Santa Cruz County
Regional Transportation Commission
Measure D Taxpayer Oversight Committee

AGENDA
Tuesday, March 9, 2021
6:00 p.m.
Location: ZOOM

This meeting is being held in accordance with the Brown Act as it is currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20, issued on March 17, 2020 which allows legislative bodies to meet by teleconference. The full executive order can be found here.

Members of the public may not attend this meeting in person. Comments and questions may be shared with the Committee through teleconference audio in real time, or by prior written submission to info@sccrtc.org.

Join Zoom Meeting
Web:
https://us02web.zoom.us/j/87350667041?pwd=bERFNU5uZDBQSml6bVN1TTFqcDgvQT09
Dial-in Number (US): +1 669 900 9128 US (San Jose)
Meeting ID: 873 5066 7041
Passcode: 820009

NOTE:

- *See the last page for details about access for people with disabilities, translation services and meeting broadcasts.*
- *En Español: Para información sobre servicios de traducción al español, diríjase a la última página.*
- *Agendas Online: To receive email notification when the RTC Measure D Taxpayer Oversight Committee meeting agenda packet is posted on our website, please call (831) 460-3200 or visit https://sccrtc.org/about/esubscriptions/*

Taxpayer Oversight Committee Members

Representing	Name
Supervisorial District 1	Sandra Skees
Supervisorial District 2	Michael Machado
Supervisorial District 3	Phillip Hodsdon
Supervisorial District 4	Jenny Sarmiento
Supervisorial District 5	Andre Duurvoort

1. Call to Order

2. Introductions

3. Additions, deletions, or other changes to consent and regular agendas

CONSENT AGENDA

All items appearing on the consent agenda are considered to be minor or non-controversial and will be acted upon in one motion if no member of the Committee or public wishes an item be removed and discussed on the regular agenda. Members of the Committee may raise questions, seek clarification or add directions to Consent Agenda items without removing the item from the Consent Agenda as long as no other committee member objects to the change.

4. Measure D 30-year Revenue Projections – Pg. 6

5. FY19/20 Summary of Revenue and Distribution – Pg. 7

REGULAR AGENDA

6. Overview of Committee Purpose, Scope of Responsibilities, Membership and Composition and Bylaws
   (Shannon Munz, Communications Specialist)
   a. Staff Report – Pg. 8
   b. Attachment
      1. Section 32 of the Measure D Ordinance – Pg. 11
      2. Excerpts of the RTC Rules and Regulations related to Committee Bylaws and the Measure D Taxpayer Oversight Committee – Pg. 13
      3. Rosenburg's Rules of Order – Pg. 18
      4. Brown Act at a Glance – Pg. 28

7. Election of Officers: Committee chair and vice chair

8. Measure D Overview
   (Rachel Moriconi, Sr. Transportation Planner)
   a. Staff Report – Pg. 32
   b. Attachments
      1. Measure D Fact Sheet – Pg. 37
      2. Measure D Ordinance – Pg. 38
      3. Measure D Expenditure Plan – Pg. 53

9. Fiscal Year 2019/2020 (FY19/20) Measure D Audits and Expenditure Reports
   (Tracy New, Fiscal and Rachel Moriconi, Planning)
   a. Staff Report – Pg. 59
   b. Attachments
      1. Consolidated Measure D Expenditure Report Summary FY19/20 – Pg. 64
      2. FY19/20 Reports from recipient agencies, including Audited Financial Statements and Expenditure Reports *(Attachment 2 files are online at: https://sccrtc.org/funding-planning/measured/taxpayer-oversight/)*
         a) City of Santa Cruz – Pg. 68
         b) City of Scotts Valley – Pg. 109
         c) City of Watsonville – Pg. 166
         d) County of Santa Cruz (Audited Financials not included in packet, but are online at this link) – Pg. 217
         e) Community Bridges Lift Line – Pg. 264
         f) Santa Cruz Metropolitan Transit District (METRO) (Audited Financials not included in packet, but are online at this link) – Pg. 351
         g) *Capitola and Regional Project/RTC reports to be reviewed at the next TOC meeting*

10. Oversight Committee Annual Report
    (Shannon Munz, Communications Specialist)
    a. Staff Report – Pg. 363
    b. Attachments
       1. TOC FY18/19 Annual Report – Pg. 365

11. Committee Member and Staff Comments or Questions

12. Public Comment on Matters Not on the Agenda

    Any member of the public may address the Committee on any item within the jurisdiction of the Committee that is not already on the agenda. At the discretion of the chair, the amount of time for oral communications may be limited. Committee members will not take action or respond immediately to any Oral Communications presented, but may choose to follow up at a later time, either individually, or on a subsequent Committee agenda.

    Speakers are requested to state their name clearly so that their names can be accurately recorded in the minutes of the meeting.

13. Next meetings – The next meeting of the oversight committee is scheduled for 6:00 p.m. on March 16, 2021.

14. Adjourn

HOW TO REACH THE RTC OR MEASURE D OVERSIGHT COMMITTEE:
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue, Santa Cruz, CA 95060; phone: (831) 460-3200 / fax (831) 460-3215 / email: info@sccrtc.org / website: www.sccrtc.org

ACCOMMODATIONS FOR PEOPLE WITH DISABILITIES: The Santa Cruz County Regional Transportation Commission does not discriminate on the basis of disability and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. This meeting location is an accessible facility. If you wish to attend this meeting and require special assistance in order to participate, please contact RTC staff at 460-3200 (CRS 800/735-2929) at least three working days in advance of this meeting to make arrangements. People with disabilities may request a copy of the agenda in an alternative format.

SERVICIOS DE TRADUCCIÓN/ TRANSLATION SERVICES: Si gusta estar presente o participar en juntas de la Comisión Regional de Transporte del condado de Santa Cruz y necesita información o servicios de traducción al español por favor llame por lo menos con tres días laborables de anticipo al (831) 460-3200 para hacer los arreglos necesarios. (Spanish language translation is available on an as needed basis. Please make advance arrangements at least three days in advance by calling (831) 460-3200.)

TITLE VI NOTICE: The RTC operates its programs and services without regard to race, color and national origin in accordance with Title VI of the Civil Rights Act. Any person believing to have been aggrieved by the RTC under Title VI may file a complaint with RTC by contacting the RTC at (831) 460-3212 or 1523 Pacific Avenue, Santa Cruz, CA 95060 or online at www.sccrtc.org. A complaint may also be filed directly with the Federal Transit Administration to the Office of Civil Rights, Attention: Title VI Program Coordinator, East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE, Washington, DC 20590.

AVISO A BENEFICIARIOS SOBRE EL TITULO VI: La RTC conduce sus programas y otorga sus servicios sin considerar raza, color u origen nacional de acuerdo al Titulo VI del Acta Sobre los Derechos Civiles. Cualquier persona que cree haber sido ofendida por la RTC bajo el Titulo VI puede entregar queja con la RTC comunicándose al (831) 460-3212 o 1523 Pacific Avenue, Santa Cruz, CA 95060 o en línea al www.sccrtc.org. También se puede quejar directamente con la Administración Federal de Transporte en

la Oficina de Derechos Civiles, Atención: Coordinador del Programa Titulo VI, East Building, 5th Floor-TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590.

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Measure D Transactions & Use Tax - Possible 30-year Revenue Projections for 2022 (February 2021)

					Distribution of Neighborhood Projects Bucket										
Fiscal Year	Annual Estimate	Implemt, Mgmt & Admin	Net for Allocation	Neighborhood Projects 30%	Highways 9 & 17 $15Mtotal	Capitola	Santa Cruz	Scotts Valley	Watsonville	County Unincorp	Highway 25%	SC METRO 16%	Comm Bridges 4%	Trail 17%	Rail 8%
2016-17	***1,152,905***	***346,687***	***806,219***	***241,866***	***41,667***	***11,254***	***45,453***	***9,808***	***30,413***	***103,271***	***201,555***	***128,995***	***32,249***	***137,057***	***64,497***
2017-18	***20,736,450***	***550,282***	***20,186,168***	***6,055,851***	***500,000***	***312,311***	***1,261,406***	***272,192***	***844,000***	***2,865,941***	***5,046,542***	***3,229,787***	***807,447***	***3,431,649***	***1,614,893***
2018-19	***22,180,875***	***738,926***	***21,441,949***	***6,432,585***	***500,000***	***333,405***	***1,348,643***	***290,584***	***901,166***	***3,058,787***	***5,360,487***	***3,430,712***	***857,678***	***3,645,131***	***1,715,356***
2019-20	***21,313,881***	***720,848***	***20,593,033***	***6,177,910***	***500,000***	***314,699***	***1,292,322***	***264,190***	***868,612***	***2,938,086***	***5,148,258***	***3,294,885***	***823,721***	***3,500,816***	***1,647,443***
2020-21	21,691,313	642,503	21,048,810	6,314,643	500,000	307,903	1,319,025	289,529	889,329	3,008,858	5,262,203	3,367,810	841,952	3,578,298	1,683,905
2021-22	22,546,277	667,309	21,878,968	6,563,690	500,000	321,091	1,375,520	301,930	927,420	3,137,730	5,469,742	3,500,635	875,159	3,719,425	1,750,317
2022-23	23,306,492	675,984	22,630,508	6,789,152	500,000	333,030	1,426,665	313,156	961,903	3,254,398	5,657,627	3,620,881	905,220	3,847,186	1,810,441
2023-24	23,679,396	684,772	22,994,624	6,898,387	500,000	338,814	1,451,444	318,595	978,610	3,310,923	5,748,656	3,679,140	919,785	3,909,086	1,839,570
2024-25	24,058,266	693,674	23,364,592	7,009,378	500,000	344,692	1,476,622	324,122	995,586	3,368,357	5,841,148	3,738,335	934,584	3,971,981	1,869,167
2025-26	24,443,198	702,692	23,740,507	7,122,152	500,000	350,663	1,502,204	329,737	1,012,834	3,426,713	5,935,127	3,798,481	949,620	4,035,886	1,899,241
2026-27	24,834,290	711,827	24,122,463	7,236,739	500,000	356,731	1,528,198	335,443	1,030,360	3,486,007	6,030,616	3,859,594	964,899	4,100,819	1,929,797
2027-28	25,231,638	721,080	24,510,558	7,353,167	500,000	362,896	1,554,609	341,240	1,048,167	3,546,255	6,127,639	3,921,689	980,422	4,166,795	1,960,845
2028-29	25,635,344	730,454	24,904,890	7,471,467	500,000	369,161	1,581,445	347,130	1,066,261	3,607,470	6,226,223	3,984,782	996,196	4,233,831	1,992,391
2029-30	26,045,510	739,950	25,305,560	7,591,668	500,000	375,526	1,608,712	353,116	1,084,645	3,669,670	6,326,390	4,048,890	1,012,222	4,301,945	2,024,445
2030-31	26,462,238	749,570	25,712,669	7,713,801	500,000	381,993	1,636,417	359,197	1,103,325	3,732,869	6,428,167	4,114,027	1,028,507	4,371,154	2,057,013
2031-32	26,885,634	759,314	26,126,320	7,837,896	500,000	388,564	1,664,567	365,376	1,122,305	3,797,084	6,531,580	4,180,211	1,045,053	4,441,474	2,090,106
2032-33	27,315,804	769,185	26,546,619	7,963,986	500,000	395,241	1,693,170	371,654	1,141,590	3,862,330	6,636,655	4,247,459	1,061,865	4,512,925	2,123,730
2033-34	27,752,857	779,185	26,973,672	8,092,102	500,000	402,025	1,722,233	378,034	1,161,185	3,928,625	6,743,418	4,315,788	1,078,947	4,585,524	2,157,894
2034-35	28,196,903	789,314	27,407,589	8,222,277	500,000	408,918	1,751,762	384,516	1,181,094	3,995,986	6,851,897	4,385,214	1,096,304	4,659,290	2,192,607
2035-36	28,648,053	799,575	27,848,478	8,354,543	500,000	415,922	1,781,766	391,102	1,201,324	4,064,429	6,962,120	4,455,756	1,113,939	4,734,241	2,227,878
2036-37	29,106,422	809,969	28,296,452	8,488,936	500,000	423,039	1,812,253	397,793	1,221,879	4,133,972	7,074,113	4,527,432	1,131,858	4,810,397	2,263,716
2037-38	29,572,125	820,499	28,751,626	8,625,488	500,000	430,270	1,843,229	404,593	1,242,764	4,204,632	7,187,906	4,600,260	1,150,065	4,887,776	2,300,130
2038-39	30,045,279	831,166	29,214,113	8,764,234	500,000	437,617	1,874,703	411,501	1,263,985	4,276,428	7,303,528	4,674,258	1,168,565	4,966,399	2,337,129
2039-40	30,526,003	841,971	29,684,032	8,905,210	500,000	445,082	1,906,682	418,521	1,285,547	4,349,378	7,421,008	4,749,445	1,187,361	5,046,286	2,374,723
2040-41	31,014,419	852,916	30,161,503	9,048,451	500,000	452,667	1,939,176	425,653	1,307,455	4,423,500	7,540,376	4,825,840	1,206,460	5,127,455	2,412,920
2041-42	31,510,650	864,004	30,646,646	9,193,994	500,000	460,374	1,972,192	432,900	1,329,715	4,498,813	7,661,661	4,903,463	1,225,866	5,209,930	2,451,732
2042-43	32,014,820	875,236	31,139,584	9,341,875	500,000	468,205	2,005,738	440,264	1,352,333	4,575,336	7,784,896	4,982,333	1,245,583	5,293,729	2,491,167
2043-44	32,527,057	886,614	31,640,443	9,492,133	500,000	476,161	2,039,823	447,746	1,375,314	4,653,089	7,910,111	5,062,471	1,265,618	5,378,875	2,531,235
2044-45	33,047,490	898,140	32,149,350	9,644,805	500,000	484,246	2,074,456	455,348	1,398,665	4,732,091	8,037,338	5,143,896	1,285,974	5,465,390	2,571,948
2045-46	33,576,250	909,816	32,666,434	9,799,930	500,000	492,460	2,109,646	463,072	1,422,391	4,812,362	8,166,609	5,226,629	1,306,657	5,553,294	2,613,315
2046-47	31,270,681	921,644	30,349,037	9,104,711	458,333	457,852	1,961,390	430,529	1,322,432	4,474,173	7,587,259	4,855,846	1,213,961	5,159,336	2,427,923
Total	816,328,523	23,485,107	792,843,416	237,853,025	15,000,000	11,852,811	50,561,470	11,068,570	34,072,610	115,297,564	198,210,854	126,854,947	31,713,737	134,783,381	63,427,473

Notes

1. Initial estimate is based on Auditor Controller's estimate of TDA revenues after applying a historical comparison of TDA revenues to SC METRO's transactions and use tax. Beginning in FY 2019-20, the estimate is based on the forecast provided by HDL Services, RTC Measure D analysis, auditing and forecasting consultant.
2. HDL Services 3 year forecast as of February 2021 is $21,691,313 FY2020-21, $22,546,277 (+3.9%) FY2021-22, and $23,306,492 (+3.4%) FY2022-23. Their long-term forecast is an average growth factor of 1.6%.
3. Implementation, management and administration costs are escalated by the assumed growth.
4. The return to source variable is based on the existing transactions and use taxes for each of the cities as compared to the overall Measure D revenues generated to derive an estimate for the unincorporated area.
5. Actual funds received and distributed and actual costs are shown in bolded italic text.
6. FY 2046-47 reduced to 11 revenue payments from the state since one payment was received in FY 2016-17.

SCCRTC
TRANSPORTATION TAX REGIONAL TRANSPORTATION FUND (TTRTF) - MEASURE D
SUMMARY OF REVENUE ALLOCATION BY MONTH
FY2020 ENDING JUNE 30, 2020

	KEY/OBJEC	RATE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	O/H ADJUST	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	TOTAL	YEAR END ADJUSTMENT	ADJUSTED TOTAL
GROSS	729000/40186		2,191,712.62	1,401,059.59	1,983,801.16	2,310,258.96	1,613,583.72	1,827,168.28	0.00	1,879,525.10	2,425,338.01	1,584,808.11	1,481,589.03	922,763.49	1,550,203.92	**21,171,811.99**	0.00	**21,171,811.99**
BOE FEES			-	(62,760.00)	-	-	(62,760.00)	-	-	-	(62,760.00)	-	-	(48,400.00)		**(236,680.00)**	-	**(236,680.00)**
NET			**2,191,712.62**	**1,338,299.59**	**1,983,801.16**	**2,310,258.96**	**1,550,823.72**	**1,827,168.28**	**0.00**	**1,879,525.10**	**2,362,578.01**	**1,584,808.11**	**1,481,589.03**	**874,363.49**	**1,550,203.92**	**20,935,131.99**	**0.00**	**20,935,131.99**
ADMINISTRATION & IMPLEMENTATION - 729100/75381																		
ADMINISTRATION - SALARIES & BENEFITS		**1%**	**21,917.13**	13,383.00	19,838.01	23,102.59	15,508.24	18,271.68	0.00	18,795.25	23,625.78	15,848.08	14,815.89	8,743.63	15,502.04	**209,351.32**	0.00	**209,351.32**
O/H ADMIN			20,163.76	12,312.36	18,250.97	21,254.38	14,267.58	16,809.95	0.00	17,291.63	25,752.10	17,274.41	16,149.32	9,530.56	16,897.22	**205,954.24**	0.00	**205,954.24**
SALARIES & O/H IMPLEME& OVERSIGHT			9,855.87	9,855.87	9,855.87	9,855.87	9,855.87	9,855.87	0.00	9,855.87	9,855.87	9,855.87	9,855.87	9,855.87	9,855.87	**118,270.46**	0.00	**118,270.46**
SERVICES & SUPPLIES			15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	0.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	**180,000.00**	0.00	**180,000.00**
Subtotal			**66,936.75**	**50,551.22**	**62,944.85**	**69,212.84**	**54,631.69**	**59,937.50**	**0.00**	**60,942.75**	**74,233.75**	**57,978.36**	**55,821.08**	**43,130.07**	**57,255.13**	**713,576.02**	**0.00**	**713,576.02**
TO DISTRIBUTE TO INVESTMENT CATEGORIES			**2,124,775.87**	**1,287,748.37**	**1,920,856.31**	**2,241,046.12**	**1,496,192.03**	**1,767,230.78**	**-**	**1,818,582.35**	**2,288,344.26**	**1,526,829.75**	**1,425,767.95**	**831,233.42**	**1,492,948.79**	**20,221,555.97**	**-**	**20,221,555.97**
1. NEIGHBORHOOD - 729200/75382		**30%**	**637,432.76**	**386,324.51**	**576,256.89**	**672,313.83**	**448,857.61**	**530,169.23**	**-**	**545,574.70**	**686,503.28**	**458,048.92**	**427,730.38**	**249,370.03**	**447,884.64**	**6,066,466.79**	**-**	**6,066,466.79**
SLV SR9		Fixed $	27,777.78	27,777.78	27,777.78	27,777.78	27,777.78	27,777.78	0.00	27,777.78	27,777.78	27,777.78	27,777.78	27,777.78	27,777.78	333,333.33	0.00	333,333.33
HWY 17 Wildlife		Fixed $	13,888.89	13,888.89	13,888.89	13,888.89	13,888.89	13,888.89	0.00	13,888.89	13,888.89	13,888.89	13,888.89	13,888.89	13,888.89	166,666.67	0.00	166,666.67
			41,666.67	**41,666.67**	**41,666.67**	**41,666.67**	**41,666.67**	**41,666.67**	**0.00**	**41,666.67**	**41,666.67**	**41,666.67**	**41,666.67**	**41,666.67**	**41,666.67**	**500,000.00**	**0.00**	**500,000.00**
City of Capitola		5.5425%	33,020.43	19,102.71	29,629.74	34,953.71	22,568.62	27,075.33	-	27,929.18	35,740.17	23,078.05	21,397.64	11,511.99	22,514.69	308,522.26	-	308,522.26
City of Santa Cruz		22.7605%	135,599.51	78,445.95	121,675.56	143,538.63	92,678.81	111,185.77	-	114,692.13	146,768.22	94,770.80	87,870.14	47,274.38	92,457.36	1,266,957.29	-	1,266,957.29
City ofScotts Valley		4.6529%	27,720.65	16,036.73	24,874.17	29,343.65	18,946.36	22,729.74	-	23,446.55	30,003.87	19,374.02	17,963.32	9,664.32	18,901.09	259,004.47	-	259,004.47
City of Watonville		15.2981%	91,140.90	52,726.11	81,782.16	96,477.05	62,292.49	74,731.62	-	77,088.37	98,647.76	63,698.58	59,060.42	31,774.67	62,143.64	851,563.77	-	851,563.77
County of Santa Cruz		51.7459%	308,284.60	178,346.35	276,628.59	326,334.14	210,704.67	252,780.11	-	260,751.81	333,676.59	215,460.80	199,772.20	107,478.00	210,201.20	2,880,419.06	-	2,880,419.06
		100%	**595,766.10**	**344,657.85**	**534,590.23**	**630,647.17**	**407,190.95**	**488,502.57**	**0.00**	**503,908.04**	**644,836.62**	**416,382.26**	**386,063.72**	**207,703.36**	**406,217.97**	**5,566,466.85**	**0.00**	**5,566,466.85**
2. HWY Corridors - 729300/75383		**25%**	**531,193.97**	**321,937.09**	**480,214.08**	**560,261.53**	**374,048.01**	**441,807.69**	**-**	**454,645.59**	**572,086.06**	**381,707.44**	**356,441.99**	**207,808.36**	**373,237.20**	**5,055,388.99**	**-**	**5,055,388.99**
3. TRANSIT/PARATRANSIT - 729400/75384		**20%**	**424,955.17**	**257,549.67**	**384,171.26**	**448,209.22**	**299,238.41**	**353,446.16**	**-**	**363,716.47**	**457,668.85**	**305,365.95**	**285,153.59**	**166,246.68**	**298,589.76**	**4,044,311.19**	**-**	**4,044,311.19**
Santa Cruz Metro (SCMTD) 16%		80%	339,964.14	206,039.74	307,337.01	358,567.38	239,390.73	282,756.92	-	290,973.18	366,135.08	244,292.76	228,122.87	132,997.35	238,871.81	3,235,448.96	-	3,235,448.96
Community Bridges - 4%		20%	84,991.03	51,509.93	76,834.25	89,641.84	59,847.68	70,689.23	-	72,743.29	91,533.77	61,073.19	57,030.72	33,249.34	59,717.95	808,862.24	-	808,862.24
4. ACTIVE TRANSPORTATION - 729500/75385		**17%**	**361,211.90**	**218,917.22**	**326,545.57**	**380,977.84**	**254,352.65**	**300,429.23**	**-**	**309,159.00**	**389,018.52**	**259,561.06**	**242,380.55**	**141,309.68**	**253,801.29**	**3,437,664.52**	**-**	**3,437,664.52**
5. RAIL CORRIDOR - 729600/75386		**8%**	**169,982.07**	**103,019.87**	**153,668.50**	**179,283.69**	**119,695.36**	**141,378.46**	**-**	**145,486.59**	**183,067.54**	**122,146.38**	**114,061.44**	**66,498.67**	**119,435.90**	**1,617,724.48**	**-**	**1,617,724.48**
DISTRIBUTED TO INVESTMENT CATEGORIES		**100%**	**2,124,775.87**	**1,287,748.37**	**1,920,856.31**	**2,241,046.12**	**1,496,192.04**	**1,767,230.78**	**-**	**1,818,582.35**	**2,288,344.26**	**1,526,829.75**	**1,425,767.95**	**831,233.42**	**1,492,948.79**	**20,221,556.03**	**-**	**20,221,556.03**
TOTAL ADMIN & IMPLEM AND INVESTMENT CATEGORIES			**2,191,712.63**	**1,338,299.59**	**1,983,801.17**	**2,310,258.97**	**1,550,823.72**	**1,827,168.28**	**0.00**	**1,879,525.11**	**2,362,578.02**	**1,584,808.11**	**1,481,589.03**	**874,363.49**	**1,550,203.92**	**20,935,132.05**	**0.00**	**20,935,132.05**

I:\FISCAL\Measure D\2Distribution To Investment Category\FY2020\[FY2020 12 June 2020 Measure D Distribution.xlsx]Summary

Reflects cash basis

AGENDA: March 9, 2021

TO: Measure D Taxpayer Oversight Committee

FROM: RTC Staff

RE: Oversight Committee Purpose, Scope of Responsibilities, Membership and Composition, and Bylaws

---

RECOMMENDATIONS

Staff recommends that the Measure D Taxpayer Oversight Committee:

1. Review Section 32 of the voter-approved Measure D Ordinance related to the Independent Oversight Committee (Attachment 1);

2. Review the Bylaws for Commission Committees and the Measure D Taxpayer Oversight Committee description (Attachment 2).

BACKGROUND

Measure D includes a number of safeguards, audits and accountability provisions to protect Santa Cruz County taxpayers' investment. The Regional Transportation Commission (RTC), as the Measure D Authority, is responsible for forming the oversight committee.

DISCUSSION

Committee Purpose

Per Section 32C (Attachment 1) of the voter approved ballot measure, the oversight committee is tasked with the following responsibilities:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
- Producing a publicly available Annual Report of oversight activities.

Committee Bylaws

The Measure D Oversight Committee is subject to the committee bylaws and description included in the RTC's Rules and Regulations. The Rules and Regulations cover the purpose, responsibilities and membership of the committee as established by voter approved Measure D. State requirements to satisfy the Brown Act are also addressed along with terms of service and quorum.

Committee Composition

Measure D limits the oversight committee membership to five (5) members who must reside in Santa Cruz County. In order to ensure representation of residents throughout the county, the bylaws establish that one resident from each of the five county supervisorial districts will compose the committee. Measure D also states that committee members:

- Cannot be elected officials of any government;
- Cannot be employees of any agency or organization that either oversees or implements projects funded from the proceeds of Measure D;
- Will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County; and
- Include at least one person with an accounting or fiscal management background.

The applications for committee membership asked applicants to provide information on how they may represent the social, cultural and economic diversity of the county. The application also asked applicants to provide information regarding their accounting and fiscal management background. This information was used by the RTC when it chose three new members to appoint to the committee and two current members to reappoint at its February 4, 2021 meeting.

Conduct of Meetings

Consistent with RTC Rules and Regulations, the Oversight Committee meetings are subject to the California Brown Act and shall be conducted in accordance with the principles of "Rosenberg's Rules of Order" (Attachment 3). A summary of the Brown Act is included as Attachment 4. The Brown Act or "Open Meeting Law" was enacted to guarantee the public's right to attend and participate in meetings of local agencies.

Meeting Schedule

The ordinance limits the total number of oversight committee meetings to no more than four per year. Oversight committees for many other ballot measures meet one or two times per year. Committee activities are expected to focus on review of audits and prior year expenditures. It is expected that audited expenditure information will be available for committee review in the February-April timeframe each year. Reports of prior year expenditures are due from recipient agencies by December 31, after which they will be under audit.

SUMMARY

Measure D requires the formation of an oversight committee and addresses duties, membership, and number of meetings per year for the committee. Staff recommends the Measure D Oversight Committee review bylaws and other materials related to the committee.

Attachments:
1. Section 32 of the Measure D Ordinance

2. Excerpts of the RTC Rules and Regulations related to Committee Bylaws and the Measure D Taxpayer Oversight Committee
3. Rosenburg's Rules of Order
4. Brown Act at a Glance

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Measure D Ordinance:
Section 32. TAXPAYER SAFEGUARDS, AUDITS, AND ACCOUNTABILITY.

Accountability is of utmost importance in delivering public investments with public dollars. In order to ensure accountability, transparency and public oversight of all funds collected and allocated under this Measure and to comply with state law, all of the following shall apply:

A. Annual Report. Each agency receiving Measure Revenue shall annually adopt, after holding a public hearing, an annual report which includes 1) a five-year program of projects including information about each of the projects to be funded with Measure Revenues allocated according to the Expenditure Plan. Local and regional agencies shall submit their program of projects to the Authority in a format that can be easily understood by members of the public. 2) Description of expenditures of Measure Revenues from the most recently completed fiscal year. The purpose of requiring the most recently completed fiscal year expenditures is to allow the Authority to prepare a comprehensive report to the public on the expenditure of funds generated by this Ordinance.

B. Annual Audit. No less than annually, an independent annual audit shall be conducted of the expenditure of all funds generated by the transportation tax. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with this Plan as adopted by the voters in approving the Ordinance on November 8, 2016. The Authority will also prepare a publicly available annual report on past and upcoming activities and publish an annual financial statement.

C. Independent Oversight Committee. An Independent Oversight Committee shall be formed by the Board of Directors of the Authority to review the annual independent fiscal audit of the expenditure of the Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance to the Authority Board of Directors. The total membership of the Independent Oversight Committee shall not exceed five (5) members and any vacancy which may occur from time to time shall be filled by the Board of Directors of the Authority as soon as reasonably possible.

Members of the Independent Oversight Committee shall be residents of Santa Cruz County who are neither elected officials of any government, nor employees from any agency or organization that either oversees or implements projects funded from the proceeds of the sales tax. Members will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County to ensure maximum benefit for transportation users. The Committee shall include at least one person with an accounting or fiscal management background.

Independent Oversight Committee meetings will be announced in advance and will be open to the general public. The Independent Oversight Committee shall meet at least once but no more than four times per year.

The responsibilities of this Committee include:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
- Produce a publicly available Annual Report of Oversight Activities.

D. Decisions regarding implementation of this Ordinance will be made by the Authority in public meetings, subject to the Brown Act.

Excerpts from RTC Rules & Regulations: Committee Bylaws and Measure D Oversight Committee

Exhibit 2

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
Bylaws for Commission Committees
August 17, 2017

CREATION OF COMMITTEES

As needs arise, the Santa Cruz County Regional Transportation Commission (Commission) can establish working Committees to serve as advisory or oversight bodies to the Commission for any designated length of time. Such Committees will adopt the bylaws below, as approved by the Commission, for rules and procedures.

PURPOSES, POWERS AND DUTIES

A separate attachment describing the purpose, membership, quorum and meeting frequency and location of each authorized Committee is included with these bylaws.

