAVERANDTIDWELL.COM

AN INDEPENDENT MEMBER OF BAKER TILLY INTERNATIONAL

Handwritten signature of Weaver and Tidwell, L.L.P. and printed name WEAVER AND TIDWELL, L.L.P.

Dallas, Texas January 12, 2006



**EXHIBIT II**

**AUDIT TEAM RESUMES**

**Steven R. Starbuck, CPA  
Engagement Partner**

**Burton H. Armstrong, CPA, MST  
Technical Review Partner**

**Thomas M. Young, CPA  
Engagement Manager**

**Ariadne S. Prunés, CPA  
Engagement Senior**

**Heidi M. Rocha  
Engagement Staff**

**Melissa M. Magallon  
Engagement Staff**



## Resume of Steven R. Starbuck, CPA

**Principal**  
**Brown Armstrong Paulden**  
**McCown Starbuck Thornburgh & Keeter**  
**Accountancy Corporation**

*Academic Background:*

**California Polytechnic State University, San Luis Obispo, 1990**  
 Bachelor of Science Degree in Business Administration, Concentration in Accounting

*Summary of Experience*

**Non-Profit:**

Kern County Children & Families  
 Commission  
 Center for the Blind & Visually  
 Impaired  
 Goodwill Industries of Southern  
 California  
 Bakersfield Museum of Art

**Cities:**

City of Santa Barbara  
 City of Tehachapi  
 City of Fresno  
 City of Arvin

**Agriculture:**

Rio Bravo Tomato, LLC  
 A&P Growers, Inc  
 APCAL  
 Meridian Nut Growers Alliance, Inc  
 Bloemhof Ag Enterprises

**Counties:**

County of Kern  
 County of Monterey

**Construction:**

ARB, Inc  
 Southwest Contractors

**School Districts:**

Bakersfield City School District  
 Madera Unified School District  
 Kern High School District  
 Panama-Buena Vista School District  
 Yosemite Union High School District  
 Chowchilla Union High School District  
 Fruitvale Union School District

**Transit:**

Kern Council of Governments  
 San Joaquin Regional Transit Authority  
 Council of Fresno County Governments  
 Santa Cruz Metropolitan Transit  
 Central Contra Costa Transit  
 Riverside Transit Agency

**Health Care:**

Kern Medical Center  
 Natividad Medical Center  
 Self-Insured Schools of California  
 Tehachapi Valley Hospital  
 Health Care District  
 Heritage Provider Network

**Special Districts:**

Bear Valley Springs Homeowners Association  
 Pine Mountain Homeowners Association

**University & Community College**

**Foundation & Auxiliary Organizations:**

Kern Community College District  
 San Luis Obispo County Comm College District  
 College of the Sequoias Comm College District  
 Victor Valley Community College District

**Retirement Systems:**

Los Angeles County Employees' Retirement Association  
 San Bernardino County Employees' Retirement Association  
 Ventura County Employees' Retirement Association  
 Kern County Employees' Retirement Association  
 San Mateo County Employees' Retirement Association  
 Stanislaus County Employees' Retirement Association  
 Tulare County Employees' Retirement Association  
 Marin County Employees' Retirement Association  
 Merced County Employees' Retirement Association  
 Fresno City Employees' Retirement System  
 San Diego County Employees' Retirement Association  
 Los Angeles City Employees' Retirement System  
 Contra Costa County Employees' Retirement Association

**Publicly Traded Companies:**

Royale Energy, Inc.  
 Tri-Valley Corporation (SEC)  
 Brush Creek Mining & Development  
 Company, Inc  
 AMMG, Inc  
 Foothill Resources, Inc. (SEC)  
 Pismo Coast Village (SEC)

**Financial Institutions:**

Sierra National Bank  
 Mission Bank  
 Finance & Thrift Bank  
 San Joaquin Bank (SEC)

*Professional Associations*

American Institute of Certified Public Accountants  
 California Society of Certified Public Accountants  
 Bakersfield Chapter, California Society of Certified Public Accountants  
 CSCPA Governmental Audit and Accounting Committee  
 Government Finance Officers Association (GFOA)  
 Council of Petroleum Accountants Society

*Other Activities:*

Henrietta Weill Memorial Child Guidance Clinic, Past - President  
 Children's Advocates Resource Endowment, Treasurer  
 Active 20/30 International, Bakersfield, Past-President / Board of Directors

*Continuing Education:*

Sarbanes Oxley CPEAF & PCAOB, 2005  
 The Future of Accounting & Auditing, 2004-2005  
 Internal Control & Fraud Prevention, 2005  
 FDIC Section 404 & Bank Regs, 2005  
 Internal Control & Business Environment, 2005  
 SEC & Financial Reporting Institute, 2004-2005  
 Governmental A & A Updates, 2004-2006  
 Paperless Audit Solutions, 2004





## Resume of Burton H. Armstrong, CPA, MST



**Principal/Audit Coordinator**  
**Brown Armstrong Paulden**  
**McCown Starbuck Thornburgh & Keeter**  
**Accountancy Corporation**

*Academic Background:*

**University of California, Berkeley**, 1962. Political Science Major  
**California State University, Northridge**, 1967. Bachelor of Science Degree in Accounting  
**Golden Gate University, Los Angeles Campus**, 1989. Master of Science Degree in Taxation

*Summary of Experience*

**Counties:**

Kern  
Kings  
Tulare

**Cities:**

Bakersfield  
Delano  
Fresno  
Santa Barbara  
Tehachapi

**Retirement Systems:**

Contra Costa County Employees' Retirement Association  
Fresno City Employees' Retirement System  
Kern County Employees' Retirement Association  
Los Angeles City Employees' Retirement System  
Los Angeles County Employees' Retirement Association  
Marin County Employees' Retirement Association  
Merced County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
San Mateo County Employees' Retirement Association  
Stanislaus County Employees' Retirement Association  
Tulare County Employees' Retirement Association  
Ventura County Employees' Retirement Association

**Transit Districts:**

Fresno County Council of Governments  
Kern Council of Governments  
North San Diego County Transit District  
Omnitrans - San Bernardino, CA

**Health Care:**

Community Health Plan  
Heritage Provider Network  
Kern Health System  
Kem Medical Center

**Financial Institutions:**

San Joaquin Bank, Bakersfield  
Finance & Thrift, Porterville  
Mission Bank, Bakersfield  
Mojave Desert Bank, Mojave  
Sierra National Bank, Tehachapi

**Commercial Audits:**

Blackwell Land Company, Inc.  
Lancaster Mortgage Services, Inc.  
Makoil, Inc.  
Mt Poso Co-Generation Company  
San Joaquin Refining Company, Inc.  
Vaquero Partners I

**Publicly Traded & PCAOB Supervised Audits**

Foothill Resources, Inc.  
San Joaquin Bank  
Tri-Valley Oil & Gas Corporation  
Whittier Energy Corporation

**Not-Profit**

Gladiators Youth Basketball Organization  
Gold Wave (CSUB Swim Team)  
Twin Towers Orphan Fund

*Professional Associations:*

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants  
Council of Petroleum Accountants Society, Past President, Bakersfield Chapter  
California Independent Producers Association, Board member

*Continuing Education*

Governmental Accounting & Auditing Updates, 2003-2006  
Sarbanes Oxley Act, 2003-2005  
SEC and Reporting Institute Conference, 2002-2005  
Sarbanes Oxley Section 404 Compliance, 2004-2005  
Internal Control & Fraud Prevention, 2005  
Future of Accounting & Auditing Standards, 2005  
Yellow Book Update, 2005  
PCAOB Standards, 2004





## Resume of Thomas M. Young, CPA

**Audit Manager**  
**Brown Armstrong Paulden**  
**McCown Starbuck Thornburgh & Keeter**  
**Accountancy Corporation**

*Academic Background*

**University of California, Davis, 1994**  
Bachelor of Arts Degree in Economics

*Summary of Experience:*

**Retirement Systems:**

Contra Costa County Employees' Retirement Association  
Kern County Employees' Retirement Association  
Los Angeles County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
San Joaquin County Employees' Retirement Association  
Tulare County Employee's Retirement Association  
Ventura County Employees' Retirement Association

**Pension Plans:**

San Luis Obispo Pension Trust  
North Bakersfield Recreation & Park District Pension Plan

**Cities:**

Bakersfield  
Fresno  
Hanford  
Madera  
Santa Barbara  
Tehachapi  
Tulare

**Counties:**

County of Kern  
County of Monterey  
County of Tulare

**School Districts:**

Arvin Union School District  
Bakersfield City School District  
Greenfield Union School District  
Kern High School District  
Madera Unified School District  
Richgrove School District  
Yosemite High School District

**Special Districts:**

Bear Valley Springs Association  
Kern County Bar Association  
Mojave Public Utility District  
North Bakersfield Recreation & Park District  
Self-Insured Schools  
Tule River Tribal Council  
Westside Mosquito and Vector District

**University & Community College**

**Foundation & Auxiliary Organizations:**

College of the Sequoias Community College District  
Kern Community College District  
San Luis Obispo Community College District  
Victor Valley Community College District

**Water Districts:**

Belridge Water Storage District  
Kern County Water Agency  
Port Hueneme Water Agency

**Transit Districts:**

Antelope Valley Transit Authority  
Contra Costa County Transit District  
Council of Fresno County Governments  
Golden Empire Transit District  
Kern Council of Governments  
Omnitrans Transit District  
Riverside Transit Agency  
Santa Cruz Metropolitan Transit District

**Extractive Industries:**

Aladdin Oil, Inc.  
Los Alamos Energy  
Makoil, Inc.  
N-W Oil & Gas  
Petrominerals Corporation  
Royale Energy Corporation  
San Joaquin Refining, Inc.  
Titan Energy, Inc.  
Iri-Valley Oil & Gas, Inc.  
Western Drilling, Inc.