MEMBERSHIP

Consistent with state law and local ordinance, the Commission shall designate the number of members and affiliations to serve on each Committee at the Commission's pleasure. Committees may include Commissioners and non-Commission members, representatives from other agencies and jurisdictions, and members of the general public as deemed appropriate by the Commission, state statute, or local ordinance. For each committee, an individual may be appointed to one membership seat only, as either member or alternate.

APPOINTMENTS

Commissioner appointments to Committees with RTC board member membership are made by the Commission Chair with the concurrence of the Commission. The Chair shall ensure fair Committee representation by the entities represented on the Commission itself. Non-Commissioner appointments to agency membership slots for Committees are made by the represented agency. Each represented agency shall inform the Commission in writing of its appointment. Appointments of members of the general public to Committees are made by the Commission based on an open application process and consistent with state law and local ordinance. Each of the cities and each member of the Board of Supervisors are encouraged to nominate members to the Bicycle Advisory Committee and the Elderly and Disabled Transportation Advisory Committee. The nominations are limited to representation for the appointing entity’s jurisdiction. The nominations will be considered along with any other applications for the seats to be filled. Current membership lists shall be maintained by the Commission's Executive Director.

Commissioner appointments to committees shall be made annually at the March Commission meeting by the Chair with concurrence of the Commission. When a Commissioner vacancy on a

Committee is created, the Commission Chair shall make an interim appointment with concurrence of the Commission at the next meeting.

ALTERNATES

Commissioners' designated alternates shall serve as their alternates on Committees. Alternates for non-Commissioner committee member seats shall be appointed in the same manner as appointments to the corresponding regular membership slot.

VACANCIES

A vacancy may be created when an appointed member of the Committee misses three consecutive regular meetings without good cause so entered in the minutes. A vacancy shall be created when due to death, disability, or extenuating circumstances, an appointed member can no longer carry out responsibilities; when an appointed member resigns as a Committee member; or when a Commissioner appointed to a Committee resigns from the Commission. Vacancies are to be filled in the same manner as the original appointments were made.

Commission staff shall notify Committee members when they have missed two consecutive meetings without good cause so entered in the minutes, in order to inform them of the potential creation of a vacancy.

For membership slots filled by members of the public, Commission staff shall advertise the opening on the Commission website and in other manners as to notify the public of the membership opportunity.

The membership structure, including alternates and ex-officio members, of each Committee is included as separate attachments to these bylaws.

COMMITTEE MEMBERS ATTENDANCE RESPONSIBILITIES

A Committee Member on a given Committee shall be responsible for contacting his or her Alternate in the event the Committee Member cannot attend a scheduled meeting.

A Committee Member or Alternate on a given Committee shall be responsible for notifying staff 24 hours prior to the meeting that the Alternate will be serving as the representative to that Committee on behalf of the Committee Member or that neither the member nor alternate will be in attendance.

Should a Committee Member comply with the above (contacting the Alternate and notifying staff), in the event the Alternate does not attend the meeting, it will be noted in the minutes that the Committee Member is excused.

Should a Committee Member fail to notify staff that his or her Alternate will be serving as the representative to the Committee, and should the Alternate not be in attendance at the meeting, the Committee Member shall be entered in the minutes as absent without cause and subject to the Vacancies requirement.

ALTERNATES ATTENDANCE RESPONSIBILITIES

An Alternate shall be required to attend Committee meetings only in the event that his or her Committee Member is unable to attend; however, the Alternate may attend and may participate as a member of the public (but may not vote) at Committee meetings even if the Committee Member is present.

TERMS OF OFFICE

Commissioners appointed to Committees shall serve a term of one year, and continue to serve until a new appointment is made. Non- Commissioner members of Committees shall serve three year terms. Alternates shall serve a term that coincides with the term of the committee member for whom they are an alternate. Terms of office for all Committee members are renewable by the Commission. At its discretion the Commission may review and change Committee appointments at any time.

OFFICERS

A Chairperson and Vice Chairperson for each Committee shall be elected to serve for a term of one or two years. The Chairperson shall preside at all meetings of the Committee. The Chairperson shall maintain order and decorum at the meetings, decide all questions of order, and announce the Committee's decisions. The Vice Chairperson shall perform the duties of the Chairperson in his or her absence. In the event both officers are absent from the Committee, the majority of quorum may appoint a presiding officer for that meeting. All officers shall continue in their respective offices until their successors have been elected and have assumed office.

COMMITTEE STAFF

The Executive Director of the Commission shall appoint a staff member to serve as the primary staff to each Committee.

ORGANIZATION AND PROCEDURES

a) Meetings. Committee meetings are to be open and public in compliance with the Ralph M. Brown Act (Government Code Section 54950 et seq.). The meetings are to be held in a freely accessible location in order to facilitate the attendance of disabled members of the Committee and community in general. The scheduled meeting time for each committee is listed on the separate attachments but may be changed at the decision of a quorum of the Committee. The date, time and place of the meeting may also occasionally be changed due to availability of members or timeliness of agenda items.

b) Quorum. A majority of the voting members shall constitute a quorum for the transaction of business. No official action shall be taken during any Committee meeting at which a quorum is not present. No act of a Committee shall be valid unless a majority of the members present concur therein.

c) Voting. Voting on all matters shall be on a voice vote unless a roll call vote is requested by any member in attendance. Ex officio members of the Committee shall not be eligible to vote although they may participate freely in any and all discussions of the Committee.

d) Agenda. Except as otherwise specified, all Committees shall comply with the notice and agenda requirements applicable to the Commission. All issues requiring a vote or Committee discussion must be included on the meeting's agenda. Written materials concerning these items must be included in the agenda packet of the meeting for which that item is scheduled for discussion. A Committee member may request that an issue not on the agenda be put on the next meeting's agenda for discussion and/or vote. By majority vote, the Committee may approve continuation of an agendized item to the next meeting.

Members who wish to place items on the agenda shall notify commission staff and provide appropriate documentation to staff at least two weeks prior to the meeting except for emergency items considered pursuant to requirements of the Brown Act.

e) Limitation of Discussion. Discussion on any particular matter by either Committee members or by any member of the general public may be limited, at the discretion of the Chairperson, to such length of time as the Chairperson may deem reasonable under the circumstances.

f) Conduct of Meetings. The meetings are to be conducted in accordance with the principles of Rosenberg's Rules of Order (see Exhibit 11).

g) Minutes. Official minutes recording the members and visitors present, motions entertained, actions taken, and the votes cast at each Committee meeting, shall be prepared by staff and submitted to the Committee for approval and to the Commission for its acceptance.

h) Oral Communications. A time for Oral Communications will be included on all agendas to hear comments from non-committee members on items not on the Committee agenda but within the jurisdiction of the Committee's business. Permission to address the Committee must first be secured from the Presiding Officer. The general time limit is three minutes, unless more time is granted by the presiding officer. Matters raised during oral communications, or at other times, which require further information or investigation can be referred by the Committee to staff, and if action is required, placed on a future agenda.

i) Bylaws. The information set forth herein shall be deemed sufficient to serve as the bylaws for the Commission's Committees subject to approval by the Commission. The committee descriptions included in the Commission's Rules and Regulations can be amended by a majority vote of the subject committee's members with approval by the Commission.

CONFLICTS OF INTEREST

A member of the Commission or its committees is prohibited from participating in a governmental decision, including, but not limited to the making of a contract, in which he or she has a financial interest.

Exhibit 2A

Committee: **MEASURE D TAXPAYER OVERSIGHT COMMITTEE**

Committee Objectives: Review the annual independent fiscal audit of the expenditure of the Measure D Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance.

1. Review Measure D Expenditure Plan expenditures on an annual basis to ensure that they conform to the Measure D Ordinance;

2. Review the annual audit and report prepared by an independent auditor, describing how funds were spent; and

3. Produce a publicly available Annual Report of Oversight Activities issued to the Regional Transportation Commission with findings regarding compliance with the requirements of Measure D and its Expenditure Plan.

Committee Membership: The total membership shall not exceed five (5) members. Members shall be residents of Santa Cruz County who are neither elected officials of any government, nor employees from any agency or organization that either oversees or implements projects funded from the proceeds of the sales tax. Members will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County to ensure maximum benefit for transportation users. The Committee shall include at least one person with an accounting or fiscal management background.

One resident from each of the five county supervisorial districts = 5

Appointments: Appointments shall be made by the Regional Transportation Commission. Any vacancy which may occur from time to time shall be filled by the Board of Directors of the Authority as soon as reasonably possible.

Term: Members will serve without compensation for a term of two (2) years and may be reappointed up to three (3) times. Members will not serve more than two (2) consecutive terms, if there are other eligible applicants for the position.

Quorum: A quorum is three members, assuming that there are no vacant positions. If there are vacant positions, a quorum will be the lowest whole number representing more than fifty percent (50%) of filled positions.

Meeting Frequency and Time: The Measure D Oversight Committee shall meet at least once but no more than four times per year. Meetings will be announced at least 72 hours in advance and will be open to the general public.

Meeting Location: The Regional Transportation Commission conference room at 1523 Pacific Avenue in Santa Cruz unless otherwise announced at least 72 hours in advance.

Excerpts from:S:\RULESREG\2017 Rules&Regs\Aug. 2017\08.2017 RulesandReg-APPROVED FINAL.docx

Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg

LEAGUE® OF CALIFORNIA CITIES

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About the Author

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

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Introduction

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the "ayes" and then asking for the "nays" normally does this. If members of the body do not vote, then they "abstain." Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: "The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body."

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member's desired approach with the words "I move … "

A typical motion might be: "I move that we give a 10-day notice in the future for all our meetings."

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion,** for example, "A motion at this time would be in order."
2. **Suggesting a motion to the members of the body,** "A motion would be in order that we give a 10-day notice in the future for all our meetings."
3. **Making the motion.** As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body's consideration. A basic motion might be: "I move that we create a five-member committee to plan and put on our annual fundraiser."

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So if a member makes what that member calls a "motion to amend," but the chair determines that it is really a "substitute motion," then the chair's designation governs.

A "friendly amendment" is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, "I want to suggest a friendly amendment to the motion." The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed,* the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on "hold." The motion can contain a specific time in which the item can come back to the body. "I move we table this item until our regular meeting in October." Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, "I move the previous question" or "I move the question" or "I call the question" or sometimes someone simply shouts out "question." As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a "request" rather than as a formal motion. The chair can simply inquire of the body, "any further discussion?" If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the "question" as a formal motion, and proceed to it.

When a member of the body makes such a motion ("I move the previous question"), the member is really saying: "I've had enough debate. Let's get on with the vote." When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: "I move we limit debate on this agenda item to 15 minutes." Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item.* This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, "I move the previous question," or "I move the question," or "I call the question," or "I move to limit debate," it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it's pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the "no" votes and double that count to determine how many "yes" votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote "no" then the "yes" vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote "abstain" or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of "those present" then you treat abstentions one way. However, if the rules of the body say that you count the votes of those "present and voting," then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are "present and voting."

Accordingly, under the "present and voting" system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are "present"), but you treat the abstention votes on the motion as if they did not exist (they are not "voting"). On the other hand, if the rules of the body specifically say that you count votes of those "present" then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like "no" votes.

How does this work in practice?
Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are "present and voting." If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three "yes," one "no" and one "abstain" also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members "present." Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a "no" vote. Accordingly, if the votes were three "yes," one "no" and one "abstain," then the motion fails. The abstention in this case is treated like a "no" vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an "abstention" vote? Any time a member votes "abstain" or says, "I abstain," that is an abstention. However, if a member votes "present" that is also treated as an abstention (the member is essentially saying, "Count me for purposes of a quorum, but my vote on the issue is abstain.") In fact, any manifestation of intention not to vote either "yes" or "no" on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote "absent" or "count me as absent?" Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually "absent." That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, "point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be, "point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.

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The Ralph M. Brown Act at a Glance

The Brown Act or "Open Meeting Law" is officially known as the Ralph M. Brown Act and is found in the California Government Code § 54950 et seq. 1. The Brown Act was enacted in 1953 to guarantee the public's right to attend and participate in meetings of local legislative bodies, and as a response to growing concerns about local government officials' practice of holding secret meetings that were not in compliance with advance public notice requirements. The Brown Act is pivotal in making public officials accountable for their actions and in allowing the public to participate in the decision making process.

Who is Governed by the Brown Act?

The Brown Act governs local agencies, legislative bodies of local government agencies created by state or federal law and any standing committee of a covered board or legislative body, and governing bodies of non-profit corporations formed by a public agency. Examples of these would be city council, county board of supervisors, special district, school boards, standing committees, and even some types of Home Owners Associations (if they were created by a public entity and constituted as some sort of public district.)

What is a "Meeting?"

A meeting, as defined by the Brown Act, is "any congregation of a majority of the members of a legislative body at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the legislative body" (§ 54952.2 (a)). For instance, when the quorum for an oversight committee reaches the number necessary to be a majority (i.e. 3 out of 5), that is considered a meeting under the Brown Act. Also, when the same or a greater number of supervisors are attending a social gathering, for which no meeting notice was given, and they start discussing business under the jurisdiction of their legislative body, that would be considered a meeting that falls under Brown Act regulations.

The key elements for a meeting are quorum and discussion, hearing or deliberation of issues; the meeting needs not to be formally convened in order to be subject to the act. That means that "informal", "study," "discussion," "informational," "fact-finding," or "pre-council" gatherings of a quorum of the members of a board are within the scope of the Act as meetings.

Exceptions (Meetings Not Covered by the Brown Act)

Conferences and retreats, other public meetings, meetings of other legislative bodies, social or ceremonial events are exempt from the Brown Act provided that legislative members follow certain rules such as limiting the discussion to the agenda in the conference; or that legislative members do not discuss amongst themselves business of their legislative body. Regulations for these exceptions to meetings are contained in § 54952.2(c). Also excluded from the application of the Brown Act are individual contacts or conversations between a member of a legislative body and any other person (§ 54952.2(c) (1). Any other person is defined as a non-staff or non-board member.

Serial Meetings

The Brown Act explicitly prohibits the use of "direct communication, personal intermediaries, or technological devices that is employed by a majority of the members of the legislative body to develop a collective concurrence as to action to be taken on an item by the members of the legislative body" (§ 5495.2(b)). Serial meetings involve communication between members of a legislative body that are less than a quorum, but when all participants are considered, it constitutes a majority. "For example, a chain of communications involving contact from member A to member B who then communicates with member C would constitute a "serial meeting" … Similarly, when a person acts as the hub of a wheel (member A) and communicates individually with the various spokes (members B and C), a serial meeting has occurred. In addition, a serial meeting occurs when intermediaries for board members have a meeting to discuss issues.

For example, when a representative of member A meets with representatives of members B and C to discuss an agenda item, the members have conducted a serial meeting. In Stockton Newspapers, Inc. v. Redevelopment Agency (1985) 171 Cal.App.3d 95, the Court concluded that a series of telephone conversations conducted by the agency's attorney as an intermediary constituted a meeting within the scope of the Brown Act. (See also, 65 Ops.Cal.Atty.Gen. 63 (1982); 63 Ops.Cal.Atty.Gen. 820 (1980))."3 Thus, the use of email to create consensus among the legislative members might be in violation of the Brown Act.

Teleconference Meetings

The Brown Act allows teleconference meetings if they comply with the following specifications:

• The teleconference location is accessible to the public and it is noted in the agendas;
• The meeting is useful to the public and the legislative body;
• All votes are taken by roll call, and;
• At least a quorum of the members of the legislative body are located within the boundaries of the territory over which it exercises jurisdiction (§ 54953(b)).

Closed Sessions

The Brown Act allows closed sessions under the scope of a regular meeting. It stipulates that they shall comply with agenda posting and be held within the jurisdiction of the legislative body (§ 54954), which shall include a description of the items to be discussed (§ 54954.2). In addition, prior to holding any closed session, the legislative body shall disclose, in an open meeting, the item or items to be discussed in the closed session (§ 54957.7). Items that can be discussed by the legislative body are according to § 54954.5:

- License or permit determination (§ 54956.7)
- Conference with real property negotiators (§ 54956.8)
- Conference with legal counsel regarding existing or anticipated litigation (§ 54956.9)
- Liability claims (§ 54956.95)
- Threat to public services or facilities (§ 54957(a))
- Public employee appointment, employment, performance evaluation, discipline, dismissal or release (§ 54957(b))
- Conference with labor negotiators (§ 54957.6)

- Case review or planning (§ 54957.8)
- Report involving trade secret or hearings (§ 54956.87, California Health and Safety code §§1461,32106 and 32155; or California Government Code §§ 37606 and 37624.3)
- Charge or complaint involving information protected by federal law (§ 54956.86).
- The legislative body should publicly report actions, along with the vote and abstention count, taken as result of a closed session (§ 54957.1). Documentation relative to the reports should be available to any person on the next business day following the meeting (§ 54957.1(c)).

Special Meetings

Either the presiding officer or the majority of members of the legislative body may call special meetings at any time by delivering each of its members a written notice and by notifying the media (which has previously requested notification of special meetings): the notice shall be received at least 24 hours in advance before the meeting. Special meetings notice shall be also posted at least 24 hours prior to the meeting and it should be held in a location that is freely accessible to members of the public. The discussions at the special meeting are limited to the issues posted in the agenda. No other business shall be considered (§ 54956).

What Rules Must a Meeting Follow?

Local agencies, in order to comply with the Brown Act, shall:

Hold open and public meetings (§ 54953 (a)). In addition, no legislative body shall conduct any meeting in a facility that prohibits the admittance of any person(s) on the basis of: race, religion, color, national origin, ancestry, sex; or that is inaccessible to disabled persons, or where the public, in order to gain access to the facility, needs to pay or purchase something (§ 54961 (a)).

- Vote publicly, no secret ballots are allowed (§ 54953 (c)).
- Comply with the protections and prohibitions of Section 202 of the Americans with Disabilities Act of 1990 (§ 54953.2).
- NOT require public registration, as a condition for attendance; the public is not required to register, provide any other information –such as self-identification--, or fulfill any condition precedent to its attendance. If an attendance list is circulated, it shall clearly state that the signing, registering, or completion of the document is voluntary (§ 54953.3)
- Allow recording of the proceeding (video tape, audio tape) provided that recording is done in an undisruptive way (§ 54953.5)
- NOT prohibit or restrict broadcasting unless there is a finding that this would be disruptive to the proceedings (§ 54953.6)
- Post notice of meetings, information shall include specified time and location, except for advisory or standing committees (§ 54954 (a)
- Post agendas at least 72 hours in advance of the meeting and it shall contain a brief general description of each item of business (§ 54954.2(a))
- NOT take action or discuss any item not appearing on the posted agenda except under certain conditions (§ 54954.2(a), conditions appear on subsection (b)) \
- Hold meetings in the jurisdiction of the legislative body (§54954 (b))

- Allow and honor any person's request to provide and mail a copy of the agenda at the time the agenda is posted (at least 72 hours in advance) or of all the documents of the agenda packet of any meeting (§ 54954.1)
- Provide an opportunity for comment from members of the public to directly address the legislative body on any item of interest to the public on every agenda for regular meetings (§ 54954.3(a))
- Allow public criticism of the legislative body (§ 54954.3(c))
- Hold at least one public meeting, allowing for public comment, before adopting any new or increased general tax or increased assessment, and
- the legislative body shall provide at least 45 days public notice of such meeting (§ 54954.6)5
- Not charge fees for the attendance to a meeting or for carrying out any provision in the Brown Act (§ 54956.6). The only exception is when legislative bodies are allowed to charge a fee that covers the cost of mailing an agenda or agenda packet (§ 54954.1). A related requirement is found on § 54961(a) that prohibits meetings in a place where the public needs to pay or purchase something
- Disclose to the public agendas of public meetings and any other writings, when distributed to all, or a majority of all, of the members of a legislative body of a local agency. In addition, under the California Public Records Act these documents shall be made available upon request and without delay (§ 54957.5)
- Preserve the order in meetings. Moreover, if a group willfully interrupts a meeting and the order can only be restored by the removal of disruptive individuals, then the legislative body may order the meeting room to be cleared. The session might be reinitiated and representatives of the media shall be allowed to stay and attend the session. The legislative body may also establish a procedure for readmitting individual(s) not responsible for the disruptive conduct that caused the meeting room to be cleared (§ 54957.9).

Violations of the Brown Act

Each member of a legislative body who has taken action in violation of any provision of the Brown Act, and where there was willful deprivation of information to the public, is guilty of a misdemeanor (§ 54959). Civil remedies (injunction, mandamus, declaratory relief and voiding past actions of the body) are provided in case of violation of the Brown Act (§§ 54960 and 5490.1) pursuant to §§ 54953, 54954.2, 54954.5, 54954.6, 54956, and 54956.5 (that is, for violations to requirements for: general open meeting, agenda posting, closed sessions, tax and assessment, special meetings and, emergency meetings). A court may award court costs and reasonable attorney fees to the plaintiff in an action brought pursuant to §§ 54960 and 5490.1.

In order to correct a violation to the Brown Act, a complaint to cure and correct has to be filed by the interested party:

- within 30 days of the date the action was taken during an open meeting and in violation of agenda requirements
- Within 90 days of the date the action was taken for all other cases
- Once the legislative body has received the complaint, it has 30 days to cure or correct the challenged action, if it fails to do so, a person then may file suit to void the action (§ 54960.1.)

AGENDA: March 9, 2021

TO: Measure D Taxpayer Oversight Committee

FROM: Rachel Moriconi, Senior Transportation Planner

RE: Measure D Overview

RECOMMENDATIONS

This item is for information only.

BACKGROUND

Transportation funding has not kept pace with the costs to operate, maintain, and improve the local transportation system. In November 2016, Santa Cruz County voters took a major step to address at least some of the shortfall by passing Measure D, a local half percent sales tax dedicated to transportation investments. Measure D revenues help maintain and improve local roads, highways, bridges, sidewalks, bicycle facilities, and transit. Measure D secured more than the 2/3 majority needed to pass, with 83,816 "yes" votes or 67.78% of the votes cast on Measure D. The RTC website www.sccrtc.org/move provides additional information on Measure D.

DISCUSSION

Development of Measure D

Recognizing the backlog of transportation needs in Santa Cruz County, the Regional Transportation Commission (RTC) worked with the community for over a decade to evaluate funding mechanisms that would provide local, independent, secure revenue that can be used to leverage state and federal grants. The RTC and others solicited input from a broad cross section of community groups, local jurisdictions, transportation providers, and the community at large through a Transportation Funding Task Force, workshops, public meetings, stakeholder group meetings, presentations, and polls of likely voters. Based on this extensive community input, the RTC prepared an investment plan to repair and maintain local streets and roads; preserve transportation services for seniors and people with disabilities; make traveling safer for drivers, buses, pedestrians and bike riders; preserve and maintain the rail corridor; build the coastal rail trail; improve traffic flow and reduce congestion. The resulting ½-cent sales tax ballot measure allows agencies to meet more of the community's transportation needs with dependable local funding sources. A summary of Measure D is included as Attachment 1.

Ordinance
The Regional Transportation Commission, as the Local Transportation Authority (Authority) under Public Utilities Code 180000, was responsible for placing the countywide tax measure on the ballot. The Measure D Ordinance (Attachment 2) is the full text of the Measure D ballot measure, which provides details regarding implementation of the measure. The full text was included in the voter pamphlet that each registered voter received from the County Elections Office. Most sections of the ordinance are common to transportation sales tax ballot measures throughout the state, and include clauses which were mandated by state law or the California Board of Equalization. This common language governs the levying and collection of a sales tax (technically, a "retail transaction and use tax") by a Local Transportation Authority and expenditure of revenues according to an expenditure plan, which is an exhibit to the ordinance (Attachment 3).

The ordinance also includes other standard financial provisions, such as the ability of the Authority (RTC) to issue bonds. In general, while several agencies are recipients of funds generated by the tax, the RTC, as the taxing Authority, is responsible for administration, allocation, oversight and reporting on implementation of the measure.

Expenditure Plan
The voter-approved Expenditure Plan or investment plan (Attachment 3) is a component of the larger Ordinance. It is the plan for the expenditure of revenues expected to be derived from the tax, together with other federal, state, and local funds expected to be available for transportation projects and programs over next 30 years. The Expenditure Plan splits Measure D revenues between five categories of projects: neighborhood projects (30% of net measure revenues), highway corridors (25%), transportation for seniors and people with disabilities (20%), active transportation (17%), and the rail corridor (8%). In accordance with requirements set forth in the Ordinance, RTC amended the Expenditure Plan in 2020 to clarify that eligible uses of Highway Corridor funds include bus-on-shoulder facilities and auxiliary lanes between Freedom Boulevard and State Park Drive.

Distribution of Funds
Projects and programs funded in the Expenditure Plan will be implemented over the 30-year time horizon of the Transportation Tax. Investments funded by the Expenditure Plan include:

i. Investment categories which are allocated a percentage of net revenues (highway, active transportation, rail, etc.);
ii. Investments which are allocated specific dollar amounts: San Lorenzo Valley - $10 million and Highway 17 Wildlife Crossing - $5 million over 30 years;

iii. Ongoing direct allocations of a percentage of net revenues distributed to cities, the County of Santa Cruz, and transit operators for capital projects and operations (neighborhood and transit categories).

RTC is required to distribute revenues no less than quarterly to local jurisdictions, the Santa Cruz Metropolitan Transit District, and the Consolidated Transportation Service Agency based on the formulas set forth in the Expenditure Plan. RTC allocates, administers and oversees the expenditure of all Measure Revenues which are not directly allocated by formula annually to other agencies, though the RTC may allocate those funds to other agencies to implement specific projects. In 2017 recipient agencies signed agreements which provide guidance on compliance with the Measure D Ordinance.

Agencies implementing the Expenditure Plan projects may accumulate revenue over multiple years so that sufficient funding is available for larger and long-term projects. Any interest income earned on funds allocated pursuant to this ordinance must be expended only for the purposes for which the funds were allocated.

Eligible Uses of Measure Funds

Measure D revenue, including any interest or other earnings thereon, may only be used for transportation purposes described in the Ordinance and Expenditure Plan, these include:

- **Capital:** Construction, acquisition, maintenance, and operation of streets, roads, highways, including local roads, state highways and public transit systems.
- **Pre-Construction:** Planning, environmental reviews, engineering and design costs, and related right-of-way acquisition.
- **Non-infrastructure** projects, programs, and operations.
- **Bonding Costs:** Debt service on bonds or other indebtedness, and expenses and reserves in connection with the issuance of the same. While pay-as-you-go financing is the preferred method for financing projects, the Ordinance provides the RTC with the authority to bond against the funds to accelerate projects if the RTC finds it to be cost effective.
- **Other Project Costs:** For related transportation purposes consistent with the Expenditure Plan, including project management and oversight of the projects, such as coordination with other responsible agencies, as well as project delivery and negotiation of project agreements, and legal actions related to implementation of projects.

<u>Other Costs:</u>

- **Election Cost:** Payments to the County of Santa Cruz for any election costs.

- **BOE Payments:** Set up and ongoing required payments to the Board of Equalization *(max 1.5% of proceeds)*
- **Administration:** Implementation and administration of all provisions and requirements of the Ordinance, as amended.
  - Costs of Measure D program administration and oversight. Any funds necessary for the RTC's administration, implementation and oversight of the tax are paid by Measure Revenues - in order to ensure that the cost of administration, implementation and oversight the Measure are not borne by other programs and sources.
  - Administrative functions include staff support, audits, programming processes, reporting, financial management, compiling and publishing an annual report, providing public information concerning the Ordinance, rent, supplies, contract and consulting services, overhead, legal, administrative expenses, other responsibilities as may be necessary and reasonable to administer the Ordinance and Expenditure Plan.
  - Administrative costs are paid off the top, prior to the distribution of the Transportation Tax Revenue as provided in the Expenditure Plan.
  - Implementation tasks also include development of the implementation plan, five-year plans, and coordination with recipient agencies.

Effective Dates: April 1, 2017 – March 31, 2047
The Measure D sales tax went into effect on April 1, 2017 and expires thirty (30) years from the Operative Date.

Strategic Implementation Plan
The Ordinance includes a requirement that the Santa Cruz County Regional Transportation Commission (RTC), in its role as the Measure D Authority, shall allocate, administer, and oversee the expenditure of all Measure Revenues which are not directly allocated by formula annually to other agencies through an Implementation Plan, which it will update at least every 5 years, following a public hearing. Approximately 53% of the Expenditure Plan is not directly allocated by formula to other entities, which includes the following regional projects and programs

The purposes of the Implementation Plan are to define the scope, cost, and delivery schedule of each Expenditure Plan project or program, detail the revenue projections and possible financing tools needed to deliver the Expenditure Plan within the 30 years promised to voters, and describe the risks, critical issues and opportunities that the Authority should address to expeditiously deliver the Expenditure Plan.

The first Strategic Implementation Plan (SIP), adopted by the RTC in February 2020, focuses on using Measure D funds to leverage other grants. To deliver all

regional programs and projects expeditiously, the RTC has programmed Measure D to competitively position projects for grant opportunities. This includes completing the pre-construction phases of projects and providing matching funds for grants, when appropriate. Although financing options, including issuing revenue bonds, were considered, the RTC determined that there is enough program-wide "pay-as-you-go" capacity available to meet near-term commitments by utilizing a couple of inter-investment category loans. This includes a loan of funds from the Highway Corridors investment category in order to allow the Highway 17 Wildlife Crossing to start construction in 2021. Depending on grants and other funding opportunities in the next few years and outstanding funding needs, the RTC could consider financing options in the future to expedite implementation of some projects.

The SIP is available online at:
https://sccrtc.org/wp-content/uploads/2020/02/20200207_SIP_Approved.pdf

Taxpayer Safeguards/Accountability
As with any tax or fee, it is important to ensure accountability and transparency in how measure funds are used. In addition to establishment of an oversight committee, Measure D also requires an independent annual audit of all expenditures from the measure. The Measure D Ordinance also requires that recipients of measure funds provide: an annual report on how the prior year's funds were spent; annually approve a five-year plan showing the community how they plan to use future revenues; and demonstrate that funds generated by the measure are being used to supplement and not replace revenues used for transportation purposes. These safeguards are in addition to the extensive existing oversight structures in place by public agencies.

The Taxpayer Oversight Committee is responsible for reviewing the annual reports and fiscal audits to ensure that Measure D revenues were expended consistent with the requirements of the Measure D Ordinance.

SUMMARY

Measure D was approved by over 2/3 of Santa Cruz County voters in November 2016. Staff will provide an overview of the Measure D Ordinance and Expenditure Plan at this meeting.

Attachments:
1. Measure D Fact Sheet
2. Measure D Ordinance
3. Measure D Expenditure Plan

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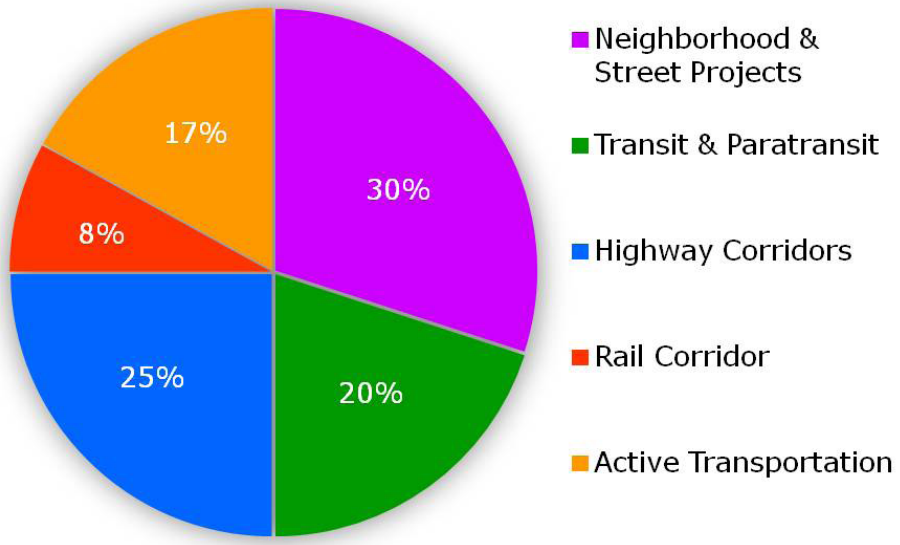
Santa Cruz County Regional Transportation Commission

Measure D

Fact Sheet

On November 8, 2016 67.78% of Santa Cruz County voters approved Measure D, a 1/2 cent sales tax measure to improve, operate and maintain Santa Cruz County's transportation network.

Projects will provide safer routes to schools for local students; maintain mobility and independence for seniors and those with disabilities; invest in bicycle and pedestrian pathways and bridges on an unprecedented scale; repave roadways, repair potholes and improve safety on local streets; ease congestion on major roadways; and invest in transportation projects that reduce the pollution that causes global warming.



Measure D

Optimizes funding:

- By leveraging local dollars, our cities, the County, the RTC, METRO and Liftline will be able to compete for federal and state grants that require matching funds.

Committed to voters:

- Members of the public are encouraged to review and comment on annual reports, including 5-year plans identifying specific projects prepared by each agency.
- Annual audits of the expenditure of all funds generated by the measure are conducted by an independent auditor and publicly available.
- A Measure D Independent Oversight Committee reviews the independent annual audits and issues a report regarding compliance with the Expenditure Plan.
- Local jurisdictions are required to use the new funds to supplement, not replace, existing revenues used for transportation. Annual audits will include analysis of this Maintenance of Effort.

For more information on the implementation of Measure D, visit:
sccrtc.org/move
831-460-3200

Summary of Transportation Projects
Estimated 30-year funding allocations
Neighborhood Projects - 30%
Local Funds for Cities and County: Direct percentage for local roadway pavement repair and operational improvements, school and neighborhood traffic safety projects, bicycle and pedestrian projects
San Lorenzo Valley Hwy 9 Corridor Improvements: $10 million to improve safety for SLV pedestrians, bicyclists, and motorists
Highway 17 Wildlife Crossing: $5 million to help build a wildlife crossing under Highway 17 at Laurel Curve
Highway Corridors - 25%
Highway 1 Corridor: Extend merge lanes that separate entering and exiting traffic from through lanes to improve traffic flow and safety at the 41st Ave-Soquel Dr, Bay/Porter Park, State Park-Park, and State Park-Rio del Mar-Freedom Boulevard exits
Bicycle and pedestrian over-crossings; Car-free highway overcrossings at Chanticleer Ave, Mar Vista Dr, and railroad bridges over Highway 1 in Aptos
Traveler Information and Transportation Demand Management: Cruz511 traveler information, Carpool/Vanpool Programs
Highway Safety and Congestion Reduction Programs: Freeway Service Patrol and Safe on 17 Enforcement
Transit for Seniors and People with Disabilities Direct Allocation to Service Providers - 20%
Santa Cruz METRO (16%): $80 million to help stabilize fixed-route bus and ParaCruz service levels
Community Bridges Lift Line Paratransit Service (4%): $20 million to increase LiftLine's ability to provide service by 30%
Active Transportation - 17%
Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail): Bike and pedestrian trail construction; maintenance, management and drainage of rail and trail corridor; install conduit for internet and electrical services
Rail Corridor - 8%
Infrastructure Preservation and Analysis of Options: Analysis (including environmental and economic analysis) of both rail transit and non-rail options for the corridor; rail line maintenance and repairs

ORDINANCE NO. 2016-01

**AN ORDINANCE OF
THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
ENACTING A RETAIL TRANSACTIONS AND USE TAX,
SUBJECT TO ADOPTION BY THE ELECTORATE,
TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

WHEREAS, the multimodal local transportation network is necessary for economic vitality; provides access to homes, schools, healthcare, and businesses; is utilized by drivers, buses, people walking, bicyclists, trains and trucks; and is important to the overall quality of life for all Santa Cruz County residents; and

WHEREAS, agencies in Santa Cruz County are working to reduce congestion, reduce greenhouse gas emissions and improve safety, access and mobility; and

WHEREAS, the County of Santa Cruz and the Cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville operate, maintain, and make improvements to the local street and road network, which includes over 1,800 lane miles of roads, traffic signals, sidewalks, bicycle paths, and other transportation facilities; and

WHEREAS, public transit and paratransit operators provide a lifeline for senior citizens and people with disabilities, who depend on these vital transportation services for independent living; and

WHEREAS, over 100,000 people travel each day on Highway 1 to access their homes, jobs, health care, and services; and

WHEREAS, the Santa Cruz Branch Rail Line was brought into public ownership in 2012 for the purpose of expanding transportation options along the most heavily traveled corridor in Santa Cruz County; and

WHEREAS, the Monterey Bay Sanctuary Scenic Trail Network, including the Rail Trail, is a planned multi-use bicycle and walking path that is separated from vehicular traffic and will span the length of Santa Cruz County connecting homes, schools, jobs, coastal and other key destinations; and

WHEREAS, State and Federal funding sources and programs that support transportation have been cut, are unreliable, can be diverted to other uses, and are insufficient to operate and maintain the local road, bicycle, pedestrian, transit, senior and disabled transportation networks in a state of good repair; and

WHEREAS, new local revenues that cannot be taken by the state are needed to prevent further deterioration of roads and maintain them in good condition; reduce traffic congestion; maintain public transportation and transportation services for seniors and people with

disabilities; reduce collisions and improve traffic flow on local highways; provide safe and accessible crosswalks, ramps, and sidewalks; and create safe bicycle routes; and

WHEREAS, there is strong recognition of need for infrastructure improvements and acknowledgement that the local multi-modal transportation network serves all sectors of our community; and

WHEREAS, after receiving feedback from residents throughout Santa Cruz County on their priorities for the multimodal transportation system, the Santa Cruz County Regional Transportation Commission has determined that the community places a high priority on preserving and maintaining existing infrastructure, maintaining public transit and transit service for seniors and people with disabilities, reducing traffic congestion, improving safety, and expanding options for traveling within Santa Cruz County; and

WHEREAS, the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 *et seq.* ("Act"), generally authorizes a local transportation authority to place a ballot measure before the voters of the county to authorize a retail transactions and use tax to fund transportation-related projects and programs ("Transportation Tax"), upon the approval of two-thirds of the electors voting upon the measure; and

WHEREAS, the Santa Cruz County Regional Transportation Commission is designated by California Government Code section 29532.1 as the transportation planning agency of the County of Santa Cruz; and

WHEREAS, Sections 180050 and 180201 of the Act provide that the County may designate a transportation planning agency to act as the local transportation authority for purposes of the Act including imposing a Transportation Tax; and

WHEREAS, a one-half cent sales tax established locally would generate approximately seventeen million dollars ($17 million) per year solely for transportation projects in Santa Cruz County; and

WHEREAS, local funding measures for transportation strengthen our local economy by creating jobs and providing mobility and access for all transportation system users; and

WHEREAS, the Act states that the additional funds provided by the tax so adopted shall supplement existing local revenues being used for public transportation purposes; and

WHEREAS, the Act further provides that a county transportation expenditure plan shall be prepared for the expenditure of the revenues expected to be derived from the Transportation Tax; and

WHEREAS, the Santa Cruz County Regional Transportation Commission has conducted a noticed public hearing, as required by state law, on the question of whether or not to request voters to adopt an Ordinance to fund the programs identified in the Expenditure Plan; and

WHEREAS, funds generated by the Transportation Tax shall be used only for transportation purposes, including the administration of the Expenditure Plan, construction, acquisition, maintenance and operation of streets, roads, highways, public transit systems, including paratransit services, and related transportation purposes within the County of Santa Cruz,

NOW, THEREFORE, the people of the Santa Cruz County Regional Transportation Commission of the County of Santa Cruz do ordain as follows:

Section 1. **TITLE.** This Ordinance shall be known as the "Santa Cruz County Transportation Improvement Plan Measure." The Santa Cruz County Regional Transportation Commission shall be referred to herein as the Local Transportation Authority ("Authority"). This Ordinance shall be applicable in the territory of the Santa Cruz County Regional Transportation Commission, which is all incorporated and unincorporated territory lying within the County of Santa Cruz.

Section 2. **SUMMARY.** This Ordinance provides for the adoption of a transportation Expenditure Plan for Santa Cruz County, the imposition of a Retail Transactions and Use Tax of one-half of one percent (0.5%) for a period of thirty (30) years, the authority to issue limited tax bonds secured by such taxes and the administration of the tax proceeds, with independent citizens oversight and annual audit reports for public review.

Section 3. **OPERATIVE DATE.** Subject to voter approval, this Ordinance shall be operative the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance. The anticipated Operative Date of this Ordinance will be as early as April 1, 2017, if approved by two-thirds of the voters voting on the measure at the November 8, 2016 Election.

Section 4. **DEFINITIONS.** The following definitions shall apply in this Ordinance:

A. "Authority" means the Santa Cruz County Regional Transportation Commission (SCCRTC), previously created in Government Code 67940 and 67941 and designated as the transportation planning agency for Santa Cruz County in Government Code 29532.1 and designated as the Local Transportation Authority for Santa Cruz County pursuant to Division 19 (commencing with Section 180000) of the California Public Utilities Code, authorized to impose a Retail Transactions and Use Tax, subject to voter approval, in accordance with Chapter 5 (commencing with Section 180200) of Division 19 of the California Public Utilities Code, and with Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code.

B. "Board of Supervisors" means the Santa Cruz County Board of Supervisors.

C. "County" means Santa Cruz County and includes the incorporated and unincorporated territory of the county which makes up the boundaries of the Santa Cruz County Regional Transportation Commission territory.

D. "State" means the State of California.

E. "Measure Revenue" or "Transportation Tax Revenue" means the revenue generated by the one-half of one percent (0.5%) increase in the Retail Transactions and Use Tax imposed and as collected pursuant to this Ordinance, including any interest or other earnings thereon.

F. "Retail Transactions and Use Tax" or "Transportation Tax" is to be identified as specified in Part 1.6 (commencing with section 7251) of Division 2 of the California Revenue and Taxation code.

G. "Measure" or "Traffic Relief, Road Repair, Safety, Transit Improvement Measure" or "Transportation Improvement Plan (TRIP)" or "Santa Cruz County Transportation Tax Measure" means the Ordinance, including all provisions and Expenditure Plan incorporated herein.

H. "Expenditure Plan" or "Plan" or "Investment Plan" means the 2016 Santa Cruz County Transportation Improvement Plan - Expenditure Plan attached to this Ordinance as Exhibit A and adopted as part of this Ordinance including any future amendments thereto. This is the plan for the expenditure of revenues expected to be derived from the tax imposed pursuant to this Ordinance, together with other federal, state, and local funds expected to be available for transportation projects and programs, for the period during which the tax is to be imposed.

Section 5. **PURPOSE.** This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a Retail Transactions and Use Tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 180000 *et seq*. of the California Public Utilities Code, which authorize the Authority to adopt this Ordinance which shall be operative if a two-thirds (2/3) majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a Retail Transactions and Use Tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a Retail Transactions and Use Tax ordinance that imposes a countywide Transportation Tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a Retail Transactions and Use Tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

E. Measure Revenue, including any interest or other earnings thereon, may only be used for transportation purposes described in the Ordinance and Expenditure Plan (Exhibit A), including: the implementation and administration of all provisions and requirements of this Ordinance as amended; the construction, acquisition, maintenance, and operation of streets, roads, highways, including local roads, state highways and public transit systems; and for related transportation purposes consistent with the Expenditure Plan, including project management and oversight of the projects to be funded using the Transportation Tax, such as coordination with other responsible agencies as well as project delivery and negotiation of project agreements. These purposes include expenditures for planning, environmental reviews, engineering and design costs, and related right-of-way acquisition. Expenditures may also include, but are not limited to, payments to the County of Santa Cruz for any election costs as set forth in the Ordinance, required payments to the Board of Equalization, costs of program administration and oversight, defense or prosecution of legal actions related thereto, debt service on bonds or other indebtedness, and expenses and reserves in connection with the issuance of the same.

Section 6. **ADMINISTRATION OF PLANS.** The Authority shall impose the Transportation Tax and enter into an agreement with the State Board of Equalization to collect the funds, may at the discretion of the Authority's governing Board enter into agreement with the County Auditor-Controller to allocate revenues derived from the Transportation Tax consistent with the Ordinance and Expenditure Plan, and shall administer the Ordinance and Expenditure Plan included in this Ordinance, consistent with the provisions and priorities of the Ordinance and Expenditure Plan, consistent with the authority cited herein.

Section 7. **CREATION OF SPECIAL FUND.** The Authority shall establish a new fund entitled "Transportation Tax Regional Transportation Fund". All Transportation Tax Revenue, plus interest, will be deposited in the special fund. The fund authorized hereunder will be administered by the Authority pursuant to this Ordinance and the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code, and Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code.

Section 8. **IMPLEMENTATION.**

A. Projects and programs funded in the Expenditure Plan will be implemented over the 30-year time horizon of the Transportation Tax. Three types of investments are funded by the Expenditure Plan: investment categories which are allocated a percentage of net revenues, capital investments which are allocated specific dollar amounts, and ongoing direct allocations of a percentage of net revenues to be distributed to cities, the County of Santa Cruz, and transit operators for capital projects and operations. Capital investments will be

made based upon clearly defined project descriptions and limits resulting from the outcomes of environmental analyses, as applicable. The Authority shall distribute revenues no less than quarterly to local jurisdictions, the Santa Cruz Metropolitan Transit District, and the Consolidated Transportation Service Agency based on the formulas set forth in the Expenditure Plan, in accordance with the Act and this Ordinance.

B. The Santa Cruz County Regional Transportation Commission, which currently allocates, administers and oversees the expenditure of federal, state and Transportation Development Act funding for local and regional transportation projects and programs, in its role as the Authority shall allocate, administer and oversee the expenditure of all Measure Revenues which are not directly allocated by formula annually to other agencies, consistent with the Expenditure Plan, as it may be amended in accordance with the Act and this Ordinance through an Implementation Plan, which it will update at least every 5 years, following a public hearing. The purposes of the Implementation Plan are to define the scope, cost, and delivery schedule of each Expenditure Plan project or program, detail the revenue projections and possible financing tools needed to deliver the Expenditure Plan within the 30 years promised to voters, and describe the risks, critical issues and opportunities that the Authority should address to expeditiously deliver the Expenditure Plan. The Implementation Plan may be amended by a majority vote of the Authority, however, amendment of the Implementation Plan shall not serve to amend provisions of the Expenditure Plan.

C. Agencies implementing the Expenditure Plan projects may accumulate revenue over multiple years so that sufficient funding is available for larger and long-term projects. Any interest income earned on funds allocated pursuant to this ordinance shall be expended only for the purposes for which the funds were allocated.

Section 9. **LEVERAGING FUNDS.** Leveraging or matching of outside funding sources is strongly encouraged. Any additional transportation revenues made available through their replacement by matching funds will be spent based on the principles outlined for fund allocations described in the Ordinance and Expenditure Plan.

Section 10. **BONDING AUTHORITY.** Pay-as-you-go financing is the preferred method of financing transportation improvements and programs under this Ordinance. However, if determined by the board of the Authority to be cost effective and to accelerate implementation of projects, the Authority may decide to use bond financing as an alternative method. Upon voter approval of this Ordinance, the Authority shall have the power to sell or issue, from time to time, on or before the collection of taxes, bonds, or other evidence of indebtedness, in an aggregate principal amount at any one time outstanding not to exceed the estimated proceeds of the Transportation Tax, and to secure such indebtedness solely by way of future collection of the Transportation Tax, for capital outlay expenditures for the purposes set forth in this Ordinance, including, but not limited to, carrying out the transportation projects described in the Expenditure Plan, consistent with the Section 180250 of the Public Utilities Code.

Section 11. **COOPERATIVE FUND AGREEMENTS.** To maximize the effective use of funds, revenues may be transferred or exchanged between or among jurisdictions receiving funds from this measure. Jurisdictions receiving funds may, by annual or multi-year agreement,

exchange funds provided that the percentage of funds allocated as provided in the Expenditure Plan is maintained over the duration of the period of time the tax is imposed. Agreements to exchange funds, including fund repayment provisions, must be approved by the Authority and shall be consistent with all rules adopted or approved by the Authority relating to such exchanges. The Authority may exchange revenues for State or federal funds allocated or granted to any public agency within or outside the area or jurisdiction of the Authority to maximize effectiveness in the use of the revenues. Such federal or State funds shall be distributed in the same manner as revenues derived from this ordinance. The Authority shall maintain for public review an accounting of all balances that are subject to cooperative agreements approved pursuant to this section.

Section 12. ADMINISTRATIVE AND IMPLEMENTATION COSTS.

A. The Authority shall expend only that amount of the Transportation Tax Revenue for staff support, audit, administrative expenses, and contract services that is necessary and reasonable to carry out its responsibilities pursuant to Division 2 of the Revenue and Taxation Code. Pursuant to Section 180109 of the Public Utilities Code, the Authority shall not expend more than one percent of the funds generated pursuant to Division 19 of the Code for administrative salaries and benefits net of the amount of fees paid to the State Board of Equalization for collection of the transactions and use tax and prior to the distribution of the Transportation Tax Revenue as provided in the Expenditure Plan (Exhibit A).

B. In order to ensure that the cost of administration, implementation and oversight this Measure are not borne by other programs and sources, such as Transportation Development Act-funded programs, any funds necessary for administrative, implementation and oversight of the Ordinance and Transportation Tax shall be paid by Measure Revenues. These functions include audits, programming processes, reporting, financial management, compiling and publishing an annual report, providing public information concerning the Ordinance, rent, supplies, consulting services, overhead, legal, other responsibilities as may be necessary to administer the Ordinance and Expenditure Plan. Costs of performing or contracting for project-related work shall be paid from the revenues of the Transportation Tax allocated to the appropriate purpose and project.

Section 13. EXECUTION OF DUTIES. The Authority may engage, contract with, employ and compensate any public or private agency, party, contractor or professional, in accordance with the Public Contract Code and/or any of the provisions for public employment of profession services for public agencies, for the planning, finance, approval, design, construction, acquisition of right of way, maintenance, operation, control and repair of any road, highway, bus, rail or other transportation facility. However, the Authority shall not be responsible for the maintenance or operation of any State highway facilities following construction contract completion.

Section 14. ELECTION. The Authority requests the Board of Supervisors to call an election for voter approval of this Ordinance, which election shall be held on November 8, 2016. The election shall be called and conducted in the same manner as provided by law for the conduct of elections by a county. Pursuant to Section 180203 of the Public Utilities Code, the sample ballot to be mailed to the voters shall be the full proposition as set forth in this Ordinance, and the voter

information handbook shall include the Expenditure Plan. Approval of this Ordinance, and imposition of the Transportation Tax, shall require the affirmative vote of a two-thirds (2/3) majority of the electors voting on this measure at the election described in this section. The proposition to be placed on the ballot shall read substantially as follows:

> "**Safety, Pothole Repair, Traffic Relief, Transit Improvement Measure.** In order to: improve children's safety around schools; repair potholes; repave streets; improve traffic flow on Highway 1; maintain senior/disabled transit; reduce global warming pollution by providing transportation options like sidewalks, buses, bike lanes, trails; preserve rail options; shall Santa Cruz County voters adopt an ordinance establishing a half-cent sales tax for 30 years, raising approximately $17 million annually, requiring citizen oversight, independent audits, and funds spent locally?
>
> YES ____ NO ____"

Section 15. **ELECTION COSTS.** The County of Santa Cruz shall be reimbursed for its cost in conducting the election if the measure is approved per Section 180203(a) of the Public Utilities Code. Election costs will be funded from Year 1 Measure Revenues before net proceeds are disbursed to the projects and programs in the Expenditure Plan. Reimbursement of the County of Santa Cruz for the costs of this election shall be deferred until it can be paid from the Measure Revenues collected when the Transportation Tax goes into effect.

Section 16. **CONTRACT WITH STATE.** Prior to the operative date of this Ordinance, the Authority shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the Authority shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 17. **TRANSACTIONS TAX RATE**. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of one-half of one percent (0.5%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this Ordinance.

Section 18. **PLACE OF SALE**. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 19. **USE TAX RATE**. An excise tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.5%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 20. **ADOPTION OF PROVISIONS OF STATE LAW**. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Division 19 (commencing with Section 180000) of the California Public Utilities Code and Part 1.6 of Division 2 (commencing with Section 7251) of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

Section 21. **LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES**. In adopting the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this Authority shall be substituted therefor. However, the substitution shall not be made when:

   1. The word "State" is used as a part of the title of the State Controller, State Treasurer, Victim Compensation and Government Claims Board, State Board of Equalization, State Treasury, or the Constitution of the State of California;

   2. The result of that substitution would require action to be taken by or against this Authority or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

   3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

      a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

      b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

Section 22. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

Section 23. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

   a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

   b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

7. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

D. Any person subject to the use tax under this Ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 24. AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance. Other amendments to this Ordinance shall require a two-thirds (2/3) vote of the total membership of the Authority.

Section 25. EXPENDITURE PLAN UPDATES AND AMENDMENTS.

A. This Ordinance and Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues, to account for unexpected revenues, or to take into consideration unforeseen circumstances. Should a project implementing agency determine that a planned project has become undeliverable, infeasible or unfundable due to circumstances unforeseen at the time this Ordinance and Expenditure Plan were created, or should a project not require all funds programmed for that project or have excess funding, funding set forth at project termination will be reallocated to another project or program of the same type or otherwise serving the same objectives.

B. The Ordinance and Expenditure Plan may only be amended, if required, by the following process set forth in Section 180207 of the Public Utilities Code: (1) Initiation of amendments by the Authority reciting findings of necessity; (2) Provision of notice and a copy of the amendments provided to the Board of Supervisors and the City Councils in Santa Cruz County; (3) The proposed amendments shall become effective 45 days after notice is given. Amendments shall require a two-thirds (2/3) vote of the total membership of the Authority.

Section 26. MAINTENANCE OF EFFORT. Pursuant to California Public Utilities Code 180001(e), it is the intent of this Ordinance that funds generated by the Transportation Tax be used to supplement and not replace existing revenues used for transportation purposes. Existing funds, revenues and other resources being used for transportation purposes include but are not limited to federal and state funding, the collection of traffic impact mitigation fees, other local

impact fees, and dedications of property. The funds generated by the Transportation Tax shall not be used to replace existing transportation funding or to replace requirements for new development to provide for its own transportation needs. The entities receiving Measure Revenues shall maintain their existing commitment of discretionary local transportation-related expenditures for transportation purposes pursuant to this ordinance, and the Authority shall enforce this Section by appropriate actions, including fiscal audits of the local agencies.

Section 27. **ENJOINING COLLECTION FORBIDDEN**. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the Authority, or against any officer of the State or the Authority, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 28. **ANNUAL APPROPRIATIONS LIMIT**. The annual appropriations limit of the Authority pursuant to Section 4 of Article XIIIB of the California Constitution and Section 180202 of the Public Utilities Code shall be established at a sum equal to the amount of all proceeds of the Transportation Tax collected annually, and as defined by said Article XIIIB. The appropriations limit shall be subject to adjustment as provided by law.

Section 29. **SEVERABILITY**. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid or unenforceable by a court of competent jurisdiction, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby, and the Authority declares that it would have passed each part of this Ordinance irrespective of the validity of any other part.

Section 30. **CAPTIONS.** The titles and headings to the sections set forth in this ordinance are not part of this ordinance and shall have no effect upon the construction or interpretation of any part hereof.

Section 31. **ENVIRONMENTAL.** This Ordinance is not a project as defined in Section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is therefore exempt from CEQA requirements. Approval of this Ordinance and Expenditure Plan does not commit to implementation of any specific project or activity listed herein. Prior to commencement of any specific project or activity identified in the Expenditure Plan, applicable provisions of the California Environmental Quality Act (CEQA) shall be completed.

Section 32. **TAXPAYER SAFEGUARDS, AUDITS, AND ACCOUNTABILITY.** Accountability is of utmost importance in delivering public investments with public dollars. In order to ensure accountability, transparency and public oversight of all funds collected and allocated under this Measure and to comply with state law, all of the following shall apply:

A. Annual Report. Each agency receiving Measure Revenue shall annually adopt, after holding a public hearing, an annual report which includes 1) a five-year program of projects including information about each of the projects to be funded with Measure Revenues allocated according to the Expenditure Plan. Local and regional agencies shall submit their program of projects to the Authority in a format that can be easily understood by members of

the public. 2) Description of expenditures of Measure Revenues from the most recently completed fiscal year. The purpose of requiring the most recently completed fiscal year expenditures is to allow the Authority to prepare a comprehensive report to the public on the expenditure of funds generated by this Ordinance.

B. Annual Audit. No less than annually, an independent annual audit shall be conducted of the expenditure of all funds generated by the transportation tax. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with this Plan as adopted by the voters in approving the Ordinance on November 8, 2016. The Authority will also prepare a publicly available annual report on past and upcoming activities and publish an annual financial statement.

C. Independent Oversight Committee. An Independent Oversight Committee shall be formed by the Board of Directors of the Authority to review the annual independent fiscal audit of the expenditure of the Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance to the Authority Board of Directors. The total membership of the Independent Oversight Committee shall not exceed five (5) members and any vacancy which may occur from time to time shall be filled by the Board of Directors of the Authority as soon as reasonably possible.

Members of the Independent Oversight Committee shall be residents of Santa Cruz County who are neither elected officials of any government, nor employees from any agency or organization that either oversees or implements projects funded from the proceeds of the sales tax. Members will fairly represent the geographical, social, cultural, and economic diversity of Santa Cruz County to ensure maximum benefit for transportation users. The Committee shall include at least one person with an accounting or fiscal management background.

Independent Oversight Committee meetings will be announced in advance and will be open to the general public. The Independent Oversight Committee shall meet at least once but no more than four times per year.

The responsibilities of this Committee include:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
- Produce a publicly available Annual Report of Oversight Activities.

D. Decisions regarding implementation of this Ordinance will be made by the Authority in public meetings, subject to the Brown Act.

Section 33. **EFFECTIVE DATE**. This Ordinance relates to the levying and collecting of the retail transactions and use tax and shall take effect immediately, subject only to the Operative Date set forth in this Ordinance.

Section 34. **TERMINATION DATE**. The authority to levy the tax imposed by this Ordinance shall expire thirty (30) years from the Operative Date of this ordinance (with the last operative date anticipated to be March 31, 2047).

The foregoing Ordinance was PASSED AND ADOPTED by the Santa Cruz County Regional Transportation Commission (SCCRTC), on June 16, 2016, by the following vote:

AYES: Don Lane, John Leopold, Ryan Coonerty, Ed Bottorff, Karina Cervantez, Cynthia Chase, Jimmy Dutra, Dennis Norton, Bruce McPherson

NOES: Randy Johnson, Greg Caput

ABSENT: Zach Friend

Don Lane, Chair

Attest:

George Dondero, Executive Director

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AMENDMENT 1 to
Santa Cruz County
2016 Measure D: Transportation Improvement Expenditure Plan
- Approved by over 2/3 of Santa Cruz County voters on November 8, 2016 –
- Amended February 6, 2020 – Effective 3/22/20 -

Overview

Measure D, the 2016 Transportation Improvement Expenditure Plan for Santa Cruz County provides a balanced vision to improve, operate and maintain Santa Cruz County's transportation network. Projects in the Expenditure Plan will provide safer routes to schools for local students; maintain mobility and independence for seniors and those with disabilities; invest in bicycle and pedestrian pathways and bridges on an unprecedented scale; repave roadways, repair potholes and improve safety on local streets; ease congestion on major roadways; and invest in transportation projects that reduce the pollution that causes global warming.