**Financial Institutions:**

Finance & Thrift Bank  
Mission Bank  
Mojave Desert Bank  
San Joaquin Bank  
Sierra National Bank

**Agriculture:**

A&P Growers, Inc.

*Professional Affiliations:*

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants

*Continuing Education*

Governmental Accounting and Auditing Update, 1998-2006  
Single Audit Update, 1998-2006  
Fraud in the Government & Non-Profit Environment, 2006  
Internal Control & Fraud Prevention, 2006  
Future of Accounting & Auditing Post Enron, 2005  
Choosing the Right Business Entity, 2005





**Resume of Ariadne S. Prunés, CPA**

**Senior  
Brown Armstrong Paulden  
McCown Starbuck Thornburgh & Keeter  
Accountancy Corporation**

*Academic Background*

**University of California Los Angeles, December 2003**  
Bachelor of Arts in Business-Economics  
Minor in Accounting

*Summary of Experience:*

**Retirement Systems:**

San Bernardino Employees' Retirement Association  
Ventura County Employees' Retirement Association  
Merced County Employees' Retirement Association  
San Mateo County Employees' Retirement Association  
Stanislaus County Employees' Retirement Association  
Tulare County Employees' Retirement Association  
San Luis Obispo County Pension Trust

**Extractive Industries**

Makoil, Inc.  
Tricor Energy, LLC

**Financial Institutions**

Finance and Thrift  
Mission Bank  
Mojave Desert Bank

**University and Community College**

**Foundation and Auxiliary Organizations**

Kern Community College District  
San Luis Obispo Community College District

**Cities**

City of Madera  
City of Hanford  
City of Tulare

**School Districts:**

Bakersfield City School District  
Greenfield Union School District  
Richland School District  
Arvin Union School District  
El Tejon Unified School District  
Mojave Unified School District  
Inyo County Office of Education

**Water Districts**

Belridge Water Storage District

**Transit Districts**

Santa Cruz Metropolitan Transit District  
North County Transit District  
Riverside Transit Authority  
Kern Council of Governments  
Golden Empire Transit

**Healthcare**

Good Samaritan Hospital  
HCM Services, Inc.

**Commercial Entities**

Pine Mountain Homeowners Association  
Hellman Properties, LLC  
Westwind Communications, LLC

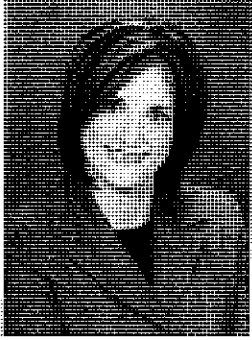
*Professional Activities:*

Associate Member California Society of CPAs

*Continuing Education*

Governmental Accounting and Audit Update, 2005 - 2006  
Fraud in the Governmental and Not-for-Profit Environments, 2005  
A&A Standards & Updates 2006  
Spidell Tax Update, 2004-2006





**Resume of Heidi M. Rocha**

**Staff Accountant  
Brown Armstrong Paulden  
McCown Starbuck Thornburgh & Keeter  
Accountancy Corporation**

*Academic Background*

**California State University, Bakersfield, 2005  
Bachelor of Science Degree in Business Administration, Concentration in Accounting**

*Summary of Experience:*

**Cities:**

City of Tulare

**Counties**

County of Kern

**School Districts:**

Greenfield Union School District  
Arvin Union School District  
Richland School District  
Tulare Union School District

**Special Districts:**

Port Hueneme Water Agency

**Transit District:**

Santa Cruz Metropolitan Transit District  
Riverside Transit Authority

**University & Community College**

Victor Valley Community College District

**Commercial Entities**

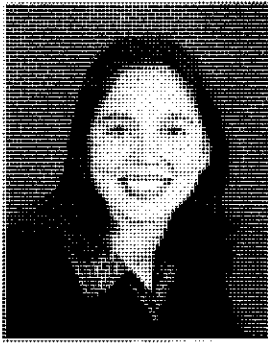
Pismo Coast Village, Inc.

**Retirement Systems**

Kern County Employees' Retirement Association  
Merced County Employees' Retirement Association

*Continuing Education*

Spidell Tax Update, 2005 - 2006  
Governmental Accounting & Auditing, 2005 - 2006



## Resume of Melissa M. Magallon

**Staff Accountant**  
**Brown Armstrong Paulden**  
**McCown Starbuck Thornburgh & Keeter**  
**Accountancy Corporation**

*Academic Background:*

California Polytechnic State University, San Luis Obispo, CA 2005  
Bachelor of Science Degree in Business Administration  
Concentration in Accounting

*Summary of Experience:*

Transit Districts:

Central Contra Costa Transit Authority  
Kings County Transit  
Riverside Transit Agency  
Santa Cruz Metropolitan Transit District

Special Districts:

Bear Mountain Recreation and Park District  
Kern County Water Agency  
Minter Field Airport District  
North Bakersfield Recreation and Park District  
North Kern Vocational Training Center

School Districts:

Arvin Union School District  
Bakersfield City School District  
Big Pine Unified School District  
Chowchilla Union High School District  
Death Valley Unified School District  
Delano Union School District  
Fruitvale School District  
Richgrove Elementary School District  
Richland School District  
Round Valley Joint Elementary School District  
Taft Union High School District

Retirement Systems:

Contra Costa County Employees' Retirement System  
Fresno City Employees' Retirement System  
Kern County Employees' Retirement Association  
Los Angeles City Employees' Retirement System  
San Bernardino County Employees Retirement Association  
Tulare County Employees' Retirement Association

Non Profits:

Boy Scouts of America  
Ebony Counseling Center, Inc

*Continuing Education:*

Accounting and Auditing of States and Local Governments, 2007  
Governmental Accounting and Auditing Update, 2005-2006  
Spidell Tax Update 2005-2006

Pension Plans:

HCM, Inc. 401(k) Plan  
Derrel's Mini Storage 401(k)  
Kern Schools Federal Credit Union  
401(k) Plan  
Kern Schools Federal Credit Union  
Defined Benefit Plan  
North Bakersfield Recreation & Park District  
Pension Plan

Counties:

County of Kern  
County of Kings

Cities:

City of Delano

Financial Institutions:

Mojave Desert Bank

Agriculture:

A&P Growers, Inc.  
BLC Farmlands, LLC  
Blackwell Land, LLC

Publicly Traded & PCAOB Supervised Audits

San Joaquin Bank



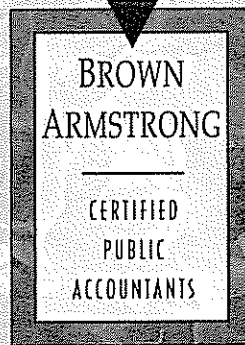
EXHIBIT III

SUMMARY OF RECENT GOVERNMENTAL AUDIT EXPERIENCE

Special Districts	Governmental Retirement Systems	Counties	Cities
ACCEL Port Hueneme Water Agency North Bakersfield Recreation And Park District Shafter Recreation & Park District Bear Mountain Recreation & Park District San Joaquin Valley Air Pollution Control District Westside Cemetery District Westside Mosquito and Control Vector District Minter Field Airport District Kern County Water Agency McAllister Ranch Irrigation Dist. Belridge Water District Mojave Public Utility District Bear Valley Springs Homeowners' Association Pine Mountain Homeowners' Association	Ventura County Employees' Retirement Association Los Angeles County Employees' Retirement Association Kern County Employees' Retirement Association San Bernardino County Employees' Retirement Association Tulare County Employees' Retirement Association City of Fresno Employees' Retirement System Merced County Employees' Retirement Association San Francisco Bay Area Rapid Transit Deferred Compensation and Money Purchase Plans Sonoma County Employees' Retirement Association Los Angeles City Employees' Retirement System Stanislaus County Employees' Retirement Association County of Fresno Employees' Retirement Association	County of Kern County of Monterey County of Tulare County of Santa Barbara	City of Arvin City of Bakersfield City of Coalinga City of Delano City of Fresno City of Indio City of Madera City of Ridgecrest City of Santa Barbara City of Tehachapi City of Tulare
<b>Transit</b>		<b>Health Care</b>	
Central Contra Costa Transit Authority Fresno Council of Governments Kern Council of Governments Fresno Transit Golden Empire Transit Santa Cruz Metropolitan Transit District San Joaquin Regional Transit District North County Transit District Antelope Valley Transit Authority		Tehachapi Valley Hospital Kern Health Systems Kern Medical Center Heritage Provider Network Community Health Plan MediCo Heritage California Medical Group	
<b>School Districts</b>	<b>College Districts</b>	<b>Non-profits</b>	
Madera Unified School District Mojave Unified School District Yosemite Unified School District Norris School District Inyo Co. Office of Education Richgrove School District Kern High School District Taft High School District Bakersfield City School District Greenfield Union School District Standard School District Richland School District	Kern Community College District San Luis Obispo Co. Community College District College of the Sequoias Community College District Victor Valley Community College District Cal Poly Student Union & ASI	Goodwill of California Boy Scouts of America Kern Humane Society Kern County Library Foundation Kern County Bar Association Center for the Blind Y M C A. of Kern County Ebony Counseling Center Tranquil Waters Guidance Center	



Peter C. Brown, CPA  
Burton H. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
Chris M. Thornburgh, CPA  
Eric H. Xin, CPA, MBA  
Richard L. Halle, CPA, MST  
Aileen K. Keeter, CPA



■ Main Office  
4200 Truxtun Ave., Suite 300  
Bakersfield, California 93309  
Tel 661-324-4971 Fax 661-324-4997  
e-mail: info@bacpas.com

■ 560 Central Avenue  
Shafter, California 93263  
Tel 661-746-2145 Fax 661-746-1218

■ 8365 N. Fresno Street, Suite 440  
Fresno, California 93720  
Tel 559-476-3592 Fax 559-476-3593

## CONTRACT EXHIBIT - B

February 19, 2010

Santa Cruz Metropolitan Transit District  
Attn. Purchasing Agent  
110 Vernon Street  
Santa Cruz, California 95060

Re: RFP No. 10-19

Enclosed for your consideration are one (1) original and four (4) copies of our proposal and two addendums in response to your RFP No. 10-19 for Financial Audit and Tax Services for Santa Cruz Metropolitan Transit District. Our proposal is for the fiscal years ending June 30, 2010, 2011 and 2012.

Please call if you have any questions.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in dark ink, appearing to read "SRS", is written over the typed name of Steven R. Starbuck.

By: Steven R. Starbuck, CPA

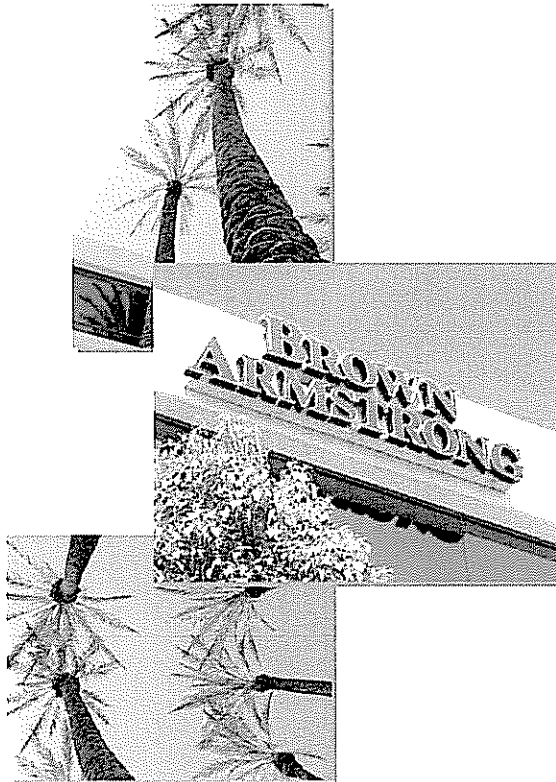
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**PROPOSAL TO  
SANTA CRUZ  
METROPOLITAN  
TRANSIT  
DISTRICT**

**TO PROVIDE  
FINANCIAL AUDIT  
AND TAX SERVICES**

**FOR THE FISCAL  
YEARS ENDING  
JUNE 30, 2010 THROUGH 2012**

**RFP NO. 10-19**



*February 19, 2010*



**ORIGINAL**

**Brown Armstrong  
Accountancy Corporation**  
4200 Truxtun Avenue, Suite 300  
Bakersfield, California 93309  
Tel (661) 324-4971  
Fax (661) 324-4997

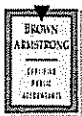
**Contacts:** Steven R. Starbuck, CPA, Principal  
[sstarbuck@bacpas.com](mailto:sstarbuck@bacpas.com)

Thomas M. Young, CPA, Manager  
[tyoung@bacpas.com](mailto:tyoung@bacpas.com)

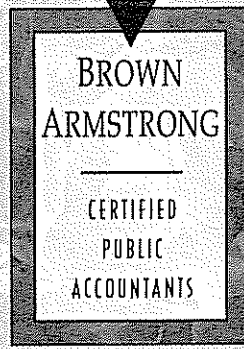


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Peter C. Brown, CPA  
Burton H. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
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Aileen K. Keeler, CPA



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Tel 661-746-2145 Fax 661-746-1218

■ 8365 N. Fresno Street, Suite 440  
Fresno, California 93720  
Tel 559-476-3592 Fax 559-476-3593

*Letter of Transmittal*

February 19, 2010

Santa Cruz Metropolitan Transit District  
Attn. Purchasing Agent  
110 Vernon Street  
Santa Cruz, California 95060

Re: RFP No. 10-19

We are pleased to respond to your request for proposal to perform financial audit and tax services and to submit our qualifications to perform audits of the financial statements of the Santa Cruz Metropolitan Transit District (the District) for the fiscal years ending June 30, 2010 through June 30, 2012.

We have enjoyed our professional auditor relationship with you for the past several years, and hope to continue for three more. We have now documented your major internal control systems into our audit files. We have a thorough understanding of the PTMISEA compliance and OPEB reporting requirements and have helped numerous clients implement these requirements over the past few years. With our institutional knowledge of your accounting systems and with the likelihood of continuing with our same audit personnel for the ensuing years, audit disruption to your normal workflow will be minimal.

I, Steven R. Starbuck, will continue to be your Engagement Partner. As a principal of the Firm, I am authorized to represent our firm in contract negotiations and to contractually bind the Firm. I can be contacted at: 4200 Truxtun Avenue, Suite 300, Bakersfield, California 93309, Tel (661) 324-4971, Fax (661) 324-4997 or e-mail: sstarbuck@bacpas.com.

This proposal is firm and irrevocable for ninety (90) days. Please call if we may clarify any item.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

By: Steven R. Starbuck, CPA

**PROPOSAL FORMS**

**GENERAL INFORMATION FORM  
FINANCIAL AUDIT AND TAX SERVICES**

Brown Armstrong Accountancy Corporation  
Legal Firm Name

February 19, 2010  
Date

4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309  
Firm's Address

(661) 324-4971  
Telephone Number

(661) 324-4997  
Fax Number

Corporation  
Type of Organization (Partnership, Corporation, etc.)

95-3109182  
Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.



\_\_\_\_\_  
Signature of Authorized Principal

Steven R. Starbuck, CPA, Principal  
Name of Principal-in-Charge and Title

Thomas M. Young, CPA, Principal  
Name of Project Manager and Title

Steven R. Starbuck, CPA, Principal, sstarbuck@bacpas.com, (661) 324-4971  
Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309  
Addresses Where Correspondence Should be Sent

All Areas  
Areas of Responsibility of Prime Contractor

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

N/A



**COST PROPOSAL FORM  
FINANCIAL AUDIT & TAX SERVICES**

The undersigned ("Offeror"), upon acceptance by Santa Cruz METRO, agrees to furnish all labor, freight, transportation, materials, equipment, services, supplies and other work in accordance with the Request for Proposals (RFP) entitled "Financial Audit and Tax Services" dated January 15, 2010.

Offeror understands that the costs for the Financial Audit and Tax Services takes into account all requirements, express and implied, of the aforementioned Request for Proposals (RFP) as specified in Part III (Specifications) of this RFP.

The Board of Directors reserves the right to reject all proposals for any reason. The criteria for determining the successful offeror are indicated in Part III – Specifications. **The successful offeror obligates him/herself to provide Financial Audit and Tax Services at the firm fixed prices provided below for the initial year of contract service and two and three years.**

<b>Provision of Santa Cruz METRO Financial Audit Services</b>	<b>Year One:</b>	\$	<u>36,500</u>
	<b>Year Two:</b>	\$	<u>37,500</u>
	<b>Year Three:</b>	\$	<u>38,500</u>


<b>Provision of Preparation of Federal and State Tax Returns For Santa Cruz Civic Improvement Corporation</b>	<b>Year One:</b>	\$	<u>250</u>
	<b>Year Two:</b>	\$	<u>250</u>
	<b>Year Three:</b>	\$	<u>250</u>

Offeror has examined and is fully familiar with all terms and conditions of the Request for Proposals and any addenda issued by Santa Cruz METRO thereto, and Offeror unconditionally submits this proposal in strict accordance with said Request for Proposals. Offeror has carefully checked all words and figures shown on this Form of Proposal and has carefully reviewed the accuracy of all documents, representations, and statements submitted with this proposal.

Offeror acknowledges receipt of the following addenda to the Request for Proposals. All cost adjustments or other requirements resulting from said addenda have been taken into consideration by the offeror and included in the proposal.

Addenda No.'s: 1 and 2

Brown Armstrong  
Accountancy Corporation  
Firm Name

  
Signature: Steven R. Starbuck, CPA



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

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



\_\_\_\_\_  
Signature and Title of Authorized Official



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

**Lobbying Certification for Contract 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 contracts 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 Brown Armstrong Accountancy Corporation

Signature of Authorized Official 

Name and Title of Authorized Official Steven R. Starbuck, Principal

Date February 19, 2010



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

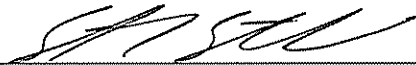
A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

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: February 19, 2010  
Signature:   
Company Name: Brown Armstrong Accountancy Corporation  
Title: Principal

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b)(3) of the Surface Transportation Assistance 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: \_\_\_\_\_



**QUALIFICATIONS AND TECHNICAL SECTION (Section 4 of the RFP)**

**4.1 UNDERSTANDING AND FEE**

Brown Armstrong Accountancy Corporation has thoroughly read your request for proposal and performed the due diligence required to insure that we completely understand the scope of the work to be done for Santa Cruz Metropolitan Transportation District. By submitting this proposal, we are committing to perform the required work and issue our reports within Santa Cruz Metropolitan Transportation District's time frame.

Total all-inclusive maximum price for each year of the engagement:

**AUDIT AND TAX WORK COST PROPOSAL**

Service	2009/2010	2010/2011	2011/2012
Total for Fiscal Year (not-to-exceed)	\$ 36,750	\$37,750	\$ 38,750

**4.2 AUTHORIZED REPRESENTATIVES**

The following individuals are authorized to make representations for our firm.