SUMMARY OF TRANSPORTATION INVESTMENTS	% of Funds
Neighborhood Projects	**30%**
Direct Allocation to Cities and County	
Local roadway pavement repair and operational improvements, school and neighborhood traffic safety projects, bicycle and pedestrian projects	
San Lorenzo Valley Hwy 9 Corridor Improvements - $10 million	
Highway 17 Wildlife Crossing - $5 million	
Highway Corridors	**25%**
Highway 1 Corridor	
Auxiliary lanes that separate entering and exiting traffic from through lanes to improve traffic flow and safety: 41st Ave-Soquel Dr; Bay/Porter-Park; State Park-Park; Rio del Mar-State Park; Freedom-Rio del Mar	
Bicycle and pedestrian over-crossings	
Traveler Information and Transportation Demand Management	
Example Programs: Cruz511, Carpool/Vanpool Programs	
Highway Safety and Congestion Reduction Programs	
Example Programs: Freeway Service Patrol, bus on shoulder and Safe on 17 Enforcement	
Transit for Seniors and People with Disabilities	**20%**
Direct Allocation to Service Providers	
Santa Cruz METRO (16%)	
Community Bridges Lift Line Paratransit Service (4%)	
Active Transportation	**17%**
Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail)	
Bike and pedestrian trail construction; maintenance, management and drainage of rail and trail corridor; install conduit for internet and electrical services	
Rail Corridor	**8%**
Infrastructure Preservation and Analysis of Options	
Example Projects: Analysis (including environmental analysis) of both rail transit and non-rail options for the corridor; rail line maintenance and repairs	
Total	**100%**

DESCRIPTION OF PROJECTS AND PROGRAMS TO BE FUNDED

The Expenditure Plan identifies transportation projects to be funded from a new one-half of one percent transactions and use tax, to be collected for thirty (30) years, if two-thirds of voters approve the ballot measure in 2016. The Expenditure Plan was approved by the voters of Santa Cruz County as a means to address insufficient funding to meet current and projected transportation needs in Santa Cruz County. Given current sales tax receipts, one-half of one percent transaction and use tax is expected to generate $17 million a year in 2016 dollars, totaling approximately $500 million for transportation investments. These local funds can be used to leverage state and federal transportation funds that would otherwise be unavailable. The investments described in the Expenditure Plan reflect the best efforts to achieve consensus among varied transportation needs of Santa Cruz County residents.

Three types of investments are funded in the Expenditure Plan: investment categories which are allocated a percentage of net revenues, capital investments which are allocated specific dollar amounts, and ongoing direct allocations of a percentage of net revenues to cities, the County of Santa Cruz, and transit operators for capital projects and operations. The following describes the investments funded by the 2016 Measure D: Transportation Improvement Expenditure Plan for Santa Cruz County.

Neighborhood Projects – 30% per year

Direct Allocation to Cities and County

The existing local street and road, bicycle, and pedestrian systems are critical to the everyday movement of people within the county. Much of the local roadway system is aging, has potholes, and is in need of major repair. Continued deferred maintenance will result in an exponential increase in the cost of maintaining the roadway system. Additionally, many sections of the county currently have inadequate facilities for bicyclists and pedestrians to travel safely. Current resources, without generation of new revenues for transportation, cannot provide adequate funding to maintain the local roadway system at the level necessary to adequately serve the public or expand the bicycle and pedestrian system to encourage more users.

Approximately $135 million ($4.5 million per year) in Measure Revenues will be allocated to the cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville and the County of Santa Cruz for transportation projects. Projects to be funded with Measure Revenues may include: fixing potholes, local roadway repairs, rehabilitation, reconstruction and intersection improvements; new and improved sidewalks, crosswalks and bicycle lanes and paths, especially near schools; and other transportation projects as necessary for the benefit of residents in those jurisdictions. The County of Santa Cruz and the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, who are best able to determine their local transportation needs, shall each prepare an annual report through a public process to identify how they plan to spend their share of measure funds and how measure funds were spent in the prior year.

Funds will be distributed at least quarterly to cities and the County of Santa Cruz based on each jurisdiction's proportional share of the countywide population (29%), lane miles of roadway (39%) and site where the Measure Revenue from the transaction and use tax is generated (32%). Population, road mile, and tax site generation figures will be updated each year based on the latest available data.

San Lorenzo Valley Highway 9 Corridor
Ten ($10) million in Measure Revenues is designated for transportation projects improving travel for residents of San Lorenzo Valley. Example projects may include:

- Safety projects for people walking, biking or driving in the Highway 9 corridor through San Lorenzo Valley
- Projects that provide safe access to schools along or near Highway 9
- Intersection and signal improvements
- Bicycle lanes, paths and/or signage
- Accessible pedestrian crosswalks and sidewalks, including lighting and flashing pedestrian beacons that increase visibility
- Improved access to bus stops and bus service

Highway 17 Wildlife Crossing
Highway 17 is a major connection between the Monterey Bay Region and San Francisco Bay Area. The dense traffic, concrete median barriers, and lack of drainage culverts and/or bridge undercrossings makes Highway 17 a major barrier for wildlife moving through the Santa Cruz Mountains. Mountain lions, bobcats and deer have all been hit trying to cross Highway 17 which also makes it dangerous for the motorists. Five ($5) million in Measure Revenues will be allocated for construction of a safe passage for wildlife to cross under Highway 17. This project will improve safety for both drivers and wildlife.

Highway Corridors – 25%

Aging highway systems continue to operate under high traffic volumes as population, and thus demand for moving people and goods increases. State highways provide essential mobility for Santa Cruz County residents, businesses, and visitors. The highway corridors are the region's main thoroughfares with Highway 1 carrying over 100,000 people daily. Measure Revenues are needed to improve traffic flow and safety as state and federal formula funds do not fund most highway improvements in Santa Cruz County. Measure Revenues (25% or approximately $125 million total) will be allocated to Highway 1 and Highway 17 corridor projects to increase the safety and efficiency of these corridors in Santa Cruz County.

Highway 1 Corridor
Highway investments included in the Expenditure Plan, improve traffic flow and safety on Highway 1, especially for South County and Mid-County commuters, small businesses, bus riders and first responders (law enforcement, fire, medical) by adding auxiliary lanes between ~~three~~ five interchanges: 41st Ave-Soquel Dr; Bay Ave/Porter St-Park Ave; and State Park Dr-Park Ave; Rio del Mar Blvd-State Park Dr; and Freedom Blvd-Rio del Mar Blvd. Auxiliary lanes are lower cost highway projects that can improve flow by separating entering or exiting traffic from the

through lanes. Approximately 10% of all of the injuries and fatalities in Santa Cruz County in 2013 occurred between Soquel Dr and Park Ave on Highway 1. Auxiliary lanes can help to improve safety on this high traffic volume corridor.

New bridges for cyclists and pedestrians
Highways can separate neighborhoods and make it harder to ride a bike or walk to access locations of interest. In order to improve bicycle and pedestrian movement between neighborhoods, employment, retail, medical, and recreation sites on either side of Highway 1, Measure Revenues can be used to construct bicycle/pedestrian bridges crossing over Highway 1 including crossings in Live Oak near Chanticleer Avenue and in Aptos/Seacliff near Mar Vista Elementary School. Measure Revenues can also improve bicycle and pedestrian facilities on existing crossings.

Traveler Information and Transportation Demand Management
The efficiency of the existing transportation system can be increased by promoting use of transit, carpooling, vanpooling, as well as bicycling and walking. Transportation demand management strategies can reduce the number of vehicles on our roadways especially during peak periods. Examples of transportation demand management programs that could be funded by this measure include "Cruz511", the traveler information service for Santa Cruz County, and carpool/vanpool programs.

Highway Safety and Congestion Reduction Programs
Improving safety is a primary goal of this measure. Programs that reduce fatal and injury collisions on highways and reduce congestion are also funded by Measure Revenues. Examples of programs that improve safety and reduce congestion are the Safe on 17 Task Force, bus on shoulders and the Freeway Service Patrol (roving tow trucks that remove stalled or disabled vehicles, debris, and other obstructions that may cause backups).

Transportation for Seniors and People with Disabilities – 20% per year

Direct Allocation to Service Providers
Seniors and disabled persons make up an increasing percentage of Santa Cruz County's population. For seniors and persons with disabilities, access to healthcare, social services, shopping, and recreation is key to quality of life. A number of specialized transportation programs have been implemented which meet specialized needs for transportation to medical services, social service programs, shopping and other purposes that cannot be met by conventional bus transit. An aging population will require maintenance and expansion of transit and paratransit services for elderly and disabled residents into the future.

Measure Revenues (16% or approximately $2.75 million per year) will be distributed to Santa Cruz Metropolitan Transit District (METRO) to provide transit and paratransit service for seniors and people with disabilities. Measure Revenues (4% or approximately $680,000 per year) will be allocated to the Consolidated Transportation Services Agency for Santa Cruz County (Community Bridges-Lift Line) for paratransit service. Paratransit works with social service agencies to

increase transportation options for seniors, individuals with disabilities, and persons with low incomes. Funds will be distributed at least quarterly.

Active Transportation – 17%

Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail)

Measure Revenues (17% or approximately $85 million total) will be allocated for the Monterey Bay Sanctuary Scenic Trail Network, otherwise known as the Coastal Rail Trail, for people walking and bicycling along the coast in Santa Cruz County. The coastal rail and trail corridor connects Watsonville, Aptos, Capitola, Live Oak, Santa Cruz, and Davenport and links to trails in Monterey County. The trail offers spectacular views of the Monterey Bay, historic trestles, and a flat surface free of automobile traffic. This trail will provide kids, commuters and recreational bicyclists and walkers a safe and enjoyable way to travel. Funds will be used for trail construction, maintenance, operation, management and drainage of the rail and trail corridor and will leverage other state and federal grants for completion of the trail network.

Rail Corridor – 8%

Infrastructure Preservation and Analysis of Options

Eight percent of Measure Revenues (approximately $40 million total) will be used for preservation of the Rail Corridor infrastructure and analysis of its future potential use to better serve Santa Cruz County residents and visitors. Projects include analysis (including environmental and economic analysis) to answer important community questions about possible future transit and other transportation uses of the corridor through an open, transparent public process; and maintaining and repairing the publicly-owned Santa Cruz Branch Rail Line. The Measure Revenues do not include funding for any new train/rail service. If the Regional Transportation Commission determines that the best use of the corridor is an option other than rail transit, funds may be utilized for other transportation improvements along and near the corridor.

Notes

(1) Estimated revenues from a ½-cent transaction and use tax are $17 million per year (in 2016 dollars) for 30 years. The present value (i.e., present day purchasing power) of the Measure Revenues is forecasted to be approximately $500 Million. The actual revenues to be received over the 30-year life of the tax will be affected by various economic factors, such as inflation and economic growth or decline. The estimated amounts for each category reflect the allocation of approximately $500 Million. The estimated amounts for each category, divided by $500 Million, establishes ratios for the allocation among the categories. While total revenues will vary, the net percentages to each investment category will remain constant over the 30-year life of the tax.

(2) Percentages are net after costs required for administration, implementation and oversight of the measure -- including annual independent fiscal audits, reports to the public, preparation and implementation of state-mandated reports, oversight committee, and other administration, implementation and oversight responsibilities as may be necessary to

administer and implement the Ordinance and the Expenditure Plan. Administrative salaries and benefits shall not exceed 1% of total Measure Revenues.

(3) If bonding is used to advance implementation of any of these projects, finance costs will be paid from the percent of funds designated for the associated investment category.

(4) It is anticipated that a portion of the total costs of the projects included in the Expenditure Plan will also be funded from federal, state, and local sources, as described in the Regional Transportation Plan (RTP).

(5) Outside of the funds to local jurisdictions and transit agencies which will be allocated on an ongoing basis, based on revenues generated, the Santa Cruz County Regional Transportation Commission shall allocate Measure Revenues to all other categories of transportation projects and specific capital projects. Capital investments will be made based upon clearly defined project descriptions and limits resulting from the outcomes of environmental analyses, design engineering, and public input, as applicable.

(6) In the event that any agency that is designated funds through the Expenditure Plan is dissolved, the redistribution of funds will be based on the same formulas minus the dissolved agency. New or successor entities that come into existence in Santa Cruz County during the life of the Expenditure Plan, such as incorporation of a new city, merging of agencies, or designation of a new agency as the county Consolidated Transportation Services Agency or transit agency, may be considered as eligible recipients of funds through the amendment process as set forth in the Ordinance.

(7) Amendment 1 approved unanimously by the RTC (the Measure D Authority) on February 6, 2020. In accordance with Section 180207 of the Public Utilities Code and the Measure D Ordinance, a copy of the notice of the proposed amendment was provided to the Board of Supervisors and City Councils in Santa Cruz County on February 6, 2020. The proposed amendment becomes effective 45 days after notice is given.

Measure D Authority/Lead Agency:

Santa Cruz County Regional Transportation Commission
www.sccrtc.org
831.460.3210

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AGENDA: March 9, 2021

TO: Measure D Taxpayer Oversight Committee

FROM: Tracy New, Director of Finance and Budgets and
Rachel Moriconi, Senior Transportation Planner

RE: Fiscal Year 2019/2020 Measure D Audits and Expenditure Reports – Direct Allocation Recipients

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RECOMMENDATIONS

Staff recommends that the Measure D Taxpayer Oversight Committee review Measure D FY2019/20 annual reports, including expenditure reports and independent fiscal audits for the Cities of Santa Cruz, Scotts Valley, and Watsonville, the County of Santa Cruz, Santa Cruz METRO, and Lift Line Community Bridges (Attachment 2), to ensure that expenditures conform to the Measure D Ordinance.

BACKGROUND

In November 2016, Santa Cruz County voters approved Measure D, a half-cent transaction and use tax (sales tax) for transportation. The Measure D Ordinance requires funds to be spent in accordance with the Ordinance and Expenditure Plan.

Each agency receiving allocations of Measure D revenues annually prepares an expenditure report and independently audited financial statements showing Measure D funds spent in the prior fiscal year. The audits and expenditure reports should provide evidence that the expenditure of funds is in accordance with the Measure D Ordinance and Expenditure Plan and Measure D Funding Agreement with recipient agencies.

Per Section 32C of the voter-approved Measure D Ordinance, the oversight committee is tasked with the following responsibilities:

1. Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
2. Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
3. Producing a publicly available Annual Report of oversight activities.

DISCUSSION

The Santa Cruz County Regional Transportation Commission (SCCRTC), cities of Capitola, Santa Cruz, Scotts Valley, and Watsonville, the County of Santa Cruz, Santa Cruz Metropolitan Transit District (METRO), and Community Bridges/Lift Line have prepared annual reports which include expenditure reports and audited

financial statements showing how they spent Measure D allocations in Fiscal Year 2019/2020 (FY19/20). At the March 9, 2021 TOC meeting, the Committee will review FY19/20 reports from the Cities of Santa Cruz, Scotts Valley, and Watsonville, the County of Santa Cruz, Santa Cruz METRO, and Lift Line Community Bridge. The Committee will review reports for regional investment categories and Capitola at its subsequent meeting.

Summary of Revenues and Expenditures

For FY19/20, the RTC allocated $20,593,032.58 in net Measure D FY19/20 revenues to cities, the County, Santa Cruz METRO, Lift Line, and regional investment categories and projects, based on formulas set forth in the voter approved Measure D Ordinance and Expenditure Plan. Recipient agencies expended $14 million of Measure D revenues on projects and services in FY19/20. A consolidated list of expenditures by direct allocation recipients (cities, county, METRO, and Lift Line) in FY19/20 is included as Attachment 1. Any balance of allocations not expended through FY19/20 are carried over for use in future years.

Investment Category	**%**	**FY19/20 Allocations**[1] **(Accrual basis)**	**Distributions (Cash Basis, *Paid 7/1/19-6/30/20*)**	**Expenditures**[2]
Neighborhood	30%			
SLV SR9		$333,333	*$333,333*	$52,515.72
Hwy 17 Wildlife		$166,667	*$166,667*	$1,805.75
City of Capitola*		$312,095	*$308,522*	$1,053,171.00
City of Santa Cruz		$1,292,099	*$1,266,957*	$476,997.94
City of Scotts Valley*		$267,880	*$259,004*	$473,006.00
City of Watsonville		$869,481	*$851,564*	$579,385.46
County of Santa Cruz		$2,936,355	*$2,880,419*	$2,844,274.15
Transit/Paratransit - METRO	16%	$3,294,885	*$3,235,449*	$3,063,716.00
Paratransit - Lift Line*	4%	$823,721	*$808,862*	$929,502.21
Highway Corridors	25%	$5,148,258	*$5,055,389*	$1,340,086.77
Active Transportation	17%	$3,500,816	*$3,437,665*	$1,162,229.97
Rail Corridor	8%	$1,647,443	*$1,617,724*	$2,155,162.41
Net Revenues *(net fees, admin/implementation)*	**100%**	**$20,593,033**	***$20,221,556***	**$14,131,853.38**
Admin. salaries & benefits	1%	$213,139	*$209,351*	$191,753.00
Implementation & Oversight	varies	$507,709	*$504,225*	$304,527.00
Total		**$21,313,881**	***$20,935,132***	**$14,628,133.38**
State CDTFA (BOE) Fees	actuals	$220,190	*$236,680*	$220,190.00

1. *FY19/20 Allocations reflect RTC audited accrual basis, whereas some agencies showed revenues on a modified accrual or cash basis in their audits.*
2. *Expenditures include carryover revenues from prior years.*
3. *Allocation amounts shown for METRO and Community Bridges do not include interest paid.*

During FY19/20, some of the projects that local jurisdictions, METRO and Lift Line used Measure D funds on included:

a) Roadway resurfacing projects on roadways countywide
b) Brommer Complete Street Improvement Project and Park Avenue sidewalks in Capitola
c) Bike and pedestrian safety education programs
d) Glenwood Drive bike lanes and resurfacing and Glenwood trails in Scotts Valley
e) Lee Road Trail in Watsonville,
f) Santa Cruz METRO and Lift Line bus and paratransit services for seniors and people with disabilities

Highlights of FY19/20 Financials

1. FY19/20 is the third full year that Measure D revenues were collected. Revenues can only be used for purposes outlined in the Measure D Expenditure Plan, agreements, and guidelines.

2. RTC's audited financials show FY19/20 allocations apportioned on an accrual basis. They represent transaction and use taxes generated July 1, 2019 through June 30, 2020, which were received from the California Department of Tax and Fee Administration (CDTFA – formerly Board of Equalization) from September 2019 through August 2020 and which RTC paid to recipients October 2019-August 2020. Accrued revenue for FY19/20 totaled $21,534,071. RTC allocated $20,593,033 in net FY19/20 revenues (after CDTFA fees, RTC administration, implementation and oversight) to recipient agencies and investment categories.

3. Cash receipts received by RTC from the CDFTA during the fiscal year of July 2019 through June 2020 account for transaction and use tax revenue generated May 2019 through April 2020. Measure D transaction and use taxes collected by the state for a given month are typically received by RTC two months in arrears.

4. While the COVID-19 global pandemic had a significant impact on sales in the spring of 2020, due to a robust economy in late 2019 and AB 147, California's "Marketplace Facilitator Act" requiring certain remote and online sellers to collect and remit sales and use tax, FY19/20 Measure D revenues were only 3.9% lower than in in FY18/19.

5. Measure D cash receipts during FY19/20 totaled $21,171,812; this is $1,097,888 lower than FY18/19 cash receipts.

Audit and Expenditure Reports Compliance

The FY19/20 annual reports, including audits and expenditure reports for Measure D direct allocation recipients are included as Attachment 2. (Capitola and RTC reports will be included in the March 16, 2021 packet.) Measure D recipient agencies also provide documentation of compliance with agreements and guidelines for Measure D funds. This includes additional information requested by the Taxpayer Oversight Committee last year. Whereas the audited financials summarize total Measure D expenditures, the expenditure reports breakout what projects and

services Measure D funds were spent on in FY19/20 and provide information on compliance with the Ordinance and fund agreements. **There were no material findings in any of the FY19/20 Measure D audits.**

The Measure D Ordinance states: ***Annual Audit.*** *No less than annually, an independent annual audit shall be conducted of the expenditure of all funds generated by the transportation tax. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with this Plan as adopted by the voters in approving the Ordinance on November 8, 2016.*

In accordance with Section 32C of the Measure D Ordinance, staff recommends that the Oversight Committee review the annual FY19/20 audits, expenditure reports, and annual updates describing how Measure D funds were spent to ensure expenditures conform to the Ordinance.

Based on committee review of the audits, expenditure reports, and associated annual documents, the Committee will produce an Annual Report of oversight activities.

RTC staff reviewed the documents provided by recipient agencies and found that **the combination of independent audits, agency expenditure reports, and other information provided demonstrate that expenditures in FY19/20 were consistent with those allowed by the voter approved Measure D Ordinance and Expenditure Plan.** A few things the Committee may note:

1. Financial statements from recipient agencies were stated on a full or modified accrual basis. In most instances the revenue amounts reported in recipient agency audits differed slightly from apportionment amounts shown above and in the RTC's financial statements because the RTC reports apportionments on a full accrual basis – including payments made as late as September 2020 for revenues generated through June 30, 2020, whereas several recipient agencies reported revenues and expenditures on a cash basis for funds received July 2019-June 2020 (May 2019-May 2020 revenues).

2. As part of obtaining reasonable assurance about whether the Measure D Fund's financial statements are free of material misstatement, auditors performed tests of compliance which could have a direct and material effect on the determination of financial statement amounts.

3. While the Measure D Ordinance requires the audit to report that expenditures are in accordance with the Expenditure Plan in the ordinance approved by the voters, since fiscal audits do not typically cover compliance, agencies provided supplemental information in the annual reports.

4. Section 26 of the Ordinance and PUC 180001(e) require that funds generated by Measure D be used to supplement and not replace existing revenues used for transportation purposes. The annual reports include Maintenance of Effort (MOE) information on the amount of discretionary local transportation-related expenditures which agencies have used for transportation purposes. The

Measure D guidelines for recipient agencies (Section 7.G.) allow agencies 3 years to meet adjusted average minimum local MOE expenditures.

5. Santa Cruz: Financial statements recognized May 2019-May 2020 revenues. This is in line with the modified accrual basis and receipt within 60 days of FY end.

6. Scotts Valley: FY19/20 revenues shown in the audited financials include FY19/20, plus May and June 2019 funds which were received in July 2019. Scotts Valley is in the process of updating the MOE form; budget documents demonstrate continued commitment of local funds for transportation purposes.

7. Watsonville: Revenues were reported on a cash basis, though the Measure D Fund of the City is maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period.

8. METRO: $2,983,768 is reported as FY2020 revenues on a full accrual basis in METRO's audited Financial Statements. RTC distributed $3,294,885, plus $1,862 in interest. This difference is due to METRO recognizing the entire operating support ($1,312,258), but only a portion of the funds spent on capital in FY20. The balance is captured/rolled up into METRO's "Unearned Income" deferred liability account, to be spent in future years. The Accounts Receivable (A/R) amount, which includes interest payments and amounts expected after June 2020, is consistent with RTC records at $607,302.

9. Community Bridges/Lift Line: It appears that revenues were reported on a cash basis, though the audit says they are reported on an accrual basis.

SUMMARY

Measure D requires recipient agencies to annually submit audited financial statements and expenditure reports showing how Measure D funds were expended in the prior fiscal year. The oversight committee is responsible for reviewing and reporting on those documents.

Attachments:

1. Consolidated Measure D Expenditure Report - Summary FY19/20
2. FY19/20 Audited Financial Statements and Expenditure Reports
   a) City of Santa Cruz
   b) City of Scotts Valley
   c) City of Watsonville
   d) County of Santa Cruz (Audited Financials not included in packet, but are online at this link)
   e) Community Bridges Lift Line
   f) Santa Cruz Metropolitan Transit District (METRO) (Audited Financials not included in packet, but are online at this link)

CONSOLIDATED MEASURE D EXPENDITURE REPORT - Fiscal Year 2019-2020

Summary for Direct Allocations to Cities, County, METRO, and Lift Line

SUMMARY OF EXPENDITURES AND ACCOMPLISHMENTS

			Project Description/Location		Project Status/Timeline		Stats - if applicable		
#	Project Name	FY19/20 Measure D Expenditures	Project Description	Location/Limts	Work Done in FY19/20	Construction or Implement schedule	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/ repair
County of Santa Cruz - Direct Allocations Neighborhood									
1	2018 Measure D Resurfacing	**$ 69,937.36**	Roadway Resurfacing	Various Roads Countywide	Final Closeout	6/18-9/18	0	0	6.51
2	2019 Measure D Resurfacing	**$ 1,998,239.89**	Roadway Resurfacing	Various Roads Countywide	Construction	6/19-11/19	0	0	5.75
3	2020 Measure D Resurfacing	**$ 709,208.32**	Roadway Resurfacing	Various Roads Countywide	Design/ Construction	6/20-9/20	0	0	6.26
4	FY20 Measure D Audit Fees	**$ 4,540.00**	Audit Fees - Administration	N/A	Audit	n/a	n/a	n/a	n/a
5	FY20 Measure D Education & ATP	**$ 62,348.58**	Outreach including active transportation programs and planning	Countywide	Outreach	n/a	n/a	n/a	n/a
	COUNTY TOTAL	**$ 2,844,274.15**							
Capitola - Direct Allocations Neighborhood									
1	Brommer Complete Street Improvement Project	**$ 197,983.00**	Complete street project	Brommer street from City Limits to 41st	Construction	5/26/2020 - 7/30/2020	0.2	0.06	0.2
2	Park Ave Sidewalks	**$ 300,000.00**	Sidewalk, curbramps, crosswalks, bike lanes	Park Ave from Cabrillo to McCormick Ave	Construction	7/29/2019 - 8/7/2020	0.3	0.3	0
3	Other Expenditures	**$ 555,188.00**	Details to be provided for 3/16/21 meeting						
	CAPITOLA TOTAL	**$ 1,053,171.00**							
Santa Cruz City - Direct Allocations Neighborhood									
1	c401902 - Pacific Ave. Sidewalk between Front and Second	**$ 9,200.00**	Sidewalk, bikelanes, and drainage. Sidewalks and Ramps	Pacific Ave. between Front and Second	Design	2021		150 LF	
2	c401807 - SLR Parkway Phase III - Trestle Trail Widen - City	**$ 3,229.94**	New bike/walk bridge at the San Lorenzo River	San Lorenzo River adjacent to Railroad Tracks	Construction/close out	1/2/19-6/1/19		340 feet	
3	g401901 - SR2S and Youth Bike Safety programs	**$ 44,000.00**	Safe Routes to School, Bike programs/education	Citywide	Education and Promotion	Ongoing			

MEASURE D EXPENDITURE REPORT

			Project Description/Location		Project Status/Timeline		Stats - if applicable		
#	Project Name	FY19/20 Measure D Expenditures	Project Description	Location/Limts	Work Done in FY19/20	Construction or Implement schedule	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/ repair
4	c400809 - City Arterial & Collector St Reconstruction and Overlay	**$ 300,000.00**	Pavement improvements, bike lanes enhancements, bike boxes, pedestrian crossing improvement, and curb ramps	Broadway (Clay St to Ocean St) California Street (at Laurel St) Soquel Av (at La Fonda Av) Plymouth St (at Hwy 1 on-ramp) Murray St (before and after the harbor bridge) Ocean St Extension (Jewell St to Graham Hill Rd) River Street (Madrone St to Water St) Water Street (River St to N Branciforte Av) Mission Street (Center St to Green St)	Design and construction	Ongoing			TBD
5	c400810 - City Residential & Collector St Reconstruction and Overlay	**$ 120,568.00**	Installation of microsurfacing and striping for the 2019 Surface Seal Project.	1. Amat St – Mora St to Potrero St 2. Amat St – Mora St to dead end 3. Anita St – Bay St to end 4. Baldwin St – King St to Escalona Dr 5. Benito St – Water St to Soquel Av 6. Berkshire Av – Mission St to Escalona 7. Clinton St – Seabright Av to dead end 8. Colorado St – Anthony St to King St 9. Cottonwood St – River St to dead end 10. Dimond St – Walnut Av to Sherman St 11. Francis Ct – Windham St to dead end 12. Hanover St – S Branciforte Av to end 13. Josephine St – River St to dead end 14. Kenneth St – Olive St to Bay St 15. Madrone St – River St to dead end 16. May Av – Leonard St to Water St 17. McCornick St – N Branciforte Av-end 18. Miles St – King St to Dimond St 19. Mora St – River St to Potrero St 20. Ocean View Av – Soquel Av to end 21. Olive St – Escalona Dr to Kenneth St 22. Otis St – Mission St to King St 23. Peyton St – King St to Escalona Dr 24. Potrero St – Mora St to RR Tracks 25. Potrero St – RR Tracks to River St 26. Reed Wy – Water St to Berkeley Wy 27. Sadi St – Seaside St to dead end	Design and construction	Ongoing			TBD
	SANTA CRUZ TOTAL	**$ 476,997.94**							

MEASURE D EXPENDITURE REPORT

			Project Description/Location		Project Status/Timeline		Stats - if applicable		
#	Project Name	FY19/20 Measure D Expenditures	Project Description	Location/Limts	Work Done in FY19/20	Construction or Implement schedule	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/ repair
Scotts Valley - Direct Allocations Neighborhood									
1	Glenwood Drive Improvements	**$ 342,465.00**	Roadway and Bicycle Improvements	Glenwood Drive (from Deerfield Drive to Summerhill Drive)	Glenwood Drive widened, resurfaced, restriped; extra bike lane added, replaced drainage inlet, installed speed sign	5/10/2019-	0.45	0	0.45
2	Glenwood Open Space Preserve	**$ 130,000.00**	Parking Facilities and Roadway	K Street, Siltannen, Glenwood Trails parking lots; Glenwood East Preserve	K Street, Siltanen Park, and Glenwood Trails parking lots completed; Glenwood Trails bridges installed	9/16/19-2/20/20	0	4.2	0
3	Public Works Staff -Measure D	**$ 541.00**							
	SCOTTS VALLEY TOTAL	**$ 473,006.00**							
Watsonville - Direct Allocations Neighborhood									
1	Bicycle Safety Improvements (Various Locations)	**$ 15,284.00**	Provide signage and traffic markings along bicycle corridors and provide educational programs.	Earn-A-Bike, Bike Smart, Walk Smart, Bike to Work Sponsorship	Safety training	Annual Activity	0	0	0
2	Green Valley Rd (Freedom Blvd to City Limits)	**$ 12,393.74**	Reconstruct roadway, install median island, remove and replace non-compliant driveways & curb ramps, restripe roadway & provide bike lanes where none exist.	Green Valley Rd from Freedom Blvd to City Limits	Design	07/01/21 - 06/30/22	0	0	0.31
3	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd to Pajaro Valley High School driveway)	**$ 176,260.48**	Prepare design, environmental documents and construction of pedestrian and bicycle trail	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd to Pajaro Valley High School driveway)	Design	TBD	1.4	1.4	0
4	Maintain Roads (City-wide, All Districts)	**$ 4,000.00**	Place three-layer coating system on road surface. Includes Airport Blvd to 600 ft west.	Street Maintenance Program costs	Planning	07/01/21 - 06/30/22	0	0	7
5	Maintain & Improve Trails (Various locations)	**$ 56,345.71**	Develop, maintain and enhance existing pedestrian and bicycle trails	Wetland trail maintenance, permit fees, CEQA work for Rail Trail, design of wetland trail restoration	Planning, design, maintenance	07/01/21 - 06/30/22	0	0	0
6	Pedestrian & Traffic Safety (Various Locations)	**$ 311,101.53**	Provide construction, design, education, maintenance and testing for pedestrian and traffic safety facilities.	included bicycle Safety Improvements (Green Lanes), Street Smarts Program	Construction, safety	07/01/19 - 06/30/20	0	0	0
7	Audit and Expenditure Report Prep	**$ 4,000.00**	Cost of annaul audit.	NA	NA	Annual Activity	n/a	n/a	n/a
	WATSONVILLE TOTAL	**$ 579,385.46**							

MEASURE D EXPENDITURE REPORT

			Project Description/Location		Project Status/Timeline		Stats - if applicable		
#	Project Name	FY19/20 Measure D Expenditures	Project Description	Location/Limts	Work Done in FY19/20	Construction or Implement schedule	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/ repair
Santa Cruz METRO: Transit for Seniors & People with Disabilities									
1	Fixed route - 9 operators (average cost of Operator with benefits plus cost of mileage driven in year)	**$ 1,235,871.00**	Fixed Route-frequency, span of service - Routes 35, 40, 41, 68, 69A, 71, 72, 75, 79, 91X, Route 71 weekend-17 addt'l. trips to provide 30 minute frequency in/outbound for 8 hrs during the days	Countywide	Operations	N/A	N/A	N/A	N/A
2	Sustaining of Paracruz service levels - 1 operator minus farebox recovery	**$ 76,387.00**	Paracruz - sustain service levels	Countywide	Operations	N/A	N/A	N/A	N/A
3	Capital - vehicle replacement	**$ 1,751,458.00**	Replacement vehicles	Countywide	Equipment and New Vehicles	N/A	N/A	N/A	N/A
	METRO TOTAL	**$ 3,063,716.00**							
LIFT LINE-COMMUNITY BRIDGES: Transit for Seniors & People with Disabilities									
1	* Driver Personnel	**$ 282,653.04**	Providing expanded hours of paratransit service	Santa Cruz County	Operations	On-Going	n/a	n/a	n/a
2	Driver Trainer	**$ 48,230.79**	Providing saftery and service training for paratransit drivers	Santa Cruz County	Operations	On-Going	n/a	n/a	n/a
3	Admin Assistant/Dispatch	**$ 47,300.38**	Supporting additional paratransit rides	Santa Cruz County	Operations	On-Going	n/a	n/a	n/a
4	Out Reach / Publicity	**$ 8,301.29**	Materials/videos to promote paratransit ride availability	Santa Cruz County	Education and Promotion	On-Going	n/a	n/a	n/a
5	Operations Facility - Pre-Construction	**$ 96,686.66**	Facility Project Management - architects, environ review, design	Santa Cruz County	Operations	On-Going	n/a	n/a	n/a
6	Operations Facility - Reserve	**$ 442,506.06**	Reserve for projected Acquisition, contruction and/or renovation expenses	Santa Cruz County	Other (describe in project description column)	Paving 2020	n/a	n/a	n/a
7	Vehicle Equipment - Reserve	**$ 3,824.00**	Vehcile replacement, 5310 vehcile match funds, CARB match, equipment e.g. vehilce hoist	Santa Cruz County	Equipment and New Vehicles	Equipment Match FY1920	n/a	n/a	n/a
	Lift Line Total	**$ 929,502.21**							
Direct Allocation Total Expenditures		**$ 9,420,053**							

Measure D Recipient Agency: The City of Santa Cruz

Measure D Annual Report Cover Sheet

Fiscal Year 2019/20

Submit documents to rmoriconi@sccrtc.org by December 31, 2020.

Dear Measure D Taxpayer Oversight Committee: The City of Santa Cruz is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY19/20 Formula Allocations	$1,400,614
Unspent Prior Year Allocations	$801,935
Interest earned on Unspent Prior Allocations	$6,387
Total Measure D Funding Available in FY19/20	**$1,428,131**
Total Measure D Funds Spent in FY19/20	**$476,998**
Total Measure D Rollover to FY20/21	$1,759,455
Maintenance of Effort	
FY19/20 LOCAL funds spent on transportation projects, operations, and/or services *(exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*	$7,254,393
Maintenance of Effort **Baseline** *(average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017)*	$3,434,181
Measure D Compliance Documents	
Document	**Attached (check)**
1. FY19/20 Annual Report Cover Sheet *(this document)*	**X**
2. FY19/20 Audited Financials for Measure D funds *(see "Measure D Audit Guidance" for additional information)*	**X**
3. FY19/20 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. **Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.*	**X**
a. *If applicable* **–Grouped projects supplemental information:** For any grouped projects (e.g. citywide roadway repairs), include a supplemental **list of specific locations** (road names, project limits, and length or routes/areas served), **work done at each** (e.g. environmental, design, construction), **and schedule** for completing construction at each.	**X**
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY19/20 (for projects with specific locations). https://www.cityofsantacruz.com/government/city-departments/public-works/engineering	https://www.cityofsantacruz.com/home/showdocument?id=80558
5. FY19/20 Performance Measures Report *(Measure D Guidelines Attachment B)*	**X**

6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY19/20 as compared to the 3-5 years prior to FY16/17.	**X**
a. If FY19/20 Local funds expended were lower than Baseline amount, explain why:NA	N/A
7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? *(If "no," Measure D cannot be used for indirect costs)*	**No**
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	**X**
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	Date: 4/9/2019 By Motion, City Council Agenda. Item # 8 https://ecm.cityofsantacruz.com/OnBaseAgendaOnline/Meetings/ViewMeeting?id=734&doctype=1
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan *(per Article III.A.4.)*	March 18, 2019 at Transportation and Public Works Commission
c. Date annual 5-year Plan approved by Governing Board	Date: 4/9/2019
9. Complete Streets Compliance *(Cities/County only)***:** Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. *Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.*	General Plan 2030, adopted 2012.
10. Annual Report Narrative *(may be included in Management & Admin section of audit)*	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known.	• The fund balance and how Measure D funds are tracked are explained in the MD&A of the financial statements. • The Capital Investment Project document lists carryover projects and descriptions of the project. • A list of anticipated projects are listed in the 5 year plan. • The projects are complex and require additional time for environmental review, permitting, design , public process, staff resources to be available. The COVID pandemic and staff reductions have also had a big impact.

b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	• Projects are primarily funded from grants and Measure D is used to leverage those grants. • Other City funds may be used to complete funding.
c. Compliance with Applicable Laws	• Confirmed.
Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds.	Through press releases, attached.
12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	Attached X
a. Website with Measure D information: https://www.cityofsantacruz.com/government/city-departments/public-works/engineering	The City's CIP lists projects funded by Measure D
b. News Article: *Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)*	Attached X
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available.	Attached, see photos.
13. Photos: Attach before/after and construction photos if available of projects/work done in FY19/20.	Attached, see photos.
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	See CIP descriptions, relating to projects. https://www.cityofsantacruz.com/home/showdocument?id=80558

Contacts - Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
Chris Schneiter	Assistant Director of Public Works	420-5422
Nicholas Gong	Accountant	420-5058

City *of* Santa Cruz

State of California

Measure D Fund Financial Statements

For the Fiscal Year Ended June 30, 2020

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City of Santa Cruz

Measure D Fund

Report For the year ended June 30, 2020

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CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Members of the City Council and Citizens of the
City of Santa Cruz, California

Report on the Financial Statements

We have audited the accompanying financial statements of the 2016 Measure D Fund (Measure D Fund), a nonmajor special revenue fund of City of Santa Cruz, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure D Fund of the City, as of June 30, 2020, and the change in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the Measure D Fund, and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The management discussion and analysis, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020, on our consideration of the Measure D Fund'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 solely 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 effectiveness of 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* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Menlo Park, California
December 23, 2020

I. Introduction

Measure D is a comprehensive and inclusive package of transportation investments passed in November 2016 by over two-thirds (2/3) of Santa Cruz County voters. This ½ cent sales tax guarantees a steady, direct source of funding to every city and County of Santa Cruz for local street and road maintenance, bicycle, pedestrian, and safety projects; to Santa Cruz METRO and Community Bridges-Liftline for transit and paratransit services for seniors and people with disabilities, as well as providing funds to implement priority highway, trail, and other essential transportation projects and programs throughout the county. Measure D went into effect on April 1, 2017.

The Santa Cruz County Regional Transportation Commission (RTC) is the administrator of Measure D. A five-year program of projects showing how recipient agencies plan to use Measure D funds is updated and adopted annually by each agency receiving Measure D revenues. An annual audit of receipts and expenses of each recipient is also required.

II. Overview of Financial Statement

Measure D is accounted for in a City non-major special revenue fund, 2016 Transportation Measure D Fund. This fund accounts for receipts and expenditures of the 2016 Measure D sales tax received from the Santa Cruz County Regional Transportation Commission. Interest earned is recorded within the fund to be spent on transportation projects. Revenue receipts are deposited directly into the fund and funds are only transferred out when expenditures have occurred in the projects. The City tracks the Measure D funds through the balance sheet along with project accounting.

The financial statements of 2016 Transportation Measure D Fund are on the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available.

III. Financial Analysis of Fund

At the end of fiscal year 2020, the total fund balance of the 2016 Transportation Measure D fund was a surplus of $1.8 million, an increase from the prior year of $.8 million surplus fund balance. The entire amount is classified as restricted for transportation projects. The increase is primarily due to expenditures being less than the prior year, and completion of a major CIP project.

The following is a condensed summary of the balance Sheet for the fund:

	Measure D Fund	
	2020	2019
Assets:		
Cash and investments	$ 1,624,389	$ 689,703
Interest receivable	1,409	6,387
Taxes receivable	239,187	112,232
Total assets	$ 1,864,985	$ 808,322
Liabilities and Fund Balance		
Deferred inflows of resources:		
Unavailable revenue	105,530	-
Restricted:		
Streets and roads	1,759,455	808,322
Total fund balance	$ 1,759,455	$ 808,322

IV. Financial Highlights

During fiscal year 2020, the fund's total Fund balance increased by $1.0 million. Notable changes were:

- Intergovernmental revenues increased from $1.3 million to $1.4 million
- Expenditures during the year were $ .5 million compared to $1.2 million in 2019.

The following is a condensed statement of revenues, expenditures and changes in fund balance:

	Measure D Fund	
	2020	2019
Revenues:		
Intergovernmental	$ 1,400,614	$ 1,335,520
Use of money and property	27,517	29,507
Total revenues	1,428,131	1,365,027
Expenditures:		
Current:		
Transit	476,998	1,175,175
Total expenditures	476,998	1,175,175
Net change in fund balances	951,133	189,852
Fund balance, beginning of year	808,322	618,470
Fund balance, end of year	$ 1,759,455	$ 808,322

V. Measure D Funded Projects in FY2019/20

Since Measure D went into effect, the City of Santa Cruz has put Measure D funds to work – paving streets, building new bicycle and walking paths, designing major infrastructure projects, maintaining existing infrastructure, and providing safety programs relating to streets and roads. The following highlights a few of the projects that were funded by Measure D in FY2019/2020.

1. **City Arterial and Residential Collector Street Reconstruction and Overlay projects**:

   The City has repaved 1.53 miles of streets in FY 2019/20 in which combined with other funding, Measure D has helped fund. In addition, 50% of Measure D funding has helped the City pave 14,234 lineal feet of new and replacement pedestrian and bike facilities which includes trails, lanes, green lanes and sharrows. This is up from the 6,500 lineal feet reported in the prior fiscal year.

The City has also constructed 33 new and replacement curb ramps as part of the curb enhancement program. This has increased from the prior year of curb enhancements of 20 curbs.

2. **Safe Routes 2 School and Bike Education:**

Safe Routes 2 School Crossing Improvement project will make walking and bicycling safer in Santa Cruz as identified in the Active Transportation Plan. This year, the project had begun construction that included curbs, ramps, roadway signs, streetlights, pedestrian activated beacons solar speed radar signs, ands striping and pavement markings at 21 locations adjacent to eight Santa Cruz City School campuses.

The Street Smarts program established by the City has expanded throughout Santa Cruz County. The purpose of the program is to raise awareness and promote safe practices amongst drivers, cyclists and pedestrians. In addition to educating the public, another goal is to reduce the number of traffic-related crashes and injuries. This year the City had held multiple educational events to educate the community through learning activities and encouraging adults and youth to take a traffic safety pledge with rewards. The event also offered a take-home traffic safety "Family Policy" which offered yard signs to promote a safer environment in neighborhoods as well as tips to help all road users contribute to a safer Santa Cruz community.

VI. Economic Factors and Next Year's Budgets

In March 2020 Santa Cruz County and the State of California issued a shelter-in-place orders in response to COVID-19 this had severe negative impacts to the City revenues. According to the Santa Cruz County Regional Transportation Committee, the allocation of Measure D revenue has indicated a decrease in available Measure D funding. Although there may be a decrease in funding, Measure D revenues are intended to be used to leverage other grants and City funding

City of Santa Cruz

Balance Sheet

Measure D Fund

(A non-major special revenue fund of the City of Santa Cruz, California)

June 30, 2020

	Measure D Fund
Assets:	
Cash and investments	$ 1,624,389
Interest receivable	1,409
Taxes receivable	239,187
Total assets	1,864,985
Liabilities and Deferred inflows of resources:	
Unavailable revenue – Deferred inflows of resources	105,530
Fund Balance	1,759,455
Total Liabilities, deferred inflow of resources and fund balance	$ 1,864,985

The accompanying notes are an integral part of these financial statements.

City of Santa Cruz

Statement of Revenues, Expenditures, and Changes in Fund Balance

Measure D Fund

(A non-major special revenue fund of the City of Santa Cruz, California)

For the year ended June 30, 2020

	Measure D Fund
Revenues:	
Intergovernmental	$ 1,400,614
Use of money and property	27,517
Total revenues	1,428,131
Expenditures:	
Current:	
Transit	476,998
Total expenditures	476,998
Net change in fund balances	951,133
Fund balance, beginning of year	808,322
Fund balance, end of year	$ 1,759,455

The accompanying notes are an integral part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

All transactions of the Santa Cruz County Regional Transportation Commission – Measure D Fund (Measure D Fund) of the City of Santa Cruz (the City) are included as a separate special revenue fund in the basic financial statements of the City. The accompanying financial statements are for Measure D Fund only and are not intended to fairly present the financial position or results of operations of the City.

B. Basis of Presentation

Fund Accounting

The operations of the Measure D Fund are accounted in a non-major special revenue fund, in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

The Measure D funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current resources. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Generally, revenues are considered available if they are collected within 60 days after fiscal year end. If revenues are not subject to accrual, they are recorded when received in cash. The primary revenue sources, which have been treated as susceptible to accrual by the City, are sales tax, intergovernmental revenues, and other taxes. Expenditures are generally recorded in the accounting period in which the related fund liability is incurred.

D. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include currency on hand and deposits in the City's cash and investment pool. These deposits have the same characteristics for the participating funds as demand deposit accounts, in that the funds including the Measure D fund may deposit additional cash at any time and also effectively withdraw cash at any time without prior notice or penalty.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Fund Balance

As of June 30, 2020, fund balance of the Measure D Fund was classified as restricted which is defined as amounts that can be spent only for specific purposes because of constraints that are externally imposed by grantors, contributors, or the laws or regulations.

F. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the amounts reported and the disclosures in the financial statements. Actual results could differ from these estimates and assumptions.

2. MEASURE D FUNDS

Under Measure D, approved by the voters of Santa Cruz County in 2016, the City receives a portion of the proceeds of an additional one-half cent sales tax to be used to improve children's safety around schools; repair potholes; repave streets; improve traffic flow on Highway 1; maintain senior/disabled transit; reduce global warming pollution by providing transportation options like sidewalks, buses, bike lanes, trails; and preserve rail options.

3. CASH DEPOSITS AND INVESTMENTS

Cash and investments held by the Measure D Fund at June 30, 2020, consisted of $1,624,389 in cash pooled with the City's Cash and Investments.

Investments authorized by the California Government Code and the City of Santa Cruz's investment policy:

Allowable investment instruments are defined in the California Government Code Section 53600, et. seq., as amended. If the Code is further revised to allow additional investments or is changed regarding the limits on certain categories of investments, the City is authorized to conform to these changes, excluding those changes that may be prohibited by this policy. Where the Government Code specifies a percentage limitation for a particular category of investments, that percentage is applicable only at the date of purchase. The City's pool is not rated and is not registered with the SEC. The City's average maturity of its investments is less than one year.

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EideBailly

CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S 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*

To the Honorable Mayor and Members of City Council
of the City of Santa Cruz, California

We have audited, in accordance with the 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, the financial statements of the Measure D Fund (Measure D Fund) of the City of Santa Cruz, California (City), as of and for the year ended June 30, 2020, and have issued our report thereon dated December 23, 2020. Our opinion included an emphasis of matter as discussed that the financial statements present only the Fund specific to Measure D Fund, and are not intended to present fairly the financial position and results of operations of the City in conformity with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Measure D Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 's internal control. Accordingly, we do not express an opinion on the effectiveness of 's internal control.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements of Measure D of the City will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure D Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements including the applicable compliance requirements specified in the Measure D agreement between the City and Santa Cruz Regional Transportation Commission, noncompliance with which could have a direct and material effect on the financial statements. 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 or* the Measure D agreement.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Menlo Park, California
December 23, 2020

MEASURE D EXPENDITURE REPORT

Agency	Year
City of Santa Cruz	FY19/20

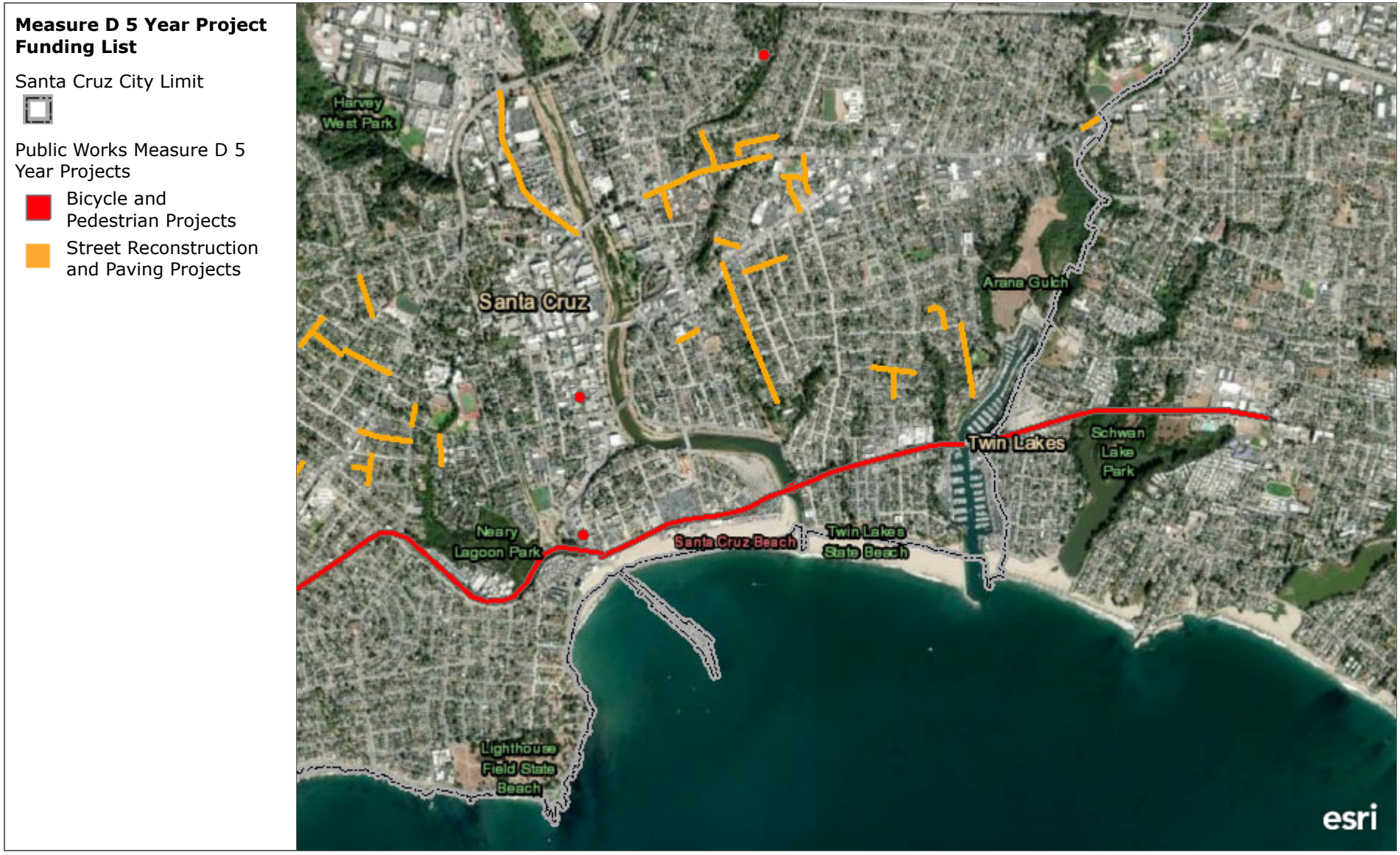
DETAILED SUMMARY OF EXPENDITURES AND ACCOMPLISHMENTS. | **tency with 5-yea**

#	Project Name	Total Project Cost (Budgeted FY20)	Past year Measure D Expenditures on this project	FY19/20 Measure D - City Expenditures	(Est) Future Year(s) Measure D Expenditures	*Measure D-funded Capital Costs*	*Measure D-funded Non-capital (non-infrastructure, outreach, admin, etc)*	*Measure D-funded indirect costs*	Leveraged Funds *(grants & other funds secured, which used Meas. D as match)*	Leveraged Fund Source Name(s)	Project in approved 5-year plan?
1	c401902 - Pacific Ave. Sidewalk between Front and Second	$ 400,000		**$ 9,200**	$ -	*$ 9,200*			$ 250,000	State Grants - RXTPX	Yes
2	c401807 - SLR Parkway Phase III -Trestle Trail Widen - City	$ 2,277,034	$ 810,735	**$ 3,230**	$ -	*$ 3,230*	$ -	$ -	$ 1,245,000	State Natural Resources agency & State Capital Grants - TDA	Yes
3	g401901 - SR2S and Youth Bike Safety programs	$ 66,000	$ 33,000	**$ 44,000**	$ 283,000	$ -	*$ 44,000*	$ -	$ -	na	Yes
4	c400809 - City Arterial & Collector St Reconstruction and Overlay	$ 9,583,849	$ 165,720	**$ 300,000**	$ 2,500,000	*$ 300,000*	$ -	$ -	$ 9,613,981	Gas Tax, Measure H, State Capital Grants State Grants - RXTPX	Yes
5	c400810 - City Residential & Collector St Reconstruction and Overlay	$ 1,021,105	$ 165,720	**$ 120,568**	$ 1,500,000	*$ 120,568*	$ -	$ -	$ 721,105	Measure H	Yes
	Total	**$ 13,347,987.67**	**$ 1,175,174.99**	**$ 476,997.94**	**$ 4,283,000.00**	**$ 432,997.94**	**$ 44,000.00**	**$ -**	**$ 11,830,086.00**		

Agency
City of Santa Cruz

	Project Information Continued			Project Status/Timeline				Additional Metrics - if applicable				Other
Project Name	**Location/Limts**	**Description** *(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)*	**Primary Project Type** *(Drop-down Menu)*	**Project Status**	**CEQA compliance** *(List type of document & certification date - e.x. CE, 5/1/18)*	**Construction schedule**	**Completion Date** *(actual or estimate)*	**New Bike Lane Miles**	**New Pedestrian Path or Sidewalk Miles**	**Rehab of bikeways, sidewalks, or ADA ramps included?** *(describe)*	**If Complete Streets not incorporated into project, why not?**	**Other Notes or Information** *(optional)*
c401902 - Pacific Ave. Sidewalk between Front and Second	Pacific Ave. between Front and Second	Sidewalk, bikelanes, and drainage	Sidewalks and Ramps	In-progress	Notice of Exemption-9/29/20				150 LF			
c401807 - SLR Parkway Phase III -Trestle Trail Widen - City	San Lorenzo River	New bike/walk bridge at the San Lorenzo River	Multiuse Paths (Class I)	In-progress	IS/MND	1/2/19-6/1/19	6/1/2019		340 feet			Past Measure D includes regional trail funds
g401901 - SR2S and Youth Bike Safety programs	which schools??? Areas?	Safe Routes to School, Bike programs/education	Education and Promotion	In-progress	NA	NA	on going					
c400809 - City Arterial & Collector St Reconstruction and Overlay	Broadway (Clay St to Ocean St) California Street (at Laurel St) Soquel Av (at La Fonda Av) Plymouth St (at Hwy 1 on-ramp) Murray St (before and after the harbor bridge) Ocean St Extension (Jewell St to Graham Hill Rd) River Street (Madrone St to Water St) Water Street (River St to N Branciforte Av) Mission Street (Center St to Green St)	Pavement improvements, bike lanes enhancements, bike boxes, pedestrian crossing improvement, and curb ramps	Street Resurfacing/ Maintenance	In-progress	CE	Annual	Annual			Yes		
c400810 - City Residential & Collector St Reconstruction and Overlay	1. Amat St – Mora St to Potrero St; 2. Amat St – Mora St to dead end 3. Anita St – Bay St to end; 4. Baldwin St – King St to Escalona Dr 5. Benito St – Water St to Soquel Av; 6. Berkshire Av – Mission St to Escalona Dr 7. Clinton St – Seabright Av to dead end; 8. Colorado St – Anthony St to King St 9. Cottonwood St – River St to dead end; 10. Dimond St – Walnut Av to Sherman St 11. Francis Ct – Windham St to dead end; 12. Hanover St – S Branciforte Av to dead end 13. Josephine St – River St to dead end; 14. Kenneth St – Olive St to Bay St 15. Madrone St – River St to dead end; 16. May Av – Leonard St to Water St 17. McCornick St – N Branciforte Av to Dead End; 18. Miles St – King St to Dimond St 19. Mora St – River St to Potrero St; 20. Ocean View Av – Soquel Av to Dead End 21. Olive St – Escalona Dr to Kenneth St; 22. Otis St – Mission St to King St 23. Peyton St – King St to Escalona Dr; 24. Potrero St – Mora St to RR Tracks 25. Potrero St – from RR Tracks to River St; 26. Reed Wy – Water St to Berkeley Wy 27. Sadi St – Seaside St to dead end; 28. Seaside St – Acadia Av to Laurent St 29. Sumner St – Clinton St to dead end; 30. Toledo St – Olive St to Bay St 31. Van Ness Av – Mission St to California St; 32. Walti St – Laurel St to dead end 33. West Av – Miramar Dr to east end; 34. West Av – Miramar Dr to west end 35. Younger Wy – Second St to Third St;	Installation of microsurfacing and striping for the 2019 Surface Seal Project.	Street Resurfacing/ Maintenance	In-progress	CE	Annual	Annual			Yes		

City of Santa Cruz Measure D - 5 Year Project Funding List



City of Santa Cruz Measure D - 5 Year Project Funding List FY20-24 (plus first two years).

Measure D: Neighborhood Projects Program (Funds to Cities and County for Local Streets and Roads - LSR)

Performance Measures

AGENCY: **City of Santa Cruz**

Measure D recipients are to document the performance and benefits of the projects and programs funded with Measure D funds. The following performance measures are a selection of performance standards to be documented by the recipients, as applicable. Additional or alternate performance measures may be provided or requested by the RTC or recipients.

Submittal date 12/2020

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	Current	
Pavement State of Repair	*Track city/countywide Pavement Condition Index (PCI), which rates*		
Average Network PCI (0-100)*	67	67	No change on PCI because the rest of the network keeps deteriorating. We would need to expend much more money on pavements projects to be able to increase the PCI. The current projects just can maintain the existing PCI from decreasing.
Date of PCI Analysis (month/year)	12/31/2018	11/1/2019	
Miles repaved in FY18/19 *(using all funds, not just Measure D)*	5.14 Miles	1.56 Miles	
Miles agency plans to repave in FY20/21 *(using all funds, not just Measure D)*	NA	4.46 Miles	
Total centerline miles in jurisdiction	136 Miles	136 Miles	
Complete Streets Implementation			*Provide an explanation if less than 20% of Measure D funds are spent on*
Percent of annual Measure D funds used to support bicycling and walking.	Over 75%	**50%**	
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways)	6,500 lineal feet of new and replacement bike facilities (trail, pavement, lanes, green lanes, sharrows)	**14,234** lineal feet of new and replacement bike facilities (trail, pavement, lanes, green lanes, sharrows)	
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/striping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained)	20 new and replacement curb ramps. Some of bike facilities noted above are also pedestrian facilities.	**33 new and replacement curb ramps**. Some of bike facilities noted above are also pedestrian facilities.	
Describe how school access was improved for children bicycling and walking, which may include collision data	Replacement curb ramps, crosswalks restriped and bike lane restriped. Street Smarts Program including bike education in elementary schools.	Replacement curb ramps, crosswalks restriped and bike lane restriped. Street Smarts Program including bike education in elementary schools.	
Capital Project and Program Investment Amount expended on capital projects and programs by phase (design, right-of-way, construction and capital support)	*Investment into capital projects and programs is greater than funding program administration* **See Expenditures Tab**	*Investment into capital projects and programs is greater than funding program administration* **See Expenditures Tab**	*Any agency expending less on capital investments compared to other activities must explain how capital investments will increase in the subsequent*
Leveraged Funds Amount of competitive grants secured using Measure D as match	*Report total grants and other funding secured using Measure D as a match.*	*Report total grants and other funding secured using Measure D as a match.* **See Expenditures Tab**	*Explain if Measure D funds fully funding all projects.*

Measure D Maintenance of Effort (MOE) Baseline Calculation Form

Jurisdiction: City of Santa Cruz

Calculation of Annual Average Transportation Expenditures/Baseline MOE:

Revenue Sources by Expenditure Category (update source names & categories as appropriate for your agency)

e.g. categories: Fixed-Route Service, paratransit service, streetsweeping, pavement, bike, ped, etc.