Steven R. Starbuck, CPA – Engagement Partner  
 4200 Truxtun Avenue, Suite 300  
 Bakersfield, CA 93309  
 Ph. (661) 324-4971  
 Fax (661) 324-4997  
[sstarbuck@bacpas.com](mailto:sstarbuck@bacpas.com)

Thomas M. Young, CPA – Engagement Manager  
 4200 Truxtun Avenue, Suite 300  
 Bakersfield, CA 93309  
 Ph. (661) 324-4971  
 Fax (661) 324-4997  
[tyoung@bacpas.com](mailto:tyoung@bacpas.com)

**4.3 INDIVIDUALS AUTHORIZED TO BIND THE OFFEROR**

The name of the individual authorized to bind our firm is:

Steven R. Starbuck, CPA  
 Principal





4.4 PROFILE OF OUR FIRM



Brown Armstrong had its roots in the late 1960's when Peter C. Brown and Burton H. Armstrong began their public accounting careers in Denver and San Diego with Big Eight international accounting firms. Brown formed a local Bakersfield accounting firm in 1974, whereas Armstrong returned to Bakersfield in 1970 to join another international accounting firm. He eventually joined Brown in 1985 to form one of Bakersfield's largest public accounting firms. Steven R. Starbuck joined the firm in 1991. Andrew J. Paulden, Burton H. Armstrong, Steven R. Starbuck, and Eric H. Xin are the four partners involved in providing governmental auditing and accounting services.

- 4.4.1 Brown Armstrong Accountancy Corporation (Brown Armstrong) is one of the largest regional accounting firms in Central California and was incorporated March 1, 1977.
- 4.4.2 All services provided to your District will be from our Bakersfield office located at 4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309, and our Fresno office located at 8365 N. Fresno Street, Suite 440, Fresno, CA 93270.

Brown Armstrong currently employs 80 people:

<u>Personnel</u>	<u>Total</u>
Shareholders (Partners)	11
Managers	17
Seniors, Audit and Tax	7
Staff Accountants, Audit and Tax	23
Technicians and Other Support	<u>22</u>
 Total	 <u><u>80</u></u>

Our firm and all assigned key professional staff are properly licensed to practice in the State of California.

- 4.4.3 Brown Armstrong is a full-service accountancy corporation emphasizing audit, accounting, taxation, bookkeeping and business consulting services.



**4.5 FIRM QUALIFICATIONS AND EXPERIENCE**

**Partner, Supervisory and Staff Qualifications and Experience:**

The members of the audit team assigned to the engagement are:

Steven R. Starbuck, CPA, Engagement Partner  
Burton H. Armstrong, CPA, MST, Concurring Engagement Partner  
Thomas M. Young, CPA, Engagement Manager  
Paul M. Anspach, CPA, Engagement Senior  
Heidi M. Hafenfeld, Engagement Staff  
Amanda Z. Davis, Engagement Staff  
Erik D. Gonzalez, Engagement Staff  
Blake E. Laurino, Engagement Staff

Mr. Starbuck has over eighteen years of government and commercial audit experience. He participates in the standard setting process, being a past and current member of various state society committees. He currently manages the Firm's transportation audits, which include Santa Cruz Metropolitan Transit District, Riverside Transit Agency, Central Contra Costa Transit Authority, Golden Empire Transit District and Kern Council of Governments.

Mr. Armstrong has over thirty-five years of governmental auditing experience. Among his previous engagement responsibilities are audits of the North San Diego County Transit District, Fresno Metropolitan Flood Control District, and County of Kern. Mr. Armstrong will be the concurring audit partner. As part of our quality control procedures, a concurring partner must review every engagement.

Mr. Young has thirteen years of governmental auditing experience. Among his current audit responsibilities are the Santa Cruz Metropolitan Transit District, Kern Council of Governments, San Bernardino Employees Retirement Association, County of Tulare, and City of Bakersfield. Mr. Young will supervise the financial and compliance audit required under the Single Audit Act and OMB Circular No. 133.

Mr. Anspach has been with the Firm for four years. Most recently he has assisted with the audit of Santa Cruz Metropolitan Transit District and numerous other governmental entities.

Ms. Hafenfeld has been with the Firm five years and has assisted with the audit for Santa Cruz Metropolitan Transportation District, Golden Empire Transit District, Kings County Transit District, Napa County Transportation and Planning Agency and Riverside Transit Agency.

Ms. Davis has been with the Firm for over two years while Mr. Gonzalez and Mr. Laurino joined the Firm this past year. All three staff accountants have worked on the audit for Santa Cruz Metropolitan Transportation District as well as numerous other governmental entities.

Full resumes for all engagement team members are attached as Exhibit II and list not only prior experience, but professional affiliations and continuing professional education.



**Prior Engagements with Santa Cruz Metropolitan Transportation District:**

We have completed the District’s financial statement audits for the past nine years.

**Similar Engagements with Other Government Entities:**

The following schedule of references indicates five audit engagements that we have performed in the last five years that are similar to Santa Cruz Metropolitan Transit District.

<u>Client</u>	<u>Scope of Work</u>	<u>Date(s)</u>	<u>Partner</u>
Riverside Transit Agency 1825 Third St. Riverside, CA 92517 Craig Fajon (951) 565-5156	Annual Financial Audit Single Audit Act	2003 to 2009	Steven R. Starbuck, CPA
Napa County Transportation and Planning Agency 707 Randolph Street, Suite 10 Napa, CA 94553 Tracy Geraghty (707) 259-8779	Annual Financial Audit GASB 34 Implementation TDA Compliance Single Audit Act Agreed Upon Procedures	2007 to 2009	Steven R. Starbuck, CPA
Central Contra Costa Transit Agency 2477 Arnold Industrial Way Concord, CA 94520 Jay Castro (925) 676-1976	Annual Financial Audit GASB 34 Implementation Single Audit Act	1997 to 2009	Steven R. Starbuck, CPA
Golden Empire Transit 1401 19 <sup>th</sup> Street Bakersfield, CA 93301 Steven Woods (661) 861-2191	Annual Financial Audit Single Audit Act Pension Audit	1999 to 2001, 2006 to 2009	Steven R. Starbuck, CPA
Kern Council of Governments 1401 19 <sup>th</sup> Street Bakersfield, CA 93301 Greg Palomo (661) 861-2191	Annual Financial Audit Single Audit Act Transit Streets and Roads	1999 to 2001, 2006 to 2009	Steven R. Starbuck, CPA



As part of its commitment to quality control, the Firm is a member of the SEC Practice Section of the American Institute of Certified Public Accountants (AICPA). We have completed five quality peer reviews over a period of fifteen years under the Section's guidance, and we have enclosed our most recent unqualified report. As a part of the peer review, the AICPA mandates a Single Audit Act client be reviewed by the review team, which was done during each of our reviews. No substantive problems or issues were raised. A copy of this report is included as Exhibit I.

We have had no disciplinary action taken against the firm or any of its members nor do we have any actions pending at the date of this proposal. Single audit reports are filed annually with the Federal Audit Clearinghouse. All of our school district reports are desk reviewed by the California State Controller's Office (SCO) every year. During the last three years, none of the referenced reports have been remanded to the clients for additional work.



#### 4.6 WORK PLAN

We emphasize "hands-on" partner involvement and consistency of staff assignments in our audits. We believe this emphasis benefits our clients in two ways:

1. A superior, quality audit is delivered on time; and
2. We reduce the cost of the audit - in audit fees, and in that unseen cost, the "training of an auditor" unfamiliar with the District's personnel and procedures.

The methods employed to formulate our auditors' opinions consist of several phases. These phases are: planning, study and evaluation of internal control compliance testing, final audit plan, final field work, final review, and completion of the audit.

##### Planning

We will begin the planning of the examination upon notification of award of the contract. Tasks to be accomplished during this phase include:

- Planning meeting with the finance director and all key finance department personnel and department heads of key offices or programs to discuss the scope of the examination, availability (vacation schedules) of your staff, prior audit problems, the interim work to be performed, the establishment of overall liaison for the audit, and arrangements for work space and other needs of the auditor.
- Develop the program to study and evaluate internal control.
- Conferences with all audit personnel involved in the engagement to discuss the scope and timing of the engagement, and anticipated areas of audit emphasis.
- Analytical review of the District's year-to-date financial information, and the District's budget and related materials.
- Develop and submit a Calendar of Activities for approval by the Finance Director.



Based on experience auditing California transit agencies, we have developed standard audit plans, which have been tailored to comply with:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.
- The standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards.
- The provisions of the Single Audit Act of 1984.
- The provisions of U.S. Office of Management and Budget (OMB) Circular A-133.
- The provisions of PUC Section 99243 and 99245 and the Transportation Development Act.

Study and Evaluation of Internal Control in Connection with the Financial Statement Audit

This is the cornerstone of the examination. Internal accounting control generally comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records.

Based on our experience with transit agencies, we will focus our evaluation of the internal control system in the following areas:

- controls over the evaluation of passenger fares,
- controls over disbursements and purchasing,
- controls over payroll, and
- controls related to the administration of federal programs.

We will begin by preparing flow charts and other memoranda to describe the internal control system. These flow charts and other memoranda are prepared based on information obtained through our inquiry and observation of District personnel, and from our review of the District's organizational charts, procedural manuals and programs, and documented financial and management information systems. Our flow charts and memorandum will then be reviewed to isolate significant strengths and weaknesses that would affect the extent of our substantive audit procedures to be employed. Each strength is then tested and the results subjected to evaluation. These evaluations assist us in determining the amount of reliance we can place on the significant strengths we have identified.



At this point in our plan, we will have a progress conference with the finance director and/or designated personnel to summarize the results of our study and evaluation of internal control. This conference will occur in accordance with the approved Calendar of Activities.

Compliance Testing

Based on the results of our study and evaluation of the internal control structure, we will then perform compliance tests on the following:

<u>Area</u>	<u>Sample Size</u>
• Receipts and revenues;	25-60
• Disbursements and accounts payable;	25-60
• Payroll and related liabilities; and	25-60
• Controls over requirements of federal and state grants.	60 (per major program)

Staff will perform compliance testing with direct supervision by a senior. Any findings will be discussed with management for accuracy and the process of development of recommendations immediately started.

Final Audit Plan

Based on the results of our study and evaluation of the internal control structure, the results of our compliance testing, and the results of our planning analytical procedures, we prepare our final audit plan. This plan is documented in our audit programs in accordance with generally accepted auditing standards. This plan is then reviewed by the engagement partner for approval. This plan is then discussed with the finance director prior to the commencement of final field work. This conference will occur in accordance with the approved Calendar of Activities.

Final Field Work

In this phase of the examination, we obtain sufficient competent evidential matter to afford a reasonable basis for our opinions and reports. This evidential matter is obtained through the performance of substantive procedures consisting of inspection, observation, inquiry, confirmation, and analytical tests.



At the end of our field work, we will have an exit conference with the finance director and department heads of key offices or programs. The purpose of this meeting will be to summarize the results of our field work and to review significant findings. As part of this conference, we will review significant audit adjustments and items needed to complete the audit, if any exist. We will also review significant commitments and contingencies discovered during our audit and the need for disclosure. This conference will occur at the end of field work.

### Final Review

The review process is constant throughout the engagement. Each working paper prepared by a staff assistant is reviewed by the engagement senior. The engagement partner then reviews all working papers and all financial statements and reports to be issued. These financial statements and reports are then reviewed by a governmental audit partner not directly involved in the engagement for concurrence of opinion prior to release of these statements and reports to the District.

### Completion of the Audit

The objective of our audit plan is to express our opinion on the fair presentation of the District's financial statements, to report on the District's compliance with applicable laws and regulations, to report on the District's internal control structure, and to issue a management letter.

The following events will transpire between the conclusion of field work and delivery of the audited financial statements:

1. We will provide draft financial statements and supplementary schedules to the District no later than two weeks after final field work.
2. We will be available for any meetings that may be necessary to discuss the audit reports.
3. We will be available for a meeting with the Budget and Finance Committee.
4. The District will approve the draft no later than two weeks after receipt of the draft.
5. The final report will be issued in accordance with the approved Calendar of Activities.





**Information Incorporated into our Audit Approach:**

Proposed Segmentation of the Engagement

The various phases of our audit plan, and the hours to complete each phase, will be divided among the audit team as follows:

Segment	Level of Staff	Hours
Planning	Partner	8
	Manager	<u>12</u>
		20
Study and Evaluation of Internal Control	Partner	4
	Manager	4
	Senior	16
	Staff	<u>32</u>
		56
Compliance Testing	Partner	2
	Senior	4
	Staff	<u>24</u>
		30
Final Audit Plan and Field Work	Partner	18
	Manager	40
	Senior	40
	Staff	<u>80</u>
		178
Completion of Audit	Partner	16
	Manager	16
	Senior	<u>24</u>
		56
Total Hours		<u>340</u>



Sample Sizes and Anticipated Statistical Sampling

We will utilize Statement on Auditing Standards Number 39 for guidance in selecting sampling techniques and sizes. We anticipate using statistical sampling and evaluation in our tests of receipts, disbursements, payroll and expenditures. Usually to achieve 95% confidence over large populations, we do not sample more than 120 items, selected with replacement. We emphasize compliance items over substantive when using sampling.

Judgmental sampling and evaluation will be used for large dollar items, usually in excess of our selected materiality levels and bearing a strong relationship to our risk evaluation profile.

**Analytical Procedures.** We will use analytical procedures exactly as described in the foregoing paragraph, both in planning and auditing phases of our work. In addition, we will use internal data such as passenger fares per revenue miles to test reasonableness of fares collected and to determine reasonableness of fluctuation in operating expenses.

**Extent of EDP Software in the Engagement.** Each staff person has a personal computer, and has knowledge of a generic software we have purchased for auditing municipalities and report writing. We use this software in the beginning, inputting all prior year actual numbers, and the client current year budget, including amendments. We then input year-to-date numbers and run analytical work at the end of the audit comparing appropriation-expenditure numbers to prior year and budget amounts. All significant differences are investigated.

**Report Writing.** Our software is capable of complete report writing, including combining statements and footnotes.

**Data Extraction.** We will use “ACL” for data inquiry, analysis and reporting. Some of the procedures we perform with ACL are:

- Select disbursements over \$100,000 for testing.
- Test for duplicate payments
- Test for aging of receivables
- Test of fixed asset depreciation
- Test of inventory pricing



Understanding the District's Internal Control Structure

We use inquiry, both written and oral, to document our understanding of the District's internal control structure. We then test our understanding with compliance auditing, sometimes called tests of transactions.

Approach to Determine Applicable Laws and Regulations Subject to Audit Test Work

Our experience with various transit agencies and municipal audit clients, most with federal or state monies, has created a reservoir of knowledge of many laws and regulations. However, by inquiry and observation, we will determine all major programs (over \$300,000 annually) participated in by the District. We then consult the actual law, the Federal Register, Catalogue of Federal programs, or the California State Controllers guide to State and Federal Compliance to obtain understanding of the requirements of the law. For major programs, we specifically test those requirements by inspection of documents. However, based on our prior experience with transit agencies, we will probably identify the District's federal capital grant as a major program.

Approach for Drawing Audit Samples for Compliance Tests

Compliance test samples will be drawn usually by statistical sampling techniques. The universe from which the sample is drawn begins at the beginning of the year under audit, and ends with the end of that year. If a null is picked, it is replaced in draw sequence until sufficient live items comprise the planned sample size.

We use Excel to draw audit samples. We will need the District to provide us with all disbursements and payroll data files for the year in D-BASE or OBDC format from which to draw our samples.



**4.7 TIMELINE FOR FIELD WORK**

We propose the following calendar of activities:

- May Planning Meeting – Conference Call
- May Submit Final Calendar of Activities
- August Preliminary Field Work
- October Final Field Work
- October Submit Draft Audit Report
- November Receive changes/approval for Draft Audit Report
- November Final Audit Report

**Additional Information:**

**Peer Review Report**

As part of our commitment to providing quality services to our clients, our Firm is a member of the SEC Practice Section of the American Institute of Certified Public Accountants. We have completed several Peer Reviews under the sections guidance, all of which resulted in unqualified reports. A copy of our most recent peer review report is included in Exhibit I of this proposal.

**PKF North America**

Brown Armstrong is a member of PKF North America, an association of independently owned accounting and consulting firms. This membership links us to other professionals who have additional expertise in the areas of retirement and pension plan audits.



**EXHIBITS**

- I. External Quality Control Review Report
- II. Audit Team Resumes
- III. Summary of Recent Governmental Audit Experience



EXHIBIT I

EXTERNAL QUALITY CONTROL REVIEW REPORT



WEAVER  
AND  
TIDWELL  
L.L.P.

CERTIFIED PUBLIC  
ACCOUNTANTS  
AND CONSULTANTS

System Review Report

To the Shareholders of  
Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter, A.C  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter, A.C (the firm) in effect for the year ended October 31, 2008. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Public Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based upon our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary)

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

In our opinion, the system of quality control for the accounting and auditing practice of Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter, A.C in effect for the year ended October 31, 2008, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter, A.C has received a peer review rating of *pass*

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L L P

Dallas, Texas  
January 30, 2009

One Tower Plaza  
1221 Main Street  
Suite 1100  
Dallas, Texas 75202  
972.991.1970  
1.972.702.5111

WWW.WEAVERANDTIDWELL.COM

AN INDEPENDENT MEMBER OF  
BAKER TILLY  
INTERNATIONAL

DALLAS

OFFICES IN  
FORT WORTH

HOUSTON



**EXHIBIT II**

**AUDIT TEAM RESUMES**

**Steven R. Starbuck, CPA  
Engagement Partner**

**Burton H. Armstrong, CPA, MST  
Technical Review Partner**

**Thomas M. Young, CPA  
Engagement Manager**

**Paul M. Anspach, CPA  
Engagement Senior**

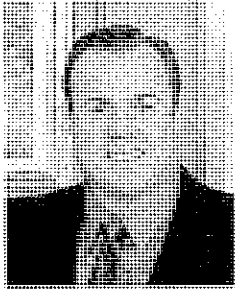
**Heidi M. Hafenfeld  
Engagement Staff**

**Amanda Z. Davis  
Engagement Staff**

**Erik D. Gonzalez  
Engagement Staff**

**Blake E. Laurino  
Engagement Staff**





**Resume of Steven R. Starbuck, CPA**

**Principal  
Brown Armstrong  
Accountancy Corporation**

*Academic Background:*

California Polytechnic State University, San Luis Obispo, 1990  
Bachelor of Science Degree in Business Administration. Concentration in Accounting

*Summary of Experience:*

Cities:

City of Santa Barbara  
City of Tehachapi  
City of Fresno  
City of Arvin  
City of Hanford  
City of Mendota  
City of Chowchilla

Non-Profit:

Kern County Children & Families  
Commission  
Center for the Blind & Visually  
Impaired  
Goodwill Industries of Southern  
California  
Bakersfield Museum of Art

School Districts:

Bakersfield City School District  
Madera Unified School District  
Kern High School District  
Panama-Buena Vista School District  
Yosemite Union High School District  
Chowchilla Union High School District  
Fruitvale Union School District

Retirement Systems:

Los Angeles County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
Ventura County Employees' Retirement Association  
Kern County Employees' Retirement Association  
San Mateo County Employees' Retirement Association  
Stanislaus County Employees' Retirement Association  
Tulare County Employees' Retirement Association  
Marin County Employees' Retirement Association  
Merced County Employees' Retirement Association  
Fresno City Employees' Retirement System  
San Diego County Employees' Retirement Association  
Los Angeles City Employees' Retirement System  
Contra Costa County Employees' Retirement Association

Financial Institutions:

Sierra National Bank  
Mission Bank  
Finance & Thrift Bank  
San Joaquin Bank (SEC)