	Total Expenditure by Year							
REVENUES - Enter the total revenues expended in previous Fiscal Years (for transportation)	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**	**FY13/14**	**FY12/13**
State Aid								
Total Gas Tax (HUTA)	*1,410,400.00*	*1,266,501.00*	1,284,105.00	1,215,416.63	1,368,804.00	1,776,458.00	1,942,843.00	1,396,617.00
Motor Vehicle License Fee (In-Lieu-Tax)	*52,083.00*	*31,898.00*	34,252.00	28,954.00	25,738.00	25,998.00	26,461.00	31,759.00
HUTA loan repayment/SB1	*73,982.00*	*74,940.00*	373,923.00					
RMRA	*1,243,013.00*	*1,196,734.00*						
Total State Aid	***2,779,478.00***	***2,570,073.00***	**1,692,280.00**	**1,244,370.63**	**1,394,542.00**	**1,802,456.00**	**1,969,304.00**	**1,428,376.00**
Developer/Impact Fees	***2,643,646.00***	***500,716.00***	**325,951.00**	**389,948.00**	**109,479.00**	**2,008,524.00**	**95,757.00**	**38,579.00**
General Fund Monies used for Street Purposes								
Monies made available from City and Local Sources			-	-	-	-		
General Fund monies used for street purposes non-projects	*3,284,269.00*	*3,248,508.00*	3,612,081.00	2,934,129.00	3,039,381.00	3,065,761.00	2,814,237.00	2,396,411.00
c401417 - Transfers from the General Fund			-	-	-	64,000.00	-	-
c401420 - Transfers from the General Fund			-	-	-	8,741.00	-	-
General fund monies used for street purposes 311-40	*535,268.00*	*46,322.00*	588,547.00	670,264.00	331,585.00	259,993.00	-	259,861.40
c400809 - Transfer from the General Fund			-	-	-	985,502.00	298,615.00	201,385.26
c400810 - Transfer from the General Fund			-	-	-	-	114,498.00	-
c401418 - Transfer from the General Fund			-	-	-	-	86,258.00	-
c401419 - Transfer from the General Fund			-	-	-	-	65,853.00	-
m400819 - Transfer from the General fund			-	-	-	-	737.00	-
General Fund Monies used for Street Purposes 317 (Gas Tax)	*2,295,226.00*	*3,088,133.00*	6,008,155.00	4,047,196.00	493,637.00	80,751.00	-	-
Total General Fund monies used for Street Purposes	**6,114,763.00**	**6,382,963.00**	**10,208,783.00**	**7,651,589.00**	**3,864,603.00**	**4,464,748.00**	**3,380,198.00**	**2,857,657.66**
Annual MOE Revenue Per Year	**11,537,887.00**	**9,453,752.00**	**12,227,014.00**	**9,285,907.63**	**5,368,624.00**	**8,275,728.00**	**5,445,259.00**	**4,324,612.66**
Average Annual MOE Revenues						**$6,540,026**		
EXCLUDED REVENUES								
Total Excluded one-time grants	***2,425,072.03***	***3,879,806.17***	**7,835,357.36**	**4,567,476.87**	**503,378.00**	**354,046.00**	**675,000.00**	**34,105.00**
Total Other State Aid	*1,316,146.00*	*120,399.00*	**1,415,739.00**	**-**	**-**	**40,000.00**	**339,499.00**	**56,377.00**
Federal Aid	**-**	***196,646.00***	**-**	**-**	**36,965.00**	**363,035.00**	**-**	**-**
Other Federal Aid	***15,434.94***	***151,801.72***	**66,351.00**	**431,392.72**	**665,567.00**	**565,337.00**	**1,458,578.00**	**39,635.00**
Total Other Local Aid	**-**	**-**	**-**	**10,000.00**	**191,413.00**	**69,482.00**	**-**	**-**
Total monies from City and Local Sources			-	-	-	-	-	**805,579.00**
Total Article 8	**-**	**32,000.00**	**8,752.00**	**46,479.00**	**193,534.00**	**102,638.00**	**32,156.00**	**192,623.00**
Total Transfers	***500,000.00***	***700,000.00***	**500,000.00**	**1,453,545.00**	**222,599.00**	**429,729.00**	**46,649.00**	**1,497,583.00**
Interest and Other Revenue	*26,841.00*	*65,433.00*	5,681.00	**20,433.00**	**44,074.00**	**40,319.00**	**44,063.00**	**32,156.00**
Total Average Annual Transportation Expenditures	***4,283,493.97***	***5,146,085.89***	***9,831,880.36***	***6,529,326.59***	***1,857,530.00***	***1,964,586.00***	***2,551,882.00***	***2,625,902.00***
Total MOE Revenue - Total Excluded Revenue	***$7,254,393***	***$4,307,666***	***$2,395,134***	***$2,756,581***	***$3,511,094***	***$6,311,142***	***$2,893,377***	***$1,698,711***
5 Year Average FY13-FY17						***$3,434,181***		
3 Year Average FY15-FY17						***$3,634,410***		

City of Santa Cruz Measure D - Approved 5 Year Project Funding List FY21-25

Project Title	FY21	FY22	FY23	FY24	FY25	Project Funding Summary - FY21-25	Supporting Grants & Local Funding
Bicycle and Pedestrian Projects							
MB Sanctuary Scenic Trail (Rail Trail) Segment 8 & 9			$ 2,000,000			$ 2,000,000	$ 22,900,000
			$ 1,700,000			$ 1,700,000	
MB Sanctuary Scenic Trail (Rail Trail) - Maintenance	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000	$ 250,000
Swanton Blvd Multi-use Path		$ 200,000				$ 200,000	$ 1,700,000
Pacific Ave Sidewalk between Front and Second						$ -	$ 250,000
Market Street Bikelanes and Sidewalk				$ 100,000		$ 100,000	$ 400,000
COVID Slo Streets Program	$ 30,000						
SR2S and Youth Bike Safety Programs *	$ 83,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 283,000	
Street Reconstruction and Paving Projects							
City Arterial & Collector St Reconstruction and Overlay **	$ 470,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,470,000	$ 1,700,000/yr
City Residential & Collector St Reconstruction and Overlay	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000	$ 500,000/yr
Total City Measure D Allocation Request	$ 883,000	$ 1,050,000	$ 2,550,000	$ 950,000	$ 850,000	$ 6,283,000	
Total RTC Regional Measure D Allocation Request	$ 50,000	$ 50,000	$ 2,050,000	$ 50,000	$ 50,000	$ 2,250,000	
City Measure D Apportionment Estimate July 2020***	$ 1,028,435	$ 1,086,980	$ 1,148,471	$ 1,168,787	$ 1,189,430	$ 5,622,103	

*** Funding estimate revised per SCCRTC July 2020 (COVID)
** $668,560 was transferred from Street Reconstruction and Paving projects to the SLR Trestle project on 11/13/18
* $17,000 Street Smarts, $44,000 Ecology Action, $22,000 Bike SC County FY21.

Revised July 2, 2020 per council approval.

PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
Aug. 16, 2019

Contact:
Janice Bisgaard, Community Relations Specialist, (831) 420-5166

Street Smarts Family Bike Ride with Mayor Watkins Aug. 24

SANTA CRUZ, Calif. — The City of Santa Cruz welcomes young and old to the Street Smarts Family Bike Ride with Mayor Watkins on Saturday, Aug. 24, 10 a.m. to noon at the Tannery Art Center's Colligan Theater Plaza. Families will ride along the Santa Cruz Riverwalk with the Mayor led by Santa Cruz Police Officers and Ecology Action.

The first hour of the event features a traffic safety open house with eight booths filled with fun and games. Visitors can spin bike art at Bike Santa Cruz County's table and learn about the Coastal Rail Trail. Chipper Chipmunk will provide free bike helmets to the first few youth to visit the California Highway Patrol booth in need of a helmet.

At our Santa Cruz Police Department table kids can twirl a traffic safety wheel for prizes. The Regional Transportation Commission and Friday Night Live will host interactive games with traffic safety giveaways.

Santa Cruz Warriors mascot Mav'Riks will teach kids bike turn signals and Santa Cruz CycleWorks will offer free bike tune-ups.

Youth can decorate their bikes and get their helmets fitted by Ecology Action who will also demo a dramatic helmet safety melon drop at 10:30 a.m.

At 11 a.m. the bike ride along the Santa Cruz Riverwalk begins led by Ecology Action and our Santa Cruz Police Officers.

Returning to the Tannery, there will be free Penny Ice Creamery cones for all who complete the ride!

All participants must sign a WAIVER. Children under the age of 13 must be accompanied by an adult. Minors 13 and up may participate provided they bring the waiver signed by their parent. Waivers may be downloaded here.

There is free vehicle parking at Tannery lot 17 near the Colligan Theater and bike racks at Colligan Theater Plaza.

Mayor Watkins, our Police Officers, Mav'riks, Chipper and Ecology Action hope to see you there!

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PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
Oct. 8, 2019

Contact: Janice Bisgaard, Community Relations Specialist, (831) 420-5166

City of Santa Cruz Hosts Five Booths with Activities and Free Bike Raffle at Open Streets on Oct. 13

SANTA CRUZ, Calif. — The City of Santa Cruz welcomes visitors to five booths with games and activities at Open Streets plus a chance to win an adult or a youth bike. The event, Bike Santa Cruz County's pop-up street park, takes place Sunday, Oct. 13, from 9 a.m. to 2 p.m. along West Cliff Drive from Lighthouse Field to Natural Bridges.

Visitors who get their City of Santa Cruz passports stamped at all five of the following City booths may enter a free drawing for a chance to win a Schwinn "Astrid" youth bike or a Schwinn "Gateway" hybrid adult bike, generously donated in part by Target.

At the Santa Cruz Public Libraries booth, youth will enjoy Kermit the Book Bike and have some fun with bubbles and hula hoops. There will also be information on library programs and building projects.

The City's Climate Action Program will host a Resilient Coast Santa Cruz Initiative table to gain community feedback on coastal uses, priorities and concerns in the context of climate change and its impacts. Visitors will also be able to view the historical and projected evolution of Santa Cruz coastal change and solution concepts.

The Street Smarts booth encourages adults and youth to take a traffic safety pledge with reflective slap-band reward. The table also offers a take-home traffic safety "Family Policy," yard signs that say "Slow Down" and "Drive Neighborly," and tips to help all road users contribute to a safer Santa Cruz community.

At the Parks and Recreation table visitors can spin the wheel to win cool swag as they learn about the City's Teen Center and summer camp programs plus the many fun events leading up to Halloween.

Santa Cruz Police Department volunteers will teach kids about basic bike safety laws and the importance of wearing a helmet. The Department hopes to curb the number of bicycle-related traffic accidents by reaching out to young riders. This table also offers free Mobile Bicycle Registration – part of the Department's effort to reduce bike theft through education, awareness and enforcement.

All five City tables as well as the Open Streets information booths offer the passports needed to enter the free bike raffle. Once completed, the passports must be dropped off at the Street Smarts booth by 1:30 p.m. to enter the drawing. Participants need not be present to win.

The City encourages individuals and families to enjoy this once-a-year opportunity to walk, bike and play on West Cliff Drive free from vehicle traffic.

Photos attached:

- At the Open Streets Santa Cruz Public Libraries booth, youth can enjoy bubbles, hula hoops and more.
- Youth can sign up for and receive bike registration stickers at the Open Streets Santa Cruz Police Department booth.
- Yard signs and other traffic safety items are available at the Open Streets Street Smarts booth.
- Open Streets visitors can enter a free City of Santa Cruz raffle to win a Schwinn “Gateway” hybrid bike and a Schwinn “Astrid” youth bike.

PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
Feb. 21, 2020

Contacts:
Janice Bisgaard, Community Relations Specialist, (831) 420-5166
Ricardo E. Valdés, Associate Civil Engineer, (831) 420-5198

Curb Ramps Enhancement Project Begins Feb. 24

SANTA CRUZ, Calif. — The City of Santa Cruz is scheduled to begin the 2020 Curb Ramps Enhancement Project on Monday, Feb. 24, in advance of an upcoming paving project. The project, expected to be completed in April 2020, will include curb ramp improvements to meet current accessibility standards at the following locations:

- River Street from Madrone Street to Water Street.
- Water Street from Ocean Street to N. Branciforte Avenue.
- Ocean Street at Jewell Street.

Construction will occur weekdays from 7 a.m. to 4 p.m. Two-way traffic will remain in place, however, there may be delays due to construction activity. Parking, bike lanes and pedestrian access in these construction areas will be affected. Traffic control will be in place during construction hours.

The City apologizes for any inconvenience this construction work may cause and appreciates the public's cooperation. Any concerns or questions may be addressed to Project Manager Ricardo Valdés, at (831) 420-5198 or RValdes@cityofsantacruz.com.

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PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
March 11, 2020

Contacts:
Janice Bisgaard, Community Relations Specialist, (831) 420-5166
Ricardo E. Valdés, Associate Civil Engineer, (831) 420-5198

River Street and Water Street Overlay Project is Scheduled to Begin on March 16

SANTA CRUZ — The City of Santa Cruz is scheduled to begin the River Street and Water Street Overlay Project on Monday, March 16. Funded by Measure H, Measure D, SB1 Gas Tax and state grants, the project is rehabilitating pavement in two locations: River Street from Madrone Street to Water Street and Water Street from River Street to N. Branciforte Avenue.

Construction will occur weekdays from 7 a.m. to 3:30 p.m. Two-way traffic will remain in place, however, travelers should expect minor delays. Parking, bike lanes and pedestrian access in these construction areas will be affected. Traffic control will be in place during construction hours.

The project is expected to conclude in early May.

The City apologizes for any inconvenience this construction work may cause and appreciates the public's cooperation. Any concerns or questions may be addressed to Project Manager Ricardo Valdés, at (831) 420-5198 or RValdes@cityofsantacruz.com.

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PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
March 25, 2020

Contacts:
Janice Bisgaard, Community Relations Specialist, (831) 420-5166
Ricardo E. Valdés, Associate Civil Engineer, (831) 420-5198

River Street Paving Scheduled for March 26 through April 1

SANTA CRUZ —The City of Santa Cruz River Street and Water Street Overlay Project construction will impact traffic on River Street from Madrone Street to Water Street beginning Thursday, March 26 through Wednesday, April 1. Funded by Measure H, Measure D, SB-1 Gas Tax and state grants, the project is rehabilitating pavement on parts of River Street and Water Street.

Operating under the "Essential Infrastructure" exemption from current local and state shelter-in-place orders, construction on River Street will occur weekdays from approximately 7 a.m. to 3:30 p.m. Two-way traffic will remain in place with some detours, however, travelers should expect delays. Parking, bike lanes and pedestrian access in these construction areas will be impacted. Traffic control will be in place during construction hours.

The City apologizes for any inconvenience this construction work may cause and appreciates the public's cooperation. Any concerns or questions may be addressed to Project Manager Ricardo Valdés, at (831) 420-5198 or RValdes@cityofsantacruz.com.

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QUIERES SER ILUMINADO?

Street Smarts

La misión de la campaña de educación pública Street Smarts es reducir el número de accidentes y lesiones de tráfico en el Condado de SantaCruz y la Ciudad de Monterey.

RESILIENT COAST
SANTA CRUZ

BUILDING RESILIENCE TO
SEA LEVEL RISE

CITY OF
SANTA CRUZ
Climate Action Program

www.cityofsantacruz.com

Street Smarts

August 20, 2019
FOR IMMEDIATE RELEASE

CONTACT: Janice Bisgaard or Jason Hoppin
831-420-5166 or 831-454-3401

STREET SMARTS CAMPAIGN LAUNCHES COUNTYWIDE EFFORT

Building on a successful public safety campaign established by the City of Santa Cruz, a coalition of educational and local government partners is pleased to announce the expansion of the Street Smarts campaign throughout Santa Cruz County.

By raising awareness and promoting safe practices among drivers, cyclists and pedestrians, the Street Smarts campaign aims to reduce the number of traffic-related crashes and injuries throughout Santa Cruz County. Joining the City of Santa Cruz in the 2019 campaign are the County of Santa Cruz, the Santa Cruz County Office of Education and the cities of Watsonville, Scotts Valley and Capitola.

"The County is pleased to join this important effort to protect all users of our transportation network," said Matt Machado, Santa Cruz County Public Works Director. "Whether in cities or in rural parts of the county, distractions imperil pedestrians, cyclists and motorists alike, and everyone deserve our respect and full attention."

"As educators, the safety of our children is paramount to everything we do," said Dr. Faris Sabbah, superintendent of the Santa Cruz County Office of Education. "We are beyond pleased to join the Street Smarts campaign to complement our ongoing efforts to assure the safe passage to and from school for all of our children."

While alternative transportation modes are popular throughout Santa Cruz County, more needs to be done to improve bicycle and pedestrian safety according to data from the California Office of Traffic Safety, with the County experiencing a high number of cyclist- and pedestrian-involved traffic collisions.

Street Smarts public education efforts target traffic-related problems that include unsafe speed and distracted driving. Pertinent messages that also raise awareness of the most vulnerable road users are being posted on banners in front of City of Santa Cruz elementary and middle schools, followed by placement near Santa Cruz County schools.

The bilingual ad campaign includes awareness advertising within Santa Cruz Metro buses and on City of Santa Cruz vehicles. Street Smarts banners are also being installed on street poles in downtown Santa Cruz as well as along Water Street, Soquel Avenue and other locations.

Through a yearlong media campaign, messages are also being delivered in print and through radio broadcast and social media. UC Santa Cruz will continue delivering Street Smarts messaging to students, faculty and staff throughout their campus community.

Community partners also play important roles in supporting the Street Smarts mission. They include Santa Cruz County Traffic Safety Coalition, Bike Santa Cruz County, Ecology Action, Santa Cruz County Regional Transportation Commission, Santa Cruz Metro, Santa Cruz Police Department, Santa Cruz Neighbors and the Santa Cruz Warriors.

Kicking off year three of its campaign, the City of Santa Cruz welcomes the community to a Street Smarts Family Bike Ride on Saturday, Aug. 24, 10 a.m. to noon at the Tannery Art Center's Colligan Theater Plaza. Participants will ride along the Riverwalk with Mayor Martine Watkins, Santa Cruz Police officers and Ecology Action. There will be a traffic safety open house with Santa Cruz Warriors mascot Mav'Riks, California Highway Patrol's Chipper the Chipmunk, games and prizes, plus free Penny Ice Creamery cones after the ride.

For more information on the family bike ride and the regional campaign, visit www.cityofsantacruz.com/StreetSmarts.

Attached photos:

- Street Smarts "Slow Down" banner in front of Gault Elementary School.
- Street Smarts banner on City of Santa Cruz street pole.
- Mav'Riks will teach bike turn signals at the Street Smarts Family Bike Ride with Mayor Watkins.
- Mayor Martine Watkins welcomes the community to bike ride with her at the Street Smarts Family Bike Ride on Aug. 24.

PUBLIC WORKS DEPARTMENT
809 Center Street, Room 201, Santa Cruz, CA 95060 • (831) 420-5160 • www.cityofsantacruz.com/publicworks

FOR IMMEDIATE RELEASE
Dec. 19, 2019

Contacts:
Dan Estranero, Project Manager, (831) 420-5189
Janice Bisgaard, Community Relations Specialist, (831) 420-5166

Graphics below

Construction of Santa Cruz School Crossing Improvements at 21 Locations to Begin Jan. 6

SANTA CRUZ, Calif. —The City of Santa Cruz is scheduled to begin the construction of the Safe Routes to School Crossing Improvements Project at 21 locations adjacent to eight Santa Cruz City School campuses on Monday, Jan. 6. The project, expected to be completed in May 2020, will include curb ramps, roadway signs, streetlights, pedestrian activated beacons, solar speed radar signs, and striping and pavement markings.

Construction will occur on weekdays from 8 a.m. to 3:30 p.m. Two-way traffic will remain in place, however, there may be delays due to construction activity around all eight of the Santa Cruz City School campuses. Parking, bike lanes and pedestrian access in these construction areas will be affected.

The Safe Routes to School Crossing Improvements Project will make walking and bicycling safer in Santa Cruz as identified in the City's Active Transportation Plan.

The project's cost of approximately $1 million is funded through the Active Transportation Program Cycle 2 grant. The construction contract has been awarded to Norcal Contractor.

The City apologizes for any inconvenience this construction work may cause and appreciates the public's cooperation. Any concerns or questions may be addressed to Project Manager Dan Estranero at destranero@cityofsantacruz.com or (831) 420-5189. Any changes to the construction schedule will be posted at www.cityofsantacruz.com.

Attached graphics:

- Map featuring the Safe Routes to School Crossing Improvements Project's 21 construction locations.
- The City of Santa Cruz installed new curb ramps and crosswalk improvements at Bay/Meder streets as part of the Westlake Safe Routes to School Project.

WIRTGEN

Improving Your Streets
MEASURE D

MEASURE D

MEASURE D

MEASURE D

Measure D Recipient Agency: City of Scotts Valley

Measure D Annual Report Cover Sheet

Fiscal Year 2019/20

Submit documents to rmoriconi@sccrtc.org by December 31, 2020.

Dear Measure D Taxpayer Oversight Committee: The City of Scotts Valley *(Recipient Agency)* is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY19/20 Formula Allocations	$311,638
Unspent Prior Year Allocations	$270,580
Interest earned on Unspent Prior Allocations	$6,954
Total Measure D Funding Available in FY19/20	**$589,172**
Total Measure D Funds Spent in FY19/20	**$473,006**
Total Measure D Rollover to FY20/21	$116,167
Maintenance of Effort	
FY19/20 LOCAL funds spent on transportation projects, operations, and/or services *(exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*	$ city staff working on
Maintenance of Effort **Baseline** *(average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017)*	$219,450
Measure D Compliance Documents	
Document	**Attached (check)**
1. FY19/20 Annual Report Cover Sheet *(this document)*	**X**
2. FY19/20 Audited Financials for Measure D funds *(see "Measure D Audit Guidance" for additional information)*	**X**
3. FY19/20 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. **Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.*	**X**
a. *If applicable* **–Grouped projects supplemental information:** For any grouped projects (e.g. citywide roadway repairs), include a supplemental **list of specific locations** (road names, project limits, and length or routes/areas served), **work done at each** (e.g. environmental, design, construction), **and schedule** for completing construction at each.	n/a
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY19/20 (for projects with specific locations). URL: https://www.scottsvalley.org/279/Plans-Projects	**X** (see left) ←
5. FY19/20 Performance Measures Report *(Measure D Guidelines Attachment B)*	**X**
6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY19/20 as compared to the 3-5 years prior to FY16/17.	See budget
a. If FY19/20 Local funds expended were lower than Baseline amount, explain why:	NA

7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? *(If "no," Measure D cannot be used for indirect costs)* **a. Date of most recent ICAP: June 20, 2018**	**Yes**
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	**X**
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	**X**
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan *(per Article III.A.4.)*	Date: 6/20/18 & 6/17/20
c. Date annual 5-year Plan approved by Governing Board	Date: 6/24/20
9. Complete Streets Compliance *(Cities/County only)***:** Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. *Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.*	**X** See General Plan; Active Transportation Plan (p.24); & Complete Streets to Schools Plan
10. Annual Report Narrative *(may be included in Management & Admin section of audit)*	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	**X (attached as 10. Annual Narrative report)**
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	**X (attached as #10. Annual Narrative report)**
c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	**X (attached as 10. Annual Narrative report)**

Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds. *(per Article III.A.3.)*.	Mentioned at meetings with Bike Santa Cruz, ITAC; signage at project sites; mentioned on website
12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	**X**
a. Website with Measure D information (attach PDF): Web address: https://www.scottsvalley.org/279/Plans-Projects	**X**
b. News Article: *Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)*	None that mention Measure D
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available. *See "Measure D: Sign Specifications" for additional signage guidance. (per Article III.A.6.)*	**X** – see Attached
13. Photos: Attach before/after and construction photos if available of projects/work done in FY19/20.	**X**
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	**X** (in "14. 5 Year Program of Projects")

Contacts

Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
Daryl Jordan	Public Works Director	831-438-5854; djordan@scottsvalley.org
Laurie Grundy	Senior Accountant	831-440-5614; lgrundy@scottsvalley.org

Additional information:
#8. 5-Year Plan: No changes made in 2020. Modifications will be considered in 2021. Attached reflects preliminary 5 year plan updates, not yet been approved.

#9. Complete Streets: Scotts Valley's 2021 General Plan, to be adopted in the coming year, will update ordinances to include Complete Street standards and encourage accessible development. The draft GP is included as 9. The City's Safe Routes to Schools plan, developed with the County of Santa Cruz in 2020, and Active Transportation Plan, slated to be finalized and adopted in early 2021, include many Complete Street aspects.

City of Scotts Valley

Measure D Fund

Scotts Valley, California

Financial Statements and Independent Auditors' Reports

For the year ended June 30, 2020

City of Scotts Valley Measure D Fund
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For the year ended June 30, 2020

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BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California

We have audited the accompanying financial statements of the Measure D Fund (Measure D Fund) of the City of Scotts Valley, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure D Fund of the City as of June 30, 2020, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Measure D Fund and do not purport to, and do not, present fairly the financial positions of the City as of June 30, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Measure D Fund's basic financial statements. The budgetary comparison information is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020, on our consideration of the City'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Badawi & Associates

Badawi and Associates
Certified Public Accountants
Berkeley, California
December 23, 2020

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City of Scotts Valley
Measure D Fund
Balance Sheet
June 30, 2020

ASSETS		
Cash and Investments	$	405,998
Due from other governments		52,633
Total assets	$	458,631
FUND BALANCE AND LIABILITIES		
Liabilities:		
Accounts payable	$	342,465
Total liabilities		342,465
Fund Balance:		
Restricted	$	116,166
Total fund balance		116,166
Total liabilities and fund balance	$	458,631

See accompanying Notes to Financial Statements.

City of Scotts Valley
Measure D Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2020

REVENUES:		
Taxes and assessments	$	311,638
Investment earnings		6,954
Total Revenues		318,592
EXPENDITURES:		
Current:		
Public works		541
Capital outlay		472,465
Total Expenditures		473,006
Net change in fund balances		(154,414)
FUND BALANCES:		
Beginning of year		270,580
End of year	$	116,166

See accompanying Notes to Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

All transactions of the Santa Cruz County Regional Transportation Commission – Measure D Fund (Measure D Fund) of the City of Scotts Valley (the City) are included as a separate special revenue fund in the basic financial statements of the City. The accompanying financial statements are for Measure D Fund only and are not intended to fairly present the financial position or results of operations of the City.

B. Basis of Presentation

Fund Accounting

The operations of the Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

The Measure D fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers the majority of revenues to be available if they are collected within 45-90 days of the end of the current fiscal period. Expenditures are recorded in the accounting period in which the related fund liability is incurred

D. Assets, Liabilities and Fund Balance

1) Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for nonparticipating certificates of deposit and investment contracts that would be reported at cost because they are not transferable and they have terms that are not affected by changes in interest rates.

Changes in fair market value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

The City pools idle cash from all funds in order to increase income earned through its investment program. Investment income from pooled investments is allocated to those funds that are required by law or administrative action to receive interest. Investment income is allocated on a quarterly basis based on the cash balance in each fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities and Fund Balance, Continued

2) Receivables

Receivables include amounts due from other governments. Receivables are recorded and revenues are recognized as earned or as specific program expenditures are incurred.

3) Use of Estimates

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts.

4) Fund Balance

As of June 30, 2020, fund balance of the Measure D Fund was classified as restricted which is defined as amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

2. MEASURE D FUNDS

Under Measure D, approved by the voters of Santa Cruz County in 2016, the City receives a portion of the proceeds of an additional one-half cent sales tax to be used to improve children's safety around schools; repair potholes; repave streets; improve traffic flow on Highway 1; maintain senior/disabled transit; reduce global warming pollution by providing transportation options like sidewalks, buses, bike lanes, trails; and preserve rail options.

3. CASH AND INVESTMENTS

Cash and investments held by the Measure D Fund at June 30, 2020, consisted of $405,998 in cash pooled with the City's Cash and Investments.

The City pools cash and investments of all funds, except amounts held by fiscal agents. The Council invests on behalf of most funds of the City in accordance with the California State Government Code and the City's investment policy. Investments are reported in the accompanying balance sheet at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

SUPPLEMENTARY INFORMATION

City of Scotts Valley Measure D Fund
Supplementary Information
For the years ended June 30, 2020

1. BUDGETARY INFORMATION

A. Budgets and budgetary accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function and department. The City manager may make transfers of appropriations within a department. Transfers between departments and other changes require City Council approval. The legal level of control is the department and fund level. The Council made supplemental appropriations during the fiscal year. Encumbrance accounting is not employed in governmental funds.