Counties:

County of Kern  
County of Monterey

Transit:

Kern Council of Governments  
San Joaquin Regional Transit Authority  
Council of Fresno County Governments  
Santa Cruz Metropolitan Transit  
Central Contra Costa Transit  
Riverside Transit Agency  
Napa County Transportation and Planning Agency

Special Districts:

Bear Valley Springs Homeowners' Association  
Pine Mountain Homeowners' Association

University & Community College

Foundation & Auxiliary Organizations:

Kern Community College District  
San Luis Obispo County Comm College District  
College of the Sequoias Comm College District  
Victor Valley Community College District

Publicly Traded Companies:

Royale Energy, Inc.  
Tri-Valley Corporation (SEC)  
Brush Creek Mining & Development  
Company, Inc.  
AMMG, Inc.  
Foothill Resources, Inc (SEC)  
Pismo Coast Village (SEC)

Agriculture:

Rio Bravo Tomato, LLC  
A&P Growers, Inc  
APCAL  
Meridian Nut Growers Alliance, Inc  
Bloemhof Ag Enterprises

Construction:

ARB, Inc  
Southwest Contractors

*Professional Associations:*

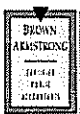
American Institute of Certified Public Accountants  
California Society of Certified Public Accountants  
Bakersfield Chapter, California Society of Certified Public Accountants  
CSCPA Governmental Audit and Accounting Committee  
Government Finance Officers Association (GFOA)  
Council of Petroleum Accountants Society

*Other Activities:*

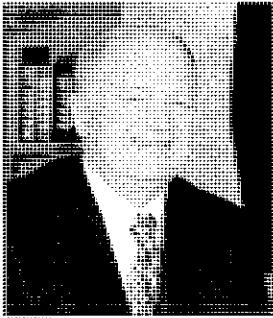
Henrietta Weill Memorial Child Guidance Clinic, Past - President  
Children's Advocates Resource Endowment, Treasurer  
Active 20/30 International, Bakersfield. Past-President / Board of Directors

*Continuing Education:*

Governmental Accounting and Auditing Updates, 2004-2009  
GASB Update with Special Focus on Derivatives, OPEB, GAAP Hierarchy 2007-2009  
The Stimulus Act - 2009  
FASB, SSARS, SAS, IFRS Update - 2009  
Internal Control and Fraud Prevention and Detection, 2007-2009  
Audit Planning: SAS 012 to SAS114 - 2008-2009  
Sarbanes Oxley CPCAF & PCAOB, 2005  
Spidell Tax Seminar 2005-2009  
Oil & Gas Taxation 2008  
Annual SEC & Financial Reporting Inst Conference 2007-2009







**Resume of Burton H. Armstrong, CPA, MST**

**Principal/Audit Coordinator  
Brown Armstrong  
Accountancy Corporation**

*Academic Background*

University of California, Berkeley, 1962, Political Science Major  
California State University, Northridge, 1967, Bachelor of Science Degree in Accounting  
Golden Gate University, Los Angeles Campus, 1989, Master of Science Degree in Taxation

*Summary of Experience*

Financial Institutions:

San Joaquin Bank, Bakersfield  
Finance & Thrift, Porterville  
Mission Bank, Bakersfield  
Mojave Desert Bank, Mojave  
Sierra National Bank, Tehachapi

Cities:

Bakersfield  
Delano  
Fresno  
Santa Barbara  
Tehachapi

Retirement Systems:

Primary Partner:

Kern County Employees' Retirement Association

Concurring Partner:

Fresno City Employees' Retirement System  
Los Angeles City Employees' Retirement System  
Los Angeles County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
Tulare County Employees' Retirement Association  
Ventura County Employees' Retirement Association

Transit Districts:

Fresno County Council of Governments  
Kern Council of Governments  
North San Diego County Transit District  
Omnitrans - San Bernardino, CA

Health Care:

Community Health Plan  
Heritage Provider Network  
Kern Health System  
Kern Medical Center

Special Districts:

Kern County Water Agency  
Minter Field Airport District  
Mojave Public Utility District  
San Joaquin Valley Air Pollution Control District  
West Side Cemetery District  
West Side Mosquito & Vector Control District

Commercial Audits:

Blackwell Land Company, Inc  
Makoil, Inc  
Mt. Poso Co-Generation Company  
San Joaquin Refining Company, Inc  
Vaquero Partners I

Pension Plans:

Derrell's Mini Storage, Inc. - 401(k) Plan  
Kern Schools Federal Credit Union -  
two plans, including Money Purchase Plan  
North Bakersfield Recreation & Park District Pension Plan  
San Joaquin Bank 401(k) Plan  
Pacific Process Systems 401(k) Plan  
San Joaquin Refining Company 401(k) Plan

Not-Profit

Gladiators Youth Basketball Organization  
Gold Wave (CSUB Swim Team)  
Twin Towers Orphan Fund

Counties:

Kern  
Kings  
Santa Barbara  
Tulare

Publicly Traded & PCAOB Supervised Audits

Foothill Resources, Inc  
San Joaquin Bank  
Tri-Valley Oil & Gas Corporation  
Whittier Energy Corporation

*Professional Associations:*

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants  
Council of Petroleum Accountants Society, Past President, Bakersfield Chapter  
California Independent Producers Association, Board member

*Continuing Education:*

Governmental Accounting & Auditing Updates  
GASB Update with Special Focus on Derivatives, OPEB, GAAP Hierarchy  
FASB, SSARS, SAS, IFRS Update  
Internal Control and Fraud Prevention and Detection  
Spidell Tax Seminar  
Audit Planning: SAS 102 to SAS 114  
SEC and Reporting Institute Conference  
Sarbanes Oxley Section 404 Compliance  
AICPA Advanced Course: Peer Review Program Standards  
International Financial Reporting Standards: a Review & Update



**Resume of Thomas M. Young, CPA**



**Partner  
Brown Armstrong  
Accountancy Corporation**

*Academic Background.*

**University of California, Davis, 1994**  
Bachelor of Arts Degree in Economics

*Summary of Experience:*

**Retirement Systems:**

Contra Costa County Employees' Retirement Association  
Kern County Employees' Retirement Association  
Los Angeles County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
San Joaquin County Employees' Retirement Association  
Tulare County Employee's Retirement Association  
Ventura County Employees' Retirement Association

**Pension Plans:**

San Luis Obispo Pension Trust  
North Bakersfield Recreation & Park District Pension Plan

**Cities:**

Bakersfield  
Fresno  
Hanford  
Madera  
Modesto  
Santa Barbara  
Tehachapi  
Tulare

**Counties:**

County of Kern  
County of Monterey  
County of Riverside  
County of Stanislaus  
County of Tulare

**School Districts:**

Arvin Union School District  
Bakersfield City School District  
Greenfield Union School District  
Kern County Superintendent of Schools  
Kern High School District  
Madera Unified School District  
Richgrove School District  
Yosemite High School District

**Special Districts:**

Bear Valley Springs Association  
Kern County Bar Association  
Mojave Public Utility District  
North Bakersfield Recreation & Park District  
Self-Insured Schools  
Tule River Tribal Council  
Westside Mosquito and Vector District

*Professional Affiliations:*

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants

*Continuing Education.*

Governmental Accounting and Auditing Update, 1998-2009  
Auditing Standards Update SAS 102-114, 2009  
GASB Update with Special Focus on Derivatives, 2009  
Internal Control and Fraud Protection and Detection, 2009

**University & Community College**

**Foundation & Auxiliary Organizations:**  
College of the Sequoias Community College District  
Kern Community College District  
San Luis Obispo Community College District  
Victor Valley Community College District

**Water Districts:**

Belridge Water Storage District  
Kern County Water Agency  
Port Hueneme Water Agency

**Transit Districts:**

Antelope Valley Transit Authority  
Contra Costa County Transit District  
Council of Fresno County Governments  
Golden Empire Transit District  
Kern Council of Governments  
Omnitrans Transit District  
Riverside Transit Agency  
San Joaquin Council of Governments  
Santa Cruz Metropolitan Transit District

**Extractive Industries:**

Aladdin Oil, Inc  
Core Energy, LLC  
Los Alamos Energy  
Makoil, Inc  
N-W Oil & Gas  
Petrominerals Corporation  
Royale Energy Corporation  
San Joaquin Refining, Inc  
Titan Energy, Inc.  
Tri-Valley Oil & Gas, Inc  
Western Drilling, Inc

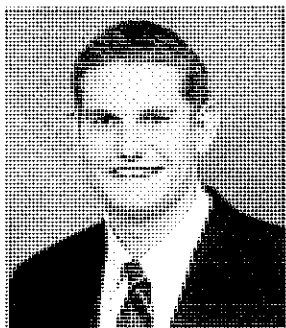
**Financial Institutions:**

Finance & Thrift Bank  
Mission Bank  
Mojave Desert Bank  
San Joaquin Bank  
Sierra National Bank

**Agriculture:**

A&P Growers, Inc





**Resume of Paul M. Anspach, CPA**

**Staff Accountant  
Brown Armstrong  
Accountancy Corporation**

*Academic Background*

**California State University, Bakersfield, 2007**  
Bachelor of Science Degree in Business

*Summary of Experience:*

**Retirements:**  
Fresno County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
San Mateo County Employees' Retirement Association  
Ventura County Employees' Retirement Association  
Kern County Employees' Retirement Association  
Los Angeles County Employees Retirement Association  
Marin County Employees' Retirement Association

**Commercial Entities**  
Berry Petroleum Company, Inc.  
Hellman Properties, LLC

**Transit Districts:**  
Santa Cruz Metropolitan Transit District

**School Districts:**  
Bakersfield City School District

**Publicly Traded Companies:**  
Pismo Coast Village, Inc.

**Financial Institutions:**  
Mission Bank

**Agriculture:**  
A & P Growers, Inc.

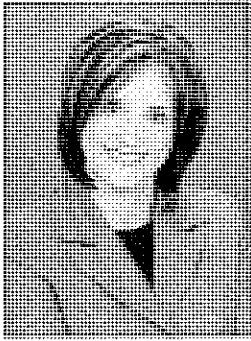
*Professional Associations.*

California Society of Certified Public Accountants  
American Institute of Certified Public Accountants

*Continuing Education*

Governmental Accounting and Auditing Update, 2006-2009 (Governmental)  
GASB Update, 2009 (Governmental)  
Accounting and Auditing Update, 2006-2009  
Internal Control and Fraud Prevention and Detection, 2008  
Audit Watch, 2007-2008  
Spidel Tax Update, 2009





**Resume of Heidi M. Hafenfeld**

**Staff Accountant  
Brown Armstrong  
Accountancy Corporation**

*Academic Background:*

**California State University, Bakersfield, 2005  
Bachelor of Science Degree in Business Administration, Concentration in Accounting**

*Summary of Experience:*

**School Districts:**

Arvin Union School District  
Bakersfield City School District  
Fruitvale School District  
Greenfield Union School District  
Inyo County Office of Education  
Mojave Unified School District  
Richland School District  
Tulare Union School District  
Sierra Sands Unified School District  
Castaic Union School District  
Saugus Union School District

**Transit District:**

Golden Empire Transit District  
Kings County Transit District  
Riverside Transit Agency  
Santa Cruz Metropolitan Transit District  
Napa County Transportation and Planning Agency

**University & Community College**

Victor Valley Community College District

**Non-Profit:**

Bakersfield East Rotary Foundation  
Kern Bridges Youth Homes

**Counties**

County of Kern

**Cities:**

City of Tulare

**Special Districts:**

Kern Council of Governments  
Kern Local Agency Formation Commission  
North Bakersfield Recreation & Park District  
Port Hueneme Water Agency  
San Joaquin Council of Governments

**Retirement Systems**

Kern County Employees' Retirement Association  
Merced County Employees' Retirement Association

**Commercial Entities**

Pismo Coast Village, Inc.  
Spiral Technologies

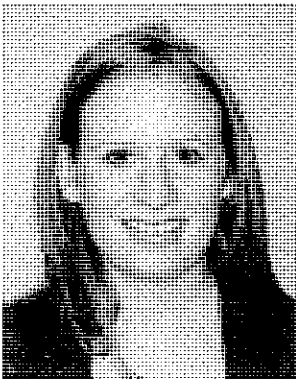
*Professional Associations:*

California Society of Certified Public Accountants

*Continuing Education:*

Governmental Accounting & Auditing Update, 2005 - 2010  
Audit Planning: SAS 102 to SAS 114, 2008-2009  
FASB, SSARS, SAS, IFRS Update - 2009  
Spidell Tax Update, 2005 - 2009  
Audit Watch University, 2007 - 2008  
School District Conference 2009





Resume of Amanda Z. Davis

Staff Accountant
Brown Armstrong
Accountancy Corporation

Academic Background:

California State University, Bakersfield, 2007
Bachelor of Science in Business Administration, Concentration in Accounting

Summary of Experience:

Retirement Systems: San Bernardino County Employees' Retirement Association, Tulare County Employees' Retirement Association, San Mateo County Employees' Retirement Association
School Districts: Bakersfield City School District, Fruitvale School District, Delano Union School District
Counties: County of Merced, County of Tulare, County of Stanislaus, County of Kern
Non-Profit: Cal State University Bakersfield Foundation, Greater Bakersfield Legal Assistance
Financial Institutions: Mission Bank, Finance and Thrift Bank
Parks & Recreation: North of the River Recreation & Park District
Transit Districts: Santa Cruz Metropolitan Transit District, Golden Empire Transit Authority

Professional Associations:

American Institute of Certified Public Accountants
California Certified Public Accounting Society

Continuing Education:

Brown Armstrong Government CPE 5/08
Audit Watch 6/08
Brown Armstrong Accounting & Auditing Update 1/09





**Resume of Erik D. Gonzalez**

**Staff Accountant  
Brown Armstrong  
Accountancy Corporation**

*Academic Background:*

California State University, Fresno, 2008  
Bachelor of Science Degree in Accounting

*Summary of Experience:*

**Retirement Systems:**  
Sonoma County Employees' Retirement Association  
Fresno City Employees' Retirement Association  
Marin County Employees' Retirement Association

**School Districts:**  
Visalia Unified School District  
Richgrove School District  
Saugus Unified School District  
Delano Union School District

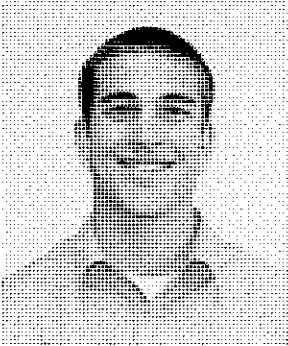
**Special Districts:**  
Kern Tulare Water District  
Fresno Metropolitan Flood Control District  
North of the River Parks and  
Recreation District

**Transit Districts:**  
Santa Cruz Metropolitan Transit District  
Golden Empire Transit District

**Cities:**  
City of Visalia  
City of Modesto  
City of Tulare  
City of Delano

**Counties:**  
County of Tulare  
County of Stanislaus  
County of Riverside





**Resume of Blake E. Laurino**

**Staff Accountant  
Brown Armstrong  
Accountancy Corporation**

*Academic Background:*

California Polytechnic State University, San Luis Obispo, 2009  
Bachelor of Science in Business Administration, Concentration in Accounting

*Summary of Experience:*

Retirement Systems:

San Mateo County Employees' Retirement Association  
Kern County Employees' Retirement Association  
Fresno County Employees' Retirement Association  
Marin County Employees' Retirement Association

Oil & Gas

San Joaquin Refining Company, Inc  
Tricor Refining, LLC

Cities:

City of Visalia

School Districts:

Visalia Unified School District  
Sierra Sands Unified School District

Agriculture:

A&P Growers, Inc

Counties:

County of Riverside  
County of Stanislaus

Tax:

Montclair Energy Co  
Zeke's Oil Field Consulting  
Transforming Local Communities  
Sierra Resources - RDE Engineering

Transit Districts:

Riverside Transit Agency  
Napa County Transportation & Planning Agency  
Santa Cruz Metropolitan Transit District

*Continuing Education:*

Governmental Accounting & Auditing Update 2010  
PFX Portal Training, 2010  
Audit Watch, 2009



**EXHIBIT III  
SUMMARY OF RECENT GOVERNMENTAL AUDIT EXPERIENCE**

<b>Special Districts</b>	<b>Governmental Retirement Systems</b>	<b>Counties</b>	<b>Cities</b>
Port Hueneme Water Agency North Bakersfield Recreation And Park District Shafter Recreation & Park District Bear Mountain Recreation & Park District San Joaquin Valley Air Pollution Control District Westside Cemetery District Westside Mosquito and Control Vector District Minter Field Airport District Kern County Water Agency Fresno Metropolitan Flood Control District McAllister Ranch Irrigation Dist. Belridge Water District Mojave Public Utility District Bear Valley Springs Homeowners' Association Pine Mountain Homeowners' Association Kern Tulare Water District	Ventura County Employees' Retirement Association Los Angeles County Employees' Retirement Association Kern County Employees' Retirement Association San Bernardino County Employees' Retirement Association Tulare County Employees' Retirement Association City of Fresno Employees' Retirement System Merced County Employees' Retirement Association San Francisco Bay Area Rapid Transit Deferred Compensation and Money Purchase Plans Sonoma County Employees' Retirement Association Los Angeles City Employees' Retirement System Stanislaus County Employees' Retirement Association County of Fresno Employees' Retirement Association	County of Kern County of Monterey County of Riverside County of Santa Barbara County of Stanislaus County of Tulare	City of Arvin City of Bakersfield City of Chowchilla City of Delano City of Fresno City of Indio City of Madera City of Modesto City of Ridgecrest City of Santa Barbara City of Tehachapi City of Tulare City of Visalia
<b>Transit</b>		<b>Health Care</b>	
Central Contra Costa Transit Authority Fresno Council of Governments Kern Council of Governments Fresno Transit Golden Empire Transit Santa Cruz Metropolitan Transit District San Joaquin Regional Transit District North County Transit District Riverside Transit Agency Antelope Valley Transit Authority Napa County Transportation and Planning Agency		Kern Health Systems Kern Medical Center Heritage Provider Network Community Health Plan Heritage California Medical Group	
<b>School Districts</b>	<b>College Districts</b>	<b>Non-profits</b>	
Mojave Unified School District Inyo Co. Office of Education Richgrove School District Taft High School District Bakersfield City School District Saugus Elementary School District Sierra Sands Unified School Dist. Castaic Unified School District	Kern Community College District San Luis Obispo Co. Community College District College of the Sequoias Community College District Victor Valley Community College District	Goodwill of California Boy Scouts of America Kern County Library Foundation Kern County Bar Association Center for the Blind Y.M.C.A. of Kern County Ebony Counseling Center Tranquil Waters Guidance Center	





**ADDENDUMS**  
**NO. 1 AND 2**



Santa Cruz Metropolitan  
Transit District



**ADDENDUM NO. 1**

**Santa Cruz Metropolitan Transit District Request for Proposals(RFP)**

**No. 10-19 For Financial Audit and Tax Services**

**RFP DUE DATE:** February 16, 2010 @ 5:00 PM, PST

**Date of Addendum Issue:** February 3, 2010

Notice is hereby given that the Santa Cruz Metropolitan Transit District (METRO) is providing the following clarifications, modifications, additions and / or deletions to the Request for Proposals(RFP) No. 10-19 for Financial Audit and Tax Services. This Addendum shall become a part of the original RFP as issued by METRO.