City of Scotts Valley
Budgetary Comparison Schedule - Measure D Fund
For the year ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Taxes and assessments	$ 265,800	$ 265,800	$ 311,638	$ 45,838
Investment earnings	2,500	2,500	6,954	4,454
Total revenues	268,300	268,300	318,592	50,292
EXPENDITURES:				
Current:				
Public works	20	20	541	(521)
Capital outlay	474,602	474,602	472,465	2,137
Total expenditures	474,622	474,622	473,006	1,616
Net change in fund balances	$ (206,322)	$ (206,322)	(154,414)	$ 51,908
FUND BALANCES:				
Beginning of year			270,580	
End of year			$ 116,166	

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BADAWI & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S 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*

To the Honorable Mayor and Members of City Council
of the City of Scotts Valley
Scotts Valley, California

We have audited, in accordance with the 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, the financial statements of the Measure D Fund of the City of Scotts Valley, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 23, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure D Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements including the applicable compliance requirements specified in the Measure D agreement between the City and Santa Cruz Regional Transportation Commission, and 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Badawi & Associates

Badawi and Associates
Certified Public Accountants
Berkeley, California
December 23, 2020

MEASURE D EXPENDITURE REPORT - Direct Allocations

Reporting Year FY19/20

Recipient Agency City of Scotts Valley

#	Project Name	Total Project Cost	FY19/20 Measure D Expenditures	Prior Year expenditures (if applicable) FY16/17 Measure D Expenditures on this project	FY17/18 Measure D Expenditures	FY18/19 Measure D Expenditures	Measure D TOTAL SPENT *through reporting year*	*(Est) Future Year(s) Measure D Expenditures*	stency with 5-yea Project in approved 5-year plan? *(yes/no)*	Project Descrip Project Description
1	Green Hills STBG Improvements	$ 155,000	$ -	$ -	$ -	$ 154,619	$ 154,619	$ -	Yes	Street repaving, roadway markings, pavement widening, restriping on Green Hill
2	Kings Village Road Sidewalk	$ 306,000	$ -	$ -	$ -	$ 127,519	$ 127,519	$ -	Yes	Sidewalk Improvements
3	Public Works Staffing	$ 541	$ 541				$ 541	varies	not capital	Staffing related to implementation
4	Glenwood Drive Improvements	$ 1,460,000	$ 342,465	$ -	$ -	$ 25,398	$ 367,863		Yes	Roadway and Bicycle Improvements
5	Glenwood Open Space Preserve	$ 640,000	$ 130,000	$ -	$ -	$ -	$ 130,000	$ -	Yes	Parking Facilities and Roadway
		Total	$ 473,006	$ -	$ -	$ 307,536	$ 780,542	$ -		

MEASURE D EXPENDITURE REPORT

		tion/Location	Project Status/Timeline				Stats - if applicable			
#	Project Name	Location/Limts (if grouped project, list each location/limit)	Work Done in FY19/20 (e.g. planning, design, construction, right-of-way)	CEQA compliance *(List type of doc & certification date - e.x. CE, 5/1/18)*	Construction/ Implement schedule	Completion Date *(actual or estimate)*	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/repair (pothole, seals, etc)	Rehab of bikeways, sidewalks, or ADA ramps included? *(describe)*
1	Green Hills STBG Improvements	Green Hills Road	n/a	categorical exemption Article 19. Sec 15301, Class 1	6/13/18-10/31/18	10/31/2018	0.0576	0	1.94	restriped existing bike lanes, added additional 0.576 mi bike lane
2	Kings Village Road Sidewalk	Kings Village Road (from Scotts Valley Drive to Bluebonnet Ln)	n/a	categorical exception, 15301(c)	10/25/2018-1/30/19	1/30/2019	0	0.187	0	sidewalk rehab, 4 ADA ramps added
3	Public Works Staffing	n/a	Prepare Measure D documents	na	na	na	na	na	na	na
4	Glenwood Drive Improvements	Glenwood Drive (from Deerfield Drive to Summerhill Drive)	Glenwood Drive widened, resurfaced, restriped; extra bike lane added, replaced drainage inlet, installed speed sign	exemption, 15304(h) Class 1	5/10/2019-	~Feb 2021	0.45	0	0.45	addition of northbound bike lane
5	Glenwood Open Space Preserve	K Street, Siltannen, Glenwood Trails parking lots; Glenwood East Preserve	K Street, Siltanen Park, and Glenwood Trails parking lots completed; Glenwood Trails bridges installed	categorical exemption, 15034	9/16/19-2/20/20	12/18/2020	0	4.2	0	no
							0.51	**4.39**	**2.39**	

MEASURE D EXPENDITURE REPORT

			Leveraged Funds, if any		Measure D use			Other
#	Project Name	If Complete Streets not incorporated into project, why not?	Leveraged Fund Amounts *(grants & other funds where Meas. D used as match)*	Leveraged Fund Source(s) Name(s)	Measure D-funded **Capital Costs**	Measure D-funded **Non-capital** *(non-infrastructure, outreach, admin)*	Measure D-funded **Indirect costs** (and overhead)	Other Notes or Information *(optional)*
1	Green Hills STBG Improvements				$ 154,225	$ 394		
2	Kings Village Road Sidewalk				$ 127,195	$ 324		
3	Public Works Staffing	na	na	na		$ 521		
4	Glenwood Drive Improvements				$ 367,469	$ 394		
5	Glenwood Open Space Preserve		$155,000	LPP	$ 129,854	$ 146		Financially, this is listed as "Glenwood Open Space Preserve," but two construction projects were billed: (1) the ADA parking lots (K Street, Siltannen, Glenwood Trails) and (2) the East Glenwood Preserve trails
			$ 155,000		**$ 778,743**	**$ 1,779**	**$ -**	

Glenwood Active Transportation

Roadway and Bicycle Improvements

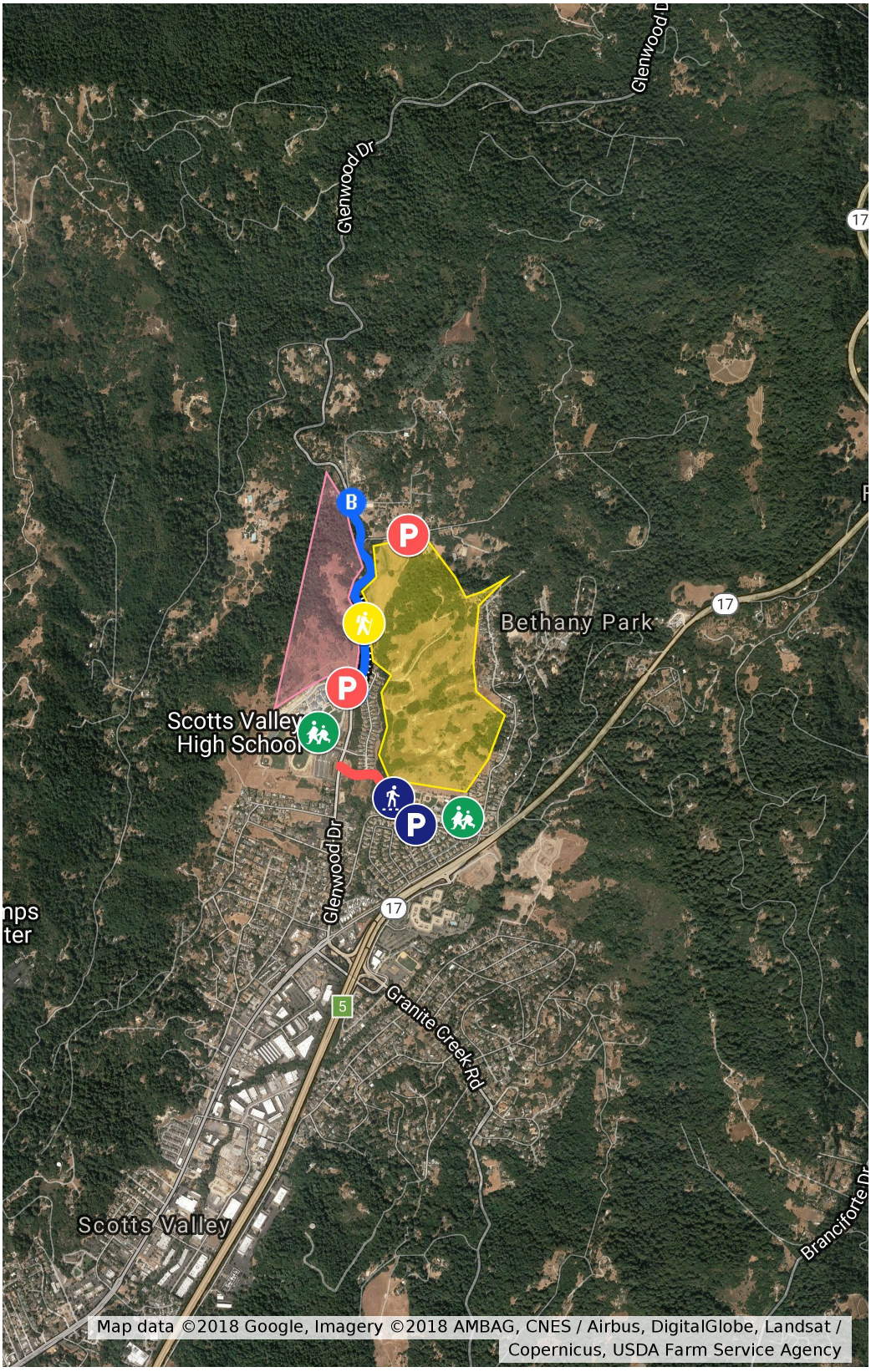
- A K Street
- B City/County Line

Pedestrian Improvements

- SRTS Connector
- Improved SRTS
- Existing SRTS
- Vine Hill Elementary School
- Scotts Valley High School
- Trail Crosswalk Connector

Glenwood Preserve - see attached trail map

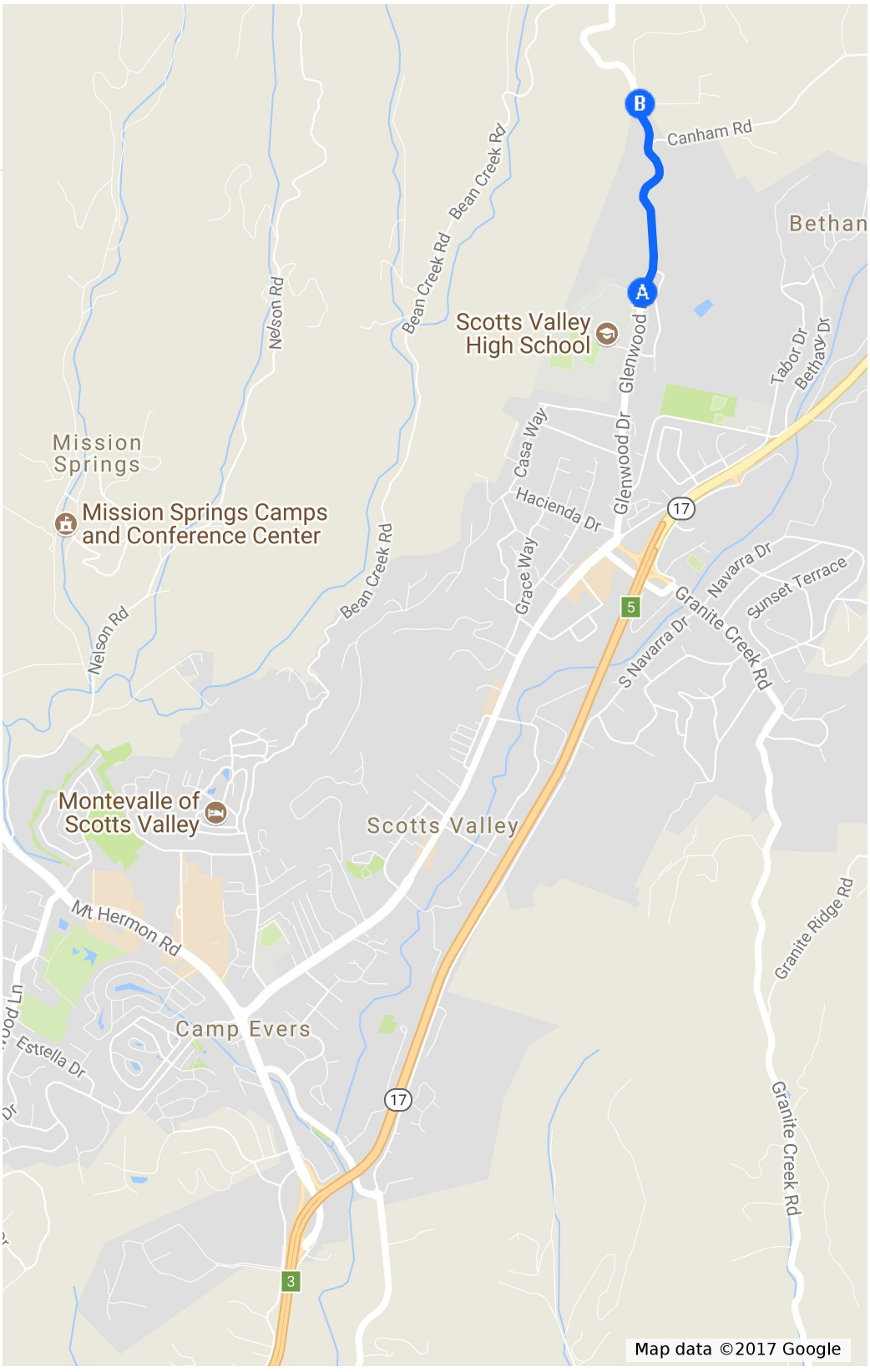
- Glenwood Preserve East
- Glenwood Preserve West
- Existing Trail Parking
- Accessible Trail Parking
- Accessible Trail Parking



Glenwood Drive Rehabilitation and Bicycle Improvement Project

Project Boundary

- A K Street
- B City/County Line



Measure D: Neighborhood Projects Program (Funds to Cities and County for Local Streets and Roads - LSR)

Performance Measures

AGENCY: **City of Scotts Valley**

Measure D recipients are to document the performance and benefits of the projects and programs funded with Measure

Submittal date 12/21/2020

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	**Current**	
Pavement State of Repair	*Track city/countywide Pavement Condition Index (PCI), which rates the "surface condition" of local streets from 1 to 100, at least every three years.*		*Any agency with a falling PCI must provide an explanation. If the PCI drops, specify what funding amounts, policies, or other needs are required to enable increasing the PCI to 60 (fair) or above.*
Average Network PCI (0-100)*	63	58	Glenwood, the major FY12-20 project, was not closed out at the time of PCI update, and was not included in the PCI. Future projects (Bean Creek) are also anticipated to raise PCI.
Date of PCI Analysis (month/year)	18-Jun-18	1-Jul-20	
Miles repaved in FY 19/20 *(using all funds, not just Measure D)*	1.94	0.45	
Miles agency plans to repave in FY20/21 *(using all funds, not just Measure D)*	-	0.5	
Total centerline miles in jurisdiction	32.02	32.02	
Complete Streets Implementation			*Provide an explanation if less than 20% of Measure D funds are spent on bicycle and*
Percent of annual Measure D funds used to support bicycling and walking.	30%	30%	
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways) w/Meas D	0.576	0.45	na
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/striping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained) w/Meas D	.187 miles of sidewalk added, 4 ADA ramps, 1 crossing added	4.2 miles of trails added in the East Glenwood Preserve	
Describe how school access was improved for children bicycling and walking, which may include collision data w/Meas D	n/a	Restriped crossing at Vine Hill Elementary	
Capital Project and Program Investment	*Investment into capital projects and*		*Any agency expending less on capital investments compared to other activities must explain how capital investments will*
Amount of Meas D expended on capital projects and programs by phase (design, right-of-way, construction and capital support)	**See Expenditures Tab**	**in "3. Expediture Report"**	
Leveraged Funds	*Report total grants and other funding secured using Measure D as a match.*		*Explain if Measure D funds fully funding all projects.*
Amount of competitive grants secured using Measure D as match	n/a	$155k from LPP funds	

City of Scotts Valley
Capital Improvement Plan by Project
FY 2020/21 to FY 2024/25

No	Description	Priority	Proposed Funding Source	New/ Existing	Total	2020/21	2021/22	2022/23	2023/24	2024/25	Unscheduled	Classification
Wastewater												
1	Sewer System Management Plan	A	WW-C	Existing	236,439	236,439	-	-	-	-	-	CIP
2	PLC Upgrades	A	WW-C	Existing	67,369	67,369	-	-	-	-	-	CIP
3	Electric Security Grate	B	WW-C	Existing	20,600	20,600	-	-	-	-	-	CIP
4	Clarifier Superstructure & Walkway Replacement	B	WW-C	Existing	255,800	255,800	-	-	-	-	-	CIP
5	Rotary Drum Thickener	B	WW-C	Existing	231,900	-	231,900	-	-	-	-	CIP
6	Glen Canyon Lift Station Generator	C	WW-C	Existing	59,700	59,700	-	-	-	-	-	CIP
7	Aeration Basin System Upgrade	B	WW-C	Existing	130,800	-	-	130,800	-	-	-	CIP
8	Effluent Pump	C	WW-C	Existing	272,500	-	-	272,500	-	-	-	CIP
9	Ultraviolet Disinfection System Evaluation	B	WW-C	Existing	42,000	42,000	-	-	-	-	-	CIP
10	Storm Water LID		Unscheduled	Existing	231,900	-	-	-	-	-	231,900	CIP
11	Pump Backups		Unscheduled	NEW	230,000	-	-	-	-	-	230,000	CIP
12	Sewer System Plant Master Plan		Unscheduled	NEW	300,000	-	-	-	-	-	300,000	CIP
13	Vactor Truck		Unscheduled	NEW	225,000	-	-	-	-	-	225,000	CIP
	Total - Wastewater Projects				**2,304,008**	**681,908**	**231,900**	**403,300**	**-**	**-**	**986,900**	
Transportation												
14	Annual Street Maintenance/Resurfacing Program	A	RMRA/RTIP	Existing	1,900,264	800,264	275,000	275,000	275,000	275,000	-	CIP
15	Glenwood Drive Rehabilitation	B	Meas D	Existing	1,314,147	1,314,147	-	-	-	-	-	CIP
16	Mt. Hermon Rd Median Improvements	B	TM-DIF	Existing	375,000	-	375,000	-	-	-	-	CIP
17	Bean Creek Road Pavement Rehabilitation	A	Meas D	Existing	500,000	-	500,000	-	-	-	-	CIP
18	Active Transportation Plan - Sidewalks	B	RTIP/TM-DIF	Existing	2,513,000	100,000	-	-	-	-	2,413,000	CIP
19	Active Transportation Plan - Bicycles	C	RTIP/TM-DIF	Existing	2,858,000	100,000	-	-	-	-	2,758,000	CIP
	Total - Transportation Projects				**9,460,411**	**2,314,411**	**1,150,000**	**275,000**	**275,000**	**275,000**	**5,171,000**	
Storm Drains												
20	Storm Drain Trash Capture System	A	CIP	Existing	500,000	25,000	100,000	100,000	100,000	175,000	-	CIP
21	Storm Drain Master Plan Projects		Unscheduled	Existing	184,300	-	-	-	-	-	184,300	CIP
	Total - Storm Drains				**684,300**	**25,000**	**100,000**	**100,000**	**100,000**	**175,000**	**184,300**	
Parks												
22	Parks ADA Improvements - Phase I	A	Lennar	Existing	117,055	75,855	41,200	-	-	-	-	CIP
23	Recreation Building Window Replacement	A	CIP	Existing	25,000	25,000	-	-	-	-	-	CIP
24	Skypark Restroom Improvements	B	P-DIF	Existing	60,000	60,000	-	-	-	-	-	CIP
25	Siltanen Family Swim Center Pool Resurfacing	B	CIP	Existing	15,000	15,000	-	-	-	-	-	CIP
26	Vern Hart Fishing Park Improvements	C	CalOES	Existing	12,000	12,000	-	-	-	-	-	CIP
27	Skypark Tennis Court Improvements	C	P-DIF/Lennar	Existing	50,000	50,000	-	-	-	-	-	CIP
28	Hocus Pocus Park Play Structure Equipment	B	P-DIF	Existing	463,800	-	-	-	-	-	463,800	CIP
29	Brook Knoll/Vine Hill Daycare Modular Replacement	B	P-DIF	Existing	953,800	550,000	300,000	-	-	-	250,000	CIP
30	Parks ADA Improvements - Phase II	A	Lennar	Existing	107,200	-	-	53,600	53,600	-	-	CIP
31	Senior Center ADA Improvements - Phase II	A	CIP	Existing	76,300	-	-	76,300	-	-	-	CIP
32	Skypark Play Structure Equipment		Unscheduled	Existing	980,000	-	-	-	-	-	980,000	CIP
33	Glenwood Open Space Preserve East Trails	C	CIP/Meas D/CTC/Don	Existing	240,965	240,965	-	-	-	-	-	CIP
34	Al Shugart Park Construction - Phase I, II, III		Unscheduled	Existing	2,500,000	-	-	-	-	-	2,500,000	CIP
	Total - Parks Projects				**5,601,120**	**1,028,820**	**341,200**	**129,900**	**53,600**	**-**	**4,193,800**	

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RESOLUTION NO. 630.40

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE CITY'S ANNUAL BUDGET FOR FISCAL YEAR 2020/21 AND MAKING APPROPRIATIONS FOR THE AMOUNTS BUDGETED

WHEREAS, the City Manager is responsible for preparing and submitting a City budget for the operation and improvements of the community for City Council approval; and

WHEREAS, the City Council has reviewed and evaluated the proposed budget submitted by the City Manager; and

WHEREAS, the community has had an opportunity to review and make additional suggestions regarding the proposed annual budget to the City Council.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED as follows:

1. The City of Scotts Valley's FY 2020/21 Annual Budget for the fiscal year ending June 30, 2021 is hereby approved as set forth in the attached Exhibit A and incorporated herein.

2. The City Manager is hereby delegated responsibility for the administration of the budget and is authorized to transfer appropriations as necessary between departments, except that any transfers between funds must be approved by the City Council.

3. The City Manager is authorized to establish encumbrances from unexpended budget appropriations for operating and/or capital expenditures from the prior and current fiscal year, and shall not certify any encumbrance nor execute any payment in excess of approved department budget appropriations.

4. The City Manager or designee is hereby authorized to establish an operating reserve to accumulate receipts in excess of the estimated revenues as set forth in the budget document. Said reserve is established for the purpose of funding the budget of subsequent years and the receipts in this reserve are hereby appropriated for said purpose.

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The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 24th day of June, 2020 by the following vote:

AYES: DILLES, LIND, REED, TIMM

NOES: NONE

ABSENT: NONE

ABSTAIN: JOHNSON

Approved: DocuSigned by: E6256D95E250478...
Derek Timm, Vice Mayor

Attest: DocuSigned by: 554BD60C6488411...
Tracy A. Ferrara, City Clerk

See p.24 https://www.scottsvalley.org/AgendaCenter/ViewFile/Agenda/_02032021-558 for full document

City of Scotts Valley
Active Transportation Plan

Funding provided by:

Caltrans

SB1

In partnership with:

Ecology Action

BIKE SANTA CRUZ COUNTY

County of Santa Cruz/City of Scotts Valley
Complete Streets to Schools Plan

Full document online at: https://ecoact.org/planningcounty/

Funding provided by:

Caltrans

SB1

In partnership with:

Scotts Valley Unified School District

Pajaro Valley Unified School District

Public Health Prevent. Promote. Protect. Santa Cruz County

Ecology Action Helping people act now.

10. Annual Report Narrative

10a. Fund Balances, Carryover Projects, Description of planned, longer-term and future uses of Measure D Revenues

Measure D funds are tracked by the Finance Department.

The next big project on the list for Measure D funds is Bean Creek Road. Even with rollover funds and anticipated FY20-21, the project will be short of its projected $500,000 funding. As the current five year plan currently programs this project for FY20-21, revisions to the project timeline or the funding schedule will likely be made in advance of the FY21-22 review.

In the next five years, Measure D is also anticipated to help fund repairs of Whispering Pines and Janis Way, two streets in need of attention. The addition of the streets are currently tentative and will be finalized in the next five year plan.

10b. Future Liabilities

Local funds, along with other grants and funding sources, such as SB1, will be used in conjunction with Measure D to meet the financial need of the project.

10c. Compliance with Applicable Laws

All projects meet required CEQA laws; to date, all projects have qualified for a CEQA exemption. Additionally, all design is done in compliance with City and State standards. Finally, procurement for materials and labor satisfy California regulations.

Your Tax Dollars At Work!
CITY OF SCOTTS VALLEY - GLENWOOD PRESERVE OPEN SPACE TRAIL IMPROVEMENTS PROJECT
Pavement rehabilitation and improvements to bicycle safety
Anticipated completion date: FALL 2020
Funded by:
Partially Founded By
MEASURE D
Moving Santa Cruz County Forward
SB1
Design Engineer: City of Scotts Valley Daryl Jordan, Public Works Director/City Engineer
Contractor: Land Trust of Santa Cruz County
For information please call the Scotts Valley Department of Public Works, (831) 438-5854

Your Tax Dollars At Work!
CITY OF SCOTTS VALLEY - PATHWAY & ADJACENT ADA PARKING FROM SILTANEN PARK TO VINE HILL SCHOOL ROAD ADJACENT TO GLENWOOD PRESERVE TRAIL HEADS IN NORHTWEST SCOTTS VALLEY PROJECT
Pavement rehabilitation and improvements to bicycle safety
Anticipated completion date: Summer 2020
Funded by:
Partially Founded By
MEASURE D
Moving Santa Cruz County Forward
CITY OF SCOTTS VALLEY CALIFORNIA
1966
REBUILDING CALIFORNIA
SB1
Design Engineer: City of Scotts Valley Daryl Jordan, Public Works Director/City Engineer
Contractor: EarthWorks Paving and Construction Inc.
For information please call the Scotts Valley Department of Public Works, (831) 438-5854

Measure D
5 - Year Program of Projects
Fiscal Year 2018/2019

Prepared by:
City of Scotts Valley Public Works
701 Lundy Lane
Scotts Valley, CA 95066

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1 5-year Project List

Measure D: 5-Year Program of Projects (FY17/18-FY22/23)
Agency: **City of Scotts Valley**
Expenditure Plan Category: Neighborhood Projects

	Measure D Revenues				
	FY18/19	**FY19/20**	**FY20/21**	**FY21/22**	**FY22/23**
Estimated Annual Measure D Allocations	**$245,351**	**$270,174**	**$274,011**	**$277,898**	**$281,836**

			Amount of Measure funds to be used								
Name/Road/ limits	**Description, complete streets components**	**Total Measure D**	**FY18/19**	**FY19/20**	**FY20/21**	**FY21/22**	**FY22/23**	**Total cost estimate**	**Other Funds $**	**Other fund sources**	**Est. Construction start date**	**Major project? * (yes/no)**
Kings Village Road (Mt. Hermon Road to Bluebonnet Lane)	Improve sidewalks on both sides of the street on Kings Village Road from Mt. Hermon Road to Bluebonnet Lane.	$ 35,000	$ 35,000					$ 306,000	$ 271,000	RTC RTIP Grant	Summer 2018	No
Glenwood Drive (Casa Way and the City limit)	Widen Glenwood Drive to accommodate bike lanes between Casa Way and the City limits. Construction would include reworking the subgrade, asphalt overlaying, drainage improvements, and restriping to include bike lanes and/or sharrows.	$ 470,000	$ 100,000	$ 370,000				$ 1,445,000	$ 975,000	CTC LPP Grant RTC RTIP Grant	Summer 2019	Yes
Bean Creek Road (Montevalle to the City limit)	Rework subgrade, asphalt overlaying, drainage improvements, and restriping	$ 500,000			$ 500,000			$ 500,000	$ -		Summer 2020	Yes
Glenwood Open Space Preserve East Trails	Construction of the east side trail system of the Glenwood Open Space Preserve inclusive of parking facilities and a fully accessible path of travel from the Siltanen Park parking lot to the main trailhead.	$ 130,000	$ 130,000					$ 640,000	$ -	CTC LPP Grant City CIP Funds Private donations	Fall 2018	No
	Estimated Annual Measure D Expenditures		**$ 265,000**	**$ 370,000**	**$ 500,000**	**$ -**	**$ -**					
	Carry over to next fiscal year		**($19,649)**	**($119,475)**	**($345,513)**	**($67,914)**	**$213,058**	**Note 1**				
	Annual Interest Earnings on Measure D Revenues			**($49)**	**($299)**	**($864)**	**($170)**					

**For Major Projects (e.g. require CEQA, over $1M, and/or lots of public interest), provide separate one-page summary with longer description, describe consistency with the Complete Streets Act; Cost/Funding/schedule by phase)*

Footnotes

Note 1 - The City of Scotts Valley will provide temporary cash flow as necessary to ensure the projects are completed on a timely basis and in anticipation of annual Measure D revenues to be remitted to the City

2 Major Projects

2.1 Glenwood Drive

2.2 Bean Creek Road

2.1 Glenwood Drive

MEASURE D: MAJOR PROJECT INVESTMENTS
Category: Neighborhood Projects

Rehabilitation on Glenwood Drive

Implementing Agency: City of Scotts Valley

Description/Scope:
This project would widen Glenwood Drive to accommodate bike lanes between Casa Way and the City limits. Construction would include reworking the subgrade, asphalt overlaying, drainage improvements, and restriping to include bike lanes and/or sharrows.

Project Location/Limits:
Glenwood Drive is a local/rural from Scotts Valley Drive extending from Scotts Valley Drive to the City/County boundary and continuing to the intersection of Highway 17 in the County of Santa Cruz.

Glenwood Drive from Casa Lane to the City/County becomes rural serving several low density residential parcels to the City limit. Beyond the City limit the roadway continues rural in nature serving low density Santa Cruz County residential parcels.

Project Purpose/Need/Benefits:
The portion of Glenwood Drive from Scotts Valley Drive to Casa Way is fronted by Scotts Valley High School and medium density residential. This portion was widened to add bicycle lanes and sidewalk in 1999 and 2003.

Past this High School the roadway is deteriorating and lacks any bicycle facilities.

Complete Streets consistency:
Will be completed prior to preliminary design.

Cost/Funding/Schedule Information:
Total funding for this project is $1,445,000. Primary source of funding would be Measure D Sales Tax revenues, grant from the Regional Transportation Commission – Regional Transportation Improvement Program (RTC-RTIP), and a grant from the California Transportation Commission 2018 Local Partnership Program.