**Receipt of this Addendum No. 1 shall be acknowledged in your proposal response.** Any adjustment resulting from this addendum shall be included in the RFP. Where in conflict, the terms and conditions of this addendum supersede those in the Invitation for Bid.

All questions concerning this Addendum shall be referred to Lloyd Longnecker, Purchasing Agent at 110 Vernon Street, Santa Cruz, CA 95060, (831) 426-0199 Voice, (831) 423-2918 Fax, or email address [llongnecker@scmtid.com](mailto:llongnecker@scmtid.com).

This Addendum forms a part of the Contract Documents, and modifies the following as noted below:

1. **ADDENDUM CONTENT:** Addendum No. 1: A total of seven (7) pages

2. **CHANGES TO PREVIOUS ADDENDA:** (NONE)

3. **BIDDERS REQUESTS FOR CLARIFICATIONS:**

3.1 *QUESTION* What is the reason for this RFP?

**ANSWER:** Please review Part III Specifications for Financial Audit and Tax Services, Article 1.2 Purpose of Request for Proposals and Article 1.3 Scope of Required Services.

3.2 *QUESTION* Are the prior year auditors being asked to submit a proposal as well?

**ANSWER:** Yes

3.3 *QUESTION* Have there been any major changes in the past year (change in accounting programs, turnover in staffing, etc.)?

**ANSWER:** Implementation of GASB 43/45 in FY09.

3.4 *QUESTION* What were the prior year fees? Did this include travel?

**ANSWER:** Fees for last year were \$39,500 for financial audit services and \$250 for preparation of Federal and State Tax Returns for Santa Cruz Civic Improvement Project. Travel was included in the fees.

110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117

METRO online at <http://www.scmtid.com>

**RFP No. 10-19, Addendum No. 1 – Issue: February 3, 2010**

3.5 *QUESTION: About how long did the prior year auditors spend on-site?*

**ANSWER: Two weeks scheduled, seven days on site.**

3.6 *QUESTION: How did you hear about us?*

**ANSWER: The mailing list was generated from previous RFPs, requests received to be on Santa Cruz METRO's mailing list, and a search of business directories on the internet.**

3.7 *QUESTION: Was interim work done in the prior year? If so, when was it completed?*

**ANSWER: Interim – one week in August of 2009.**

3.8 *QUESTION: How much were the auditors paid for the audit and tax return each year for the past 3 years?*

**ANSWER: Each year the fees for the financial audit were \$39,500. Each year the fees for the preparation of Federal and State Tax Returns for Santa Cruz Civic Improvement Project were \$250.**

3.9 *QUESTION: How long have you had the current auditors?*

**ANSWER: Six (6) years.**

3.10 *QUESTION: Are the current auditors allowed to bid on the contract again?*

**ANSWER: Yes**

3.11 *QUESTION: Does the District prepare its own financial statements, or does it seek assistance from its auditor?*

**ANSWER: Audit assisted.**

3.12 *QUESTION: It would appear from the demographics included in your RFP that the District is of sufficient size to require reporting with the National Transportation Department (NTD) (urbanized area >200,000 population with 100 or more vehicles operated in annual maximum service across all modes and types of service) If that is true, does the District*

*a Use the Uniform System of Accounts and records specified by the Federal Transit Administration (FTA)? **YES***

*b Have its Statement for Federal Funding Allocation Statistics Form (FFA-10) audited?*

*If such audit procedures are required, are they considered to be part of this RFP and included in the audit price, or as a separate engagement?*

**ANSWER: FFA-10 is prepared and submitted by the auditors and is included in the audit price.**

3.13 *QUESTION: Has the District prepared internal control documentation by transaction cycle and/or key assertion, or has it relied on its past auditor to prepare the documentation? If prepared by the auditor, will it be made available to the new auditor, or will it need to be recreated?*

**ANSWER: Internal control assessment was compiled by Santa Cruz METRO and provided to the auditor in FY08. Santa Cruz METRO does not have all documents.**

3.14 *QUESTION: Were there any audit adjustments proposed last year? If so, what were they?*

**ANSWER: None**

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3.15 *QUESTION. Was there a summary of uncorrected audit adjustments last year? If so, what were they?*

**ANSWER: None**

3.16 *QUESTION. For the prior year single audit did the District provide documentation of internal controls over compliance for its major program, or did it rely on its auditor to prepare the documentation?*

**ANSWER: Auditors always prepare.**

3.17 *QUESTION. Is it possible to provide us with the prior year management letter and status of any findings noted?*

**ANSWER: Yes, See Attachment A.**

3.18 *QUESTION. What were the audit fees for the past two years? Were there changes from the original contract?*

**ANSWER: See answer provided in question 3.8 above.**

3.19 *QUESTION. During what months did the auditor perform interim work in the prior year? When would be the timing you prefer?*

**ANSWER: August. August is fine with final in October.**

3.20 *QUESTION. Does the District have any potential GASB 49 "Accounting and Financial Reporting for Pollution Remediation Obligations" issues?*

**ANSWER: Do not know – probably not.**

3.21 *QUESTION. What were the audit fees in 2007 and 2008?*

**ANSWER: See answer provided in question 3.8 above.**

3.22 *QUESTION. How many auditors have been on site in the past? For how long?*

**ANSWER: Interim – 4 Auditors 3.5 to 4 days. Final – 4 auditors 3.5 to 4 days.**

**4. CHANGES TO RFP TERMS AND CONDITIONS:**

**4.1 Part III Specifications for Financial Audit and Tax Services, Article 1.1 Introduction, second paragraph is corrected as follows:**

Santa Cruz METRO has an annual current operating budget of ~~thirty-five million nine hundred sixty-four million, nine hundred thirty-five thousand dollars~~ (\$40,935,000) and presently employs 314 people.

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**RFP No. 10-19, Addendum No. 1 – Issue: February 3, 2010**

**END OF ADDENDUM NO. 1**

Lloyd Longnecker  
Purchasing Agent

*Santa Cruz Metropolitan  
Transit District*



**ADDENDUM NO. 2**

**Santa Cruz Metropolitan Transit District Request for Proposals(RFP)**

**No. 10-19 For Financial Audit and Tax Services**

**NEW RFP DUE DATE:** February 19, 2010 @ 5:00 PM, PST

**Date of Addendum Issue:** February 8, 2010

Notice is hereby given that the Santa Cruz Metropolitan Transit District (METRO) is providing the following clarifications, modifications, additions and / or deletions to the Request for Proposals(RFP) No. 10-19 for Financial Audit and Tax Services. This Addendum shall become a part of the original RFP as issued by METRO.

**Receipt of this Addendum No. 2 shall be acknowledged in your proposal response.** Any adjustment resulting from this addendum shall be included in the RFP. Where in conflict, the terms and conditions of this addendum supersede those in the Invitation for Bid.

All questions concerning this Addendum shall be referred to Lloyd Longnecker, Purchasing Agent at 110 Vernon Street, Santa Cruz, CA 95060, (831) 426-0199 Voice, (831) 423-2918 Fax, or email address [llongnecker@scmttd.com](mailto:llongnecker@scmttd.com).

This Addendum forms a part of the Contract Documents, and modifies the following as noted below:

1. **ADDENDUM CONTENT:** Addendum No. 2: A total of one hundred twenty-four (124) pages
2. **CHANGES TO PREVIOUS ADDENDA:** (NONE)
3. **BIDDERS REQUESTS FOR CLARIFICATIONS:**

3.1 *QUESTION: Since there is no bidder's conference, may we meet with you?*  
**ANSWER:** No.

3.2 *QUESTION Which firms received your RFP?*  
**ANSWER:** See Attachment B for a current list of firms that have the RFP package.

3.3 *QUESTION. Who did last year's audit?*  
**ANSWER:** BROWN ARMSTRONG PAULDEN MCCOWN STARBUCK THORNBURGH & KEETER ACCOUNTANCY CORPORATION

3.4 *QUESTION Have you been satisfied with their performance?*  
**ANSWER:** Yes.

**RFP No. 10-19, Addendum No. 2 – Issue: February 8, 2010**

3.5 *QUESTION. Was last year's scope the same as stated in the RFP(i.e., same reports)?*

**ANSWER: Yes.**

3.6 *QUESTION If applicable How many major programs do you have under the Single Audit Act?*

**ANSWER: Four at this time.**

3.7 *QUESTION If applicable Do you anticipate significant changes in grantors or in federal expenditures? Any changes to the programs?*

**ANSWER: If Santa Cruz METRO is awarded funds in the TIGER Grant Program there would be new reporting requirements.**

3.8 *QUESTION Will the auditor be responsible for preparing the financial statements, editing, printing, and distribution?*

**ANSWER: Auditor will be responsible for everything except distribution which Santa Cruz METRO will do except for PTMISEA Compliance for which the auditor sends out the report.**

3.9 *QUESTION What unique qualifications/characteristics are you looking for in a firm that was not mentioned in the RFP?*

**ANSWER: Please review Part III of the RFP.**

3.10 *QUESTION What are some of your main concerns regarding policies, operations issues, upcoming changes in accounting reporting requirements, etc.?*

**ANSWER: Santa Cruz METRO's new concerns are about PTMISEA compliance, report new OPEB/GASB45 liability reporting.**

3.11 *QUESTION Did your previous auditors have significant deficiencies or material weaknesses? If yes, what were they?*

**ANSWER: No**

3.12 *QUESTION I was interested in getting copies of the following public documents:*

- The most recent executed contract with Brown Armstrong for the audit services
- The related proposal submitted by the same firm

**ANSWER: See Attachment C.**

**4. CHANGES TO RFP TERMS AND CONDITIONS: (NONE)**

**END OF ADDENDUM NO. 2**

Lloyd Longnecker  
Purchasing Agent