Estimated project schedule:

Preliminary Design	Spring 2018
Final Design	Summer 2018
Develop Bid Specs	Winter 2018/2019
Issue Bids for Construction	Spring 2019
Construction	Summer/Fall 2019

Public Outreach
The following stakeholder groups will be asked to provide input in future on project scope and design: Scotts Valley School District, Santa Cruz Metro, County of Santa Cruz, RTC Bicycle and Elderly and Disabled Committees.

Project Contact:
Jessica Kahn, Civil Engineer
(831) 438-5854
jkahn@scottsvalley.org

2.2 Bean Creek Road

MEASURE D: MAJOR PROJECT INVESTMENTS

Category: Neighborhood Projects

Bean Creek Road Rehabilitation

Implementing Agency: City of Scotts Valley

Description/Scope:
This project would improve Bean Creek Road, between Montevalle to the City limits, by reworking the subgrade, asphalt overlaying, drainage improvements, and restriping.

Project Location/Limits:
Bean Creek Road is a local/rural from Scotts Valley Drive extending from Scotts Valley Drive to the City/County boundary and continuing to the intersection of Glenwood Drive in the County of Santa Cruz.

Bean Creek Road from Bluebonnet Lane to the City/County limit is .6 miles of 22', 2 lane road fronting medium high density residential and the Montevalle Senior Mobile Home Park. The roadway becomes rural serving several low density residential parcels to the City limit. Beyond the City limit the roadway continues rural in nature serving low density Santa Cruz County residential parcels.

Project Purpose/Need/Benefits:
The portion of Bean Creek Road from Scotts Valley Drive to Bluebonnet Lane is fronted by Scotts Valley Middle School and medium high density residential. This portion was widened to add bicycle lanes and sidewalk, and overlaid using various grant funds in 2009.

Bean Creek Road is heavily used by recreational cyclists as well as a more limited number of pedestrians again as recreation because of its rural, forested nature. Recent complaints by both communities about the poor condition of the roadway surface (poor drainage, potholes, and uneven pavement surfaces) have raised the priority by the City for rehabilitation. City Council directed staff to proceed to seek funds for rehabilitation of the roadway.

Complete Streets consistency:
See attached Complete Street Project Review Checklist.

Cost/Funding/Schedule Information:
Total funding for this project is $500,000. Primary source of funding would be Measure D Sales Tax revenues. Alternative funding sources could include grant funding from federal and/or state resources and Gas Tax revenues.

Estimated project schedule:

Develop Bid Specs	Spring 2020
Issue Bids for Construction	Summer 2020
Construction	Summer/Fall 2020

Public Outreach
Recent complaints by cyclist and pedestrian communities about the poor condition of the roadway surface have raised the priority by the City for rehabilitation. City Council discussed the concerns at the City Council Meeting on October 16, 2013.

The following stakeholder groups will be asked to provide input in future on project scope and design: Neighborhood Group, County of Santa Cruz, RTC Bicycle and Elderly and Disabled Committees.

Project Contact:
Jessica Kahn, Civil Engineer
(831) 438-5854
jkahn@scottsvalley.org

3 Public Process

3.1 5- Year Plan

Throughout the fiscal year, City staff members continually monitor the functional status and performance of all of the City's physical plant. Maintenance activities supporting City infrastructure are documented and analyzed to determine if rehabilitation or replacement is necessary. In addition, throughout the year, policy direction from the City Council may be received to construct, enhance or rehabilitate City facilities. Staff makes note of these projects and begins to define the scope, nature and extent of projects as may be required.
Each project is assigned a priority category based on staff's professional judgment using the factors and priority levels identified below:

- **Priority A** – project is ***essential/critical*** to health and safety or legal/regulatory requirements
- **Priority B** – project is ***important*** to maintaining health and safety or maintaining quality of life, ***but not critical***.
- **Priority C** – project is ***deferrable*** and would only be implemented to the extent that higher priority projects are first funded.

The Measure D 5-Year plan is completed concurrently with the City's Capital Improvements Program (CIP). Prior to or concurrent with the completion of the draft CIP plan, staff will meet with representatives from various city commissions as appropriate to gain input from those bodies relative to CIP projects for which they may have input. Two commissions in particular that have discussions on the City's CIP plans are the ADA Accessibility Committee and the Parks & Recreation Commission.

Starting in FY 2017/18, once the draft plan is created, it is presented to the City Council in a Study Session held in late March or early April. Council then provides direction on each of the projects within the plan and any changes are incorporated into a revised Five Year CIP Plan. Any updates requiring further discussion are provided once again to the City Council at its May Budget Study Session. The CIP Plan is also provided to the Planning Commission in May for their review and concurrence that the proposed five-year plan is consistent with the City's General Plan.

The Council then holds a Public Hearing on the budget, which includes the Five Year CIP Plan, normally the first Wednesday in June. Subject to any public testimony and final Council direction, the final Five Year CIP Plan is prepared, and the project costs associated with any projects which are funded in the next fiscal year are appropriated by the City Council as part of the adoption of the Annual Budget. Project costs are adjusted annually based on updated project schedule and cost information, as well as information on any grants and other funds the City may secure for projects.

Additional public participation has been or will be solicited for the current 5-year program of projects as described below.

3.2 Project List

3.2.1 Glenwood Drive

The following stakeholder groups will be asked to provide input in future on project scope and design: Scotts Valley School District, Santa Cruz Metro, County of Santa Cruz, RTC Bicycle and Elderly and Disabled Committees.

3.2.2 Kings Village Road Sidewalk

The Sidewalk Master Plan prepared in 1996 has been used as the basis for implementation of various sidewalk improvements. Discussion about this length of sidewalk has been brought up repeatedly by the City's ADA committee and has been included for funding in several un-awarded grant applications. There is currently no direct assessable path from Mount Hermon Road to the US Post Office via Kings Village Road.

The following stakeholder groups will be asked to provide input in future on project scope and design: Santa Cruz Metro and Elderly and Disabled Committees.

3.2.3 Bean Creek Road

Complaints by cyclist and pedestrian communities about the poor condition of the roadway surface have raised the priority by the City for rehabilitation. City Council discussed the concerns at the City Council Meeting on October 16, 2013.

The following stakeholder groups will be asked to provide input in future on project scope and design: Neighborhood Groups, County of Santa Cruz, RTC Bicycle and Elderly and Disabled Committees.

3.2.4 Glenwood Open Space Preserve East Trails

In 2003, the City Council approved the development of the 170 acre Glenwood Open Space area and an accompanying Open Space Management Plan. The Plan has recently been completed and embodies a collaborative effort between the City of Scott Valley and the Land Trust of Santa Cruz County to steward the Glenwood Open Space Preserve with concurrence from the US Fish and Wildlife Service. The City held two public meetings in addition to the regularly scheduled Council and Parks and Recreation Commission meetings to develop a Final Trail Access Plan. A variety of other methods have also been used to ensure the public has had an opportunity to submit comments on this project. In addition to the local paper, social media tools were used to engage residents and interested stakeholders. These efforts include the City's website and Facebook, Instagram, and Nextdoor accounts, private social media sites (e.g. My Scotts Valley), and other interested groups such as Scotts Valley School District and Scotts Valley High School Cross Country team

The following stakeholder groups have provided input on project scope and design: Neighborhood Groups, Scotts Valley School District, Scotts Valley Fire Protection District, Land Trust of Santa Cruz County.

4 Maintenance of Effort

The maintenance of effort calculation includes the following:

Revenues: local discretionary revenues, formula funds received for transportation purposes (e.g. gas tax, state transit assistance, FTA5311, etc.). Revenues from special, non-formula, competitive grants, and/or past revenues carried over for special projects and/or emergencies are not part of maintenance of effort calculation but are identified below.

Expenditures: breakdown by transportation purpose, such as ongoing operations, maintenance, transit service type, major projects, street sweeping, pavement, bicycle projects, walkways, as well as outside transportation programs the City has contributed funds to, and agency staffing, overhead and indirect costs.

4.1 Baseline Maintenance of Effort

The baseline "maintenance of effort" was calculated based on the average of revenues and expenditures for transportation purposes in the five fiscal years prior to the start of Measure D allocations.

	MOE Baseline FY12/13-16/17
REVENUES:	
Gas Tax	310,166
Traffic Mitigation Impact Fees	79,909
Drainage Construction Impact Fees	17,605
Investment Income	5,308
TOTAL REVENUES	**412,988**
EXPENDITURES:	
On-going Operations: Admin & Engineering	(275,150)
Street Maintenance	(353,427)
Street Repairs	(74,372)
Equipment Purchase	(5,000)
Street Signs & Lighting	(50,732)
Major Projects	(100,703)
TOTAL EXPENDITURES	**(812,134)**

4.2 FY 2015/16 - 2018/19 Expenditures

The table below summarizes revenues and expenditures for transportation purposes in past 3 years and budgeted in current/upcoming fiscal year (FY15/16, FY16/17, FY17/18, FY18/19).

	Budgeted FY 2018/19	Projected FY 2017/18	FY 2016/17	FY 2015/16
REVENUES:				
Gas Tax	300,000	281,700	237,289	261,455
Gas Tax - RMRA Act 2017	215,000	43,000	-	-
Traffic Mitigation Impact Fees	600,000	47,000	95,003	81,216
Drainage Construction Impact Fees	11,500	12,000	9,825	4,730
RSTPX Exchange Funds	100,000	462,300	-	-
Investment Income	7,300	6,500	7,319	6,351
TOTAL REVENUES	**1,233,800**	**852,500**	**349,436**	**353,752**
EXPENDITURES:				
On-going Operations: Admin & Engineering	(346,000)	(327,500)	(301,337)	(307,668)
Street Maintenance	(450,000)	(500,000)	(396,283)	(364,570)
Street Repairs	(235,000)	(475,000)	(88,510)	(78,194)
Equipment Purchase-Backhoe				(25,000)
Street Signs & Lighting	(30,000)	(35,000)	(32,845)	(87,318)
Drainage Master Plan		(75,000)		
Major Projects:				
Mt. Hermon Rd/Scotts Valley Dr Intersection	(300,000)	(650,000)	(130,165)	(58,429)
Granite Creek Overpass			(206,224)	
Mt. Hermon Road Slurry Seal			(286,032)	
Green Hills Stabilization		(40,000)	(44,151)	
Sunset Terrace Storm Drain		(55,000)		
ADA Street Improvements	(24,000)	(25,000)		
Glenwood Open Space	(190,000)	(650,000)	(130,165)	(58,429)
TOTAL EXPENDITURES	(1,361,000)	(2,062,500)	(1,485,547	(921,179)

Attachments

Complete Street Project Review Checklist for Major Projects

25
MPH

25
MPH
BE
COURTEOUS
SHARE THE
ROAD
SHARE
THE ROAD

WATER

City of Watsonville
"A Community of Opportunities"

December 27, 2020

Rachel Moriconi, Senior Transportation Planner
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Subject: Annual Maintenance of Effort Compliance Report for Measure D funds

Dear Ms. Moriconi,

The City of Watsonville is pleased to submit the Annual Maintenance of Effort Compliance Report for Measure D funds during Fiscal Year 2019/2020. Attached are the following:
Attachment 01 – Cover Letter
Attachment 02 – Cover Sheet
Attachment 03 – Measure D Expenditure Report
Attachment 04 – Grouped Projects
Attachment 05 – Map
Attachment 06 – Maintenance of Effort Compliance Spreadsheet
Attachment 07 – 5-Year Program of Projects
Attachment 08 – Council Meeting Agenda
Attachment 09 – Council Meeting Staff Report
Attachment 10 – Council Resolution of Approval
Attachment 11 – Signage Photos
Attachment 12 – Photos

The Annual Audit will be submitted separately by Senior Financial Analyst Marissa Duran.

Please contact me if you have questions. I can be contacted by telephone at 831-768-3117 and by email at murray.fontes@cityofwatsonville.org.

Yours truly,

Murray A. Fontes, Principal Engineer
Public Works & Utilities Department

attachments

831-768-3100
publicworks@cityofwatsonville.org
www.cityofwatsonville.org
Public Works and Utilities
250 Main Street
Watsonville, CA 95076

Measure D Recipient Agency: City of Watsonville

Measure D Annual Report Cover Sheet

Fiscal Year 2019/20

Submit documents to rmoriconi@sccrtc.org by December 31, 2020.

Dear Measure D Taxpayer Oversight Committee: The City of Watsonville is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY19/20 Formula Allocations	$869,480.53 accrual; $851,564 cash
Unspent Prior Year Allocations	$1,608,963.89 accrual; $1,534,120 cash basis
Interest earned on Unspent Prior Allocations	$38,611.43 accrual; $34,396 cash basis
Total Measure D Funding Available in FY19/20	**$2,517,955.85**
Total Measure D Funds Spent in FY19/20	**$579,385**
Total Measure D Rollover to FY20/21 (does not include interest from FY19/20)	$1,937,670.39 (accrual); $2,093,206 (cash basis)
Maintenance of Effort	
FY19/20 LOCAL funds spent on transportation projects, operations, and/or services *(exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*	$867,657
Maintenance of Effort **Baseline** *(average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017)*	$842,263
Measure D Compliance Documents	
Document	**Attached (check)**
1. FY19/20 Annual Report Cover Sheet *(this document)*	Attached
2. FY19/20 Audited Financials for Measure D funds *(see "Measure D Audit Guidance" for additional information)*	Submitted separately

3. FY19/20 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. ***Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.***	See Attachment 03 – Measure D Expenditure Report
a. *If applicable* **–Grouped projects supplemental information:** For any grouped projects (e.g. citywide roadway repairs), include a supplemental **list of specific locations** (road names, project limits, and length or routes/areas served), **work done at each** (e.g. environmental, design, construction), **and schedule** for completing construction at each.	Described in Expenditure Report
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY19/20 (for projects with specific locations).	See Attachment 05 – Map
5. FY19/20 Performance Measures Report *(Measure D Guidelines Attachment B)*	Described in Expenditure Report
6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY19/20 as compared to the 3-5 years prior to FY16/17.	See Attachment 06 – Maintenance of Effort Compliance Spreadsheet
a. If FY19/20 Local funds expended were lower than Baseline amount, explain why:	NA
7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? *(If "no," Measure D cannot be used for indirect costs)* **a. Date of most recent ICAP:_____**	No

8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	See Attachment 07 – 5-Year Program of Projects
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	See Attachment 08 – Council Meeting Agenda, Attachment 09 – Council Meeting Staff Report and Attachment 10 – Council Resolution of Approval. The Plan was presented and approved at City Council meeting. This included a published agenda and agenda packet, staff report and public comment period as part of the presentation of the Plan. Attached are copies of the agenda, staff report and resolution of approval.
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan *(per Article III.A.4.)*	Date: 06/11/19
c. Date annual 5-year Plan approved by Governing Board	Date: 06/11/19
9. Complete Streets Compliance *(Cities/County only)***:** Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. *Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.*	City is currently developing a Complete Streets Policy

10. Annual Report Narrative *(may be included in Management & Admin section of audit)*	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	Receipt and expenditure of Measure D funds are tracked through the City's Finance Department and this information is available to Public Works staff. In FY17/18, the City carried over most of its annual allocation for a large construction project the following year. This project was delayed in FY18/19 and the funds were carried forward again. In future years, the City has allocated a large portion of its annual allocation toward construction of a single project during that fiscal year.
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	In the FY19/20 5-Year Program of Projects, there are three future projects that will need additional funding. These are Freedom Blvd from Green Valley to Airport, the Lee Road Trail and the Pajaro Valley High School Connector Trail.
c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	The City confirms that projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects. The projects met and adhered to requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.

Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds. *(per Article III.A.3.)*.	06/11/20 Council Meeting where plan was adopted. Measure D page on City website: https://cityofwatsonville.org/1417/Measure-D
12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	
a. Website with Measure D information (attach PDF): Web address: - https://sccrtc.org/wp-content/uploads/2020/12/ITACpacket-Dec2020.pdf *(per Article III.A.7.)*	See page on City website: https://cityofwatsonville.org/1417/Measure-D
b. News Article: *Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)*	https://pajaronian.com/going-green-city-buffing-multiple-bike-lanes/ https://patch.com/california/watsonville/amp/28362454/celebrate-installation-of-new-green-bike-lanes-in-watsonville
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available. *See "Measure D: Sign Specifications" for additional signage guidance. (per Article III.A.6.)*	See Attachment 11 – Signage Photos
13. Photos: Attach before/after and construction photos if available of projects/work done in FY19/20.	See Attachment 12 - Photos

14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	None

Contacts

Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
Murray Fontes	Principal Engineer	831-768-3117 murray.fontes@cityofwatsonville.org
Marissa Duran	Assistant Finance Director	831-768-3471 marissa.duran@cityofwatsonville.org

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City of Watsonville

Measure D Fund Financial Statements
Watsonville, California

For the Year Ended June 30, 2020

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CITY OF WATSONVILLE
MEASURE D FUND FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

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MAZE & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
of the City of Watsonville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure D Fund (Measure D) of the City of Watsonville, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing such an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinion

In our opinion, the financial statements referred to above fairly, in all material respects, the financial position of the Measure D Fund as of June 30, 2020, and the change in financial position and the budgetary comparison as listed in the Table of Contents, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 1, the financial statements present only the Measure D Fund and do not purport to, and do not present fairly the financial position of the City of Watsonville as of June 30, 2020, the changes in its financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020 on our consideration of the City'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
December 30, 2020

CITY OF WATSONVILLE

MEASURE D FUND

BALANCE SHEET

June 30, 2020

ASSETS		
Cash and investments	$	1,893,706
Accounts receivable		62,144
Due from other governments		179,614
TOTAL ASSETS	$	2,135,464
LIABILITIES		
Accounts payable	$	41,457
Accrued salaries payable		801
Total Liabilities		42,258
FUND BALANCE		
Restricted for:		
Bicycle safety improvements program		71,630
Pedestrian & Traffic safety program		503,756
Admin cost		4,000
Other Measure D programs		1,513,820
Total Fund Balance		2,093,206
TOTAL LIABILITIES AND FUND BALANCE	$	2,135,464

See accompanying Notes to Basic Financial Statements.

CITY OF WATSONVILLE
MEASURE D FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE
For The Year Ended June 30, 2020

REVENUES		
Measure D allocation	$	851,564
Intergovernmental		252,512
Interest		34,396
Total Revenues		1,138,472
EXPENDITURES		
Bicycle safety improvements program		71,630
Pedestrian & Traffic safety program		106,235
Street Sidewalks		397,521
Administrative costs		4,000
Total Expenditures		579,386
NET CHANGE IN FUND BALANCE		559,086
FUND BALANCE		
Beginning Fund Balance		1,534,120
Ending Fund Balance	$	2,093,206

See accompanying Notes to Basic Financial Statements.

CITY OF WATSONVILLE
MEASURE D FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
For The Year Ended June 30, 2020

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Sales tax - Transportation	$ 879,820	$ 851,564	$ (28,256)
Intergovernmental	330,000	252,512	(77,488)
Interest Revenue	5,000	34,396	29,396
Total Revenues	1,214,820	1,138,472	(76,348)
EXPENDITURES			
Bicycle safety improvements program	-	71,630	(71,630)
Pedestrian & Traffic safety program	544,695	106,235	438,460
Street Sidewalks	1,719,000	397,521	1,321,479
Administrative costs	-	4,000	(4,000)
Total Expenditures	2,263,695	579,386	1,684,309
NET CHANGE IN FUND BALANCE	$ (1,048,875)	559,086	$ 1,607,961
FUND BALANCE			
Beginning Fund Balance		1,534,120	
Ending Fund Balance		$ 2,093,206	

See accompanying Notes to Basic Financial Statements

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CITY OF WATSONVILLE
MEASURE D FUND
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On November 8, 2016, the voters of Santa Cruz County, pursuant to the provisions of the Local Transportation Authority and Improvement Act (the Act), California Public Utilities Code, Division 19, Section 180000 et seq. adopted an ordinance approving the Santa Cruz County Transportation Improvement Plan Measure (Measure D), thereby authorizing Santa Cruz County Regional Transportation Commission, referred to herein as the Local Transportation Authority (Authority), to administer the proceeds from a retail transaction and use tax of one-half of one-percent (0.5%) that will last for 30 years from the initial date of collection. The Measure D Ordinance authorizes the Authority to allocate, administer, and oversee the expenditure of all Measure D revenues and to distribute revenues no less than quarterly to local jurisdictions (including City of Watsonville), Santa Cruz Metropolitan Transit District, and the Consolidated Transportation Service Agency.

The financial statements presented only the activities of the City Measure D Fund, and are not intended to present fairly the financial position and changes in financial position of the City, in accordance with accounting principles generally accepted in the United States of America.

B. Basis of Accounting

The Measure D Fund of the City is maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered).

C. Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments at June 30, 2020, consist of the following:

Pooled cash and investments with the City of Watsonville	$1,893,706

Please refer to the notes of the City's June 30, 2020 Comprehensive Annual Financial Report regarding cash and investments for additional detail.

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INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE WITH THE APPLICABLE REQUIREMENTS
AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of City Council
of the City of Watsonville, California

We have audited, in accordance with the 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, the financial statements of the City of Watsonville Measure D Fund (Measure D) as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated December 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the Measure D financial statements, we considered the Measure D's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Measure D's internal control. Accordingly, we do not express an opinion on the effectiveness of Measure D's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Measure D's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure D's financial statements are free from 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.

Our procedures included the applicable audit procedures and tests of compliance with the Master Funding Agreement (Agreement) between the Authority and City, and the applicable provisions of the Authority Ordinance No. 2016-01 (Ordinance). The Ordinance Section. 32 Taxpayer Safeguards, Audits, and Accountability requires that: (a) Each agency receiving Measure Revenue shall annually adopt an annual report; (b) No less than annually, an independent annual audit shall be conducted of the expenditure of all funds generated by the transportation tax. The audit, which shall be made available to the public, shall report on evidence that the expenditure of funds is in accordance with the Plan as adopted.

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 have also issued a separate Memorandum on Internal Control dated December 30, 2020, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Measure D's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure D's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the City Council, others within the City, and is not intended to be and should not be used by anyone other than these specified parties; however, this restriction is not intended to limit the distribution of the report, which is a matter of public records.

Maze & Associates

Pleasant Hill, California
December 30, 2020

MEASURE D EXPENDITURE REPORT - Direct Allocations

Reporting Year FY19/20

Recipient Agency City of Watsonville

#	Project Name	Total Project Cost	FY19/20 Measure D Expenditures	Prior Year expenditures (if applicable) FY16/17 Measure D Expenditures on this project	FY17/18 Measure D Expenditures	FY18/19 Measure D Expenditures	Measure D TOTAL SPENT *through reporting year*	*(Est) Future Year(s) Measure D Expenditures*	Consi Project in approved 5-year plan? *(yes/no)*
1	Bicycle Safety Improvements (Various Locations)		$ 15,284.00	$ -	$ 20,050.00	$ 28,000.00	$ 63,334.00	$ 150,000.00	Yes
2	Downtown Revitalization		$ -	$ -	$ 15,585.00	$ -	$ 15,585.00	$ -	Yes
3	Freedom Blvd (Alta Vista Ave to Green Valley Rd)		$ -	$ -	$ -	$ -	$ -	$ 570,000.00	Yes
4	Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)		$ -	$ -	$ -	$ -	$ -	$ 745,000.00	Yes
5	Green Valley Rd (Freedom Blvd to City Limits)		$ 12,393.74	$ -	$ -	$ -	$ 12,393.74	$ -	Yes
6	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd		$ 176,260.48	$ -	$ -	$ 104,324.00	$ 280,584.48	$ 696,000.00	Yes
7	Maintain Roads (City-wide, All Districts)		$ 4,000.00	$ -	$ -	$ 1,574.00	$ 5,574.00	$ 400,000.00	Yes
8	Maintain & Improve Trails (Various locations)		$ 56,345.71	$ -	$ -	$ -	$ 56,345.71	$ 200,000.00	Yes
9	Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)		$ -	$ -	$ -	$ -	$ -	$ 200,000.00	Yes
10	Pedestrian & Traffic Safety (Various Locations)		$ 311,101.53	$ -	$ 10,565.00	$ 85,604.00	$ 407,270.53	$ 200,000.00	Yes
11	Audit and Expenditure Report Prep		$ 4,000.00	$ -	$ -	$ 5,598.00	$ 9,598.00	$ 450,000.00	Yes
		Total	$ 579,385	$ -	$ 46,200	$ 225,100	$ 850,685	$ 3,611,000	

	FY 19/20 Measure D Revenues	FY 16/17 Measure D Revenues *(4/1/17-6/30/17)*	FY 17/18 Measure D Revenues	FY 18/19 Measure D Revenues	Measure D Expended *(04/01/17-6/30/20)*	*Fund Balance/ Carryover to Future Years*
Allocation	$ 869,480.53	$ 101,791.05	$ 876,172.79	$ 902,300.05	$ 850,685.46	$ 1,972,065
Interest	$ 34,394.54	$ -	$ 3,989.43	$ 34,622.00		

		istency with 5-year plan
#	Project Name	If not in 5-year plan or different amount or scope, why different?
1	Bicycle Safety Improvements (Various Locations)	Some training delayed due to pandemic.
2	Downtown Revitalization	NA
3	Freedom Blvd (Alta Vista Ave to Green Valley Rd)	NA
4	Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	NA
5	Green Valley Rd (Freedom Blvd to City Limits)	Some design done. Construction postponed to
6	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd	Additional costs for design and permitting paid with allocations
7	Maintain Roads (City-wide, All Districts)	Some design done. Construction postponed to
8	Maintain & Improve Trails (Various locations)	Some design done. Construction postponed to
9	Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	NA
10	Pedestrian & Traffic Safety (Various Locations)	NA
11	Audit and Expenditure Report Prep	NA

MEASURE D EXPENDITURE REPORT

		Project Description/Location		Project Status/Timeline			
#	**Project Name**	**Project Description** *(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)*	**Location/Limts (if grouped project, list each location/limit)**	**Work Done in FY19/20** (e.g. planning, design, construction, right-of-way)	**CEQA compliance** *(List type of doc & certification date - e.x. CE, 5/1/18)*	**Construction/Implement schedule**	**Completion Date** *(actual or estimate)*
1	Bicycle Safety Improvements (Various Locations)	Provide signage and traffic markings along bicycle corridors and provide educational programs.	Earn-A-Bike, Bike Smart, Walk Smart, Bike to Work Sponsorship	Safety training	NA	Annual Activity	NA
2	Downtown Revitalization	Provide complete streets improvements including but not limited to pedestrian crossings, bus stops, parking,	NA	NA	NA	NA	NA
3	Freedom Blvd (Alta Vista Ave to Green Valley Rd)	Reconstruct roadway, remove & replace non-ADA compliant driveways & curb ramps, install high visibility	NA	NA	NA	07/01/20 - 06/30/21	6/30/2021
4	Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	Repair and resurface damaged roadway and bike lanes, replace damaged sidewalks, add pedestrian facilities	NA	NA	NA	07/01/22 - 06/30/23	6/30/2023
5	Green Valley Rd (Freedom Blvd to City Limits)	Reconstruct roadway, install median island, remove and replace non-compliant driveways & curb ramps, restripe	Green Valley Rd from Freedom Blvd to City Limits	Design	Project in design	07/01/21 - 06/30/22	6/30/2022
6	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd	Prepare design, environmental documents and construction of pedestrian and bicycle trail	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd to Pajaro Valley High School driveway)	Design	IS/MND	TBD	TBD
7	Maintain Roads (City-wide, All Districts)	Place three-layer coating system on road surface. Includes Airport Blvd to 600 ft west.	Street Maintenance Program costs	Planning	NA	07/01/21 - 06/30/22	6/30/2022
8	Maintain & Improve Trails (Various locations)	Develop, maintain and enhance existing pedestrian and bicycle trails	Wetland trail maintenance, permit fees, CEQA work for Rail Trail, design of wetland trail restoration	Planning, design, maintenance	FEIR addendum	07/01/21 - 06/30/22	6/30/2022
9	Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	Construct 8' wide pedestrian and bike trail. Includes design, environmental documentation and construction.	NA	NA	NA	07/01/23 - 06/30/24	6/30/2024
10	Pedestrian & Traffic Safety (Various Locations)	Provide construction, design, education, maintenance and testing for pedestrian and traffic safety facilities.	Bicycle Safety Improvements (Green Lanes), Street Smarts Program	Construction, safety	NA	07/01/19 - 06/30/20	6/30/2020
11	Audit and Expenditure Report Prep	Cost of annaul audit.	NA	NA	NA	Annual Activity	NA

MEASURE D EXPENDITURE REPORT

		Stats - if applicable					Leveraged Funds, if any		Measure D use		
#	Project Name	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/repair (pothole, seals, etc)	Rehab of bikeways, sidewalks, or ADA ramps included? *(describe)*	If Complete Streets not incorporated into project, why not?	Leveraged Fund Amounts *(grants & other funds where Meas. D used as match)*	Leveraged Fund Source(s) Name(s)	Measure D-funded **Capital Costs**	Measure D-funded **Non-capital** *(non-infrastructure, outreach, admin)*	Measure D-funded **Indirect costs** (and overhead)
1	Bicycle Safety Improvements (Various Locations)	0	0	0	No	Safety Education	NA	NA	$ -	*$ 15,284.00*	*NA*
2	Downtown Revitalization	0	0	0	No	NA	NA	NA	$ -	$ -	*NA*
3	Freedom Blvd (Alta Vista Ave to Green Valley Rd)	0	0	0.6	Yes- Upgrade Curb ramps, rehab bikelanes	Incorporated	NA	NA	$ -	$ -	*NA*
4	Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	0	0	0.35	Yes- Upgrade Curb ramps, rehab bikelanes	Incorporated	See Other	See Other	$ -	$ -	*NA*
5	Green Valley Rd (Freedom Blvd to City Limits)	0	0	0.31	Yes- Upgrade Curb ramps, rehab bikelanes	Incorporated	NA	NA	*$ 12,393.74*	$ -	*NA*
6	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd	1.4	1.4	0	No	Trail Project	See Other	See Other	*$176,260.48*	$ -	*NA*
7	Maintain Roads (City-wide, All Districts)	0	0	7	No	Slurry seal project	NA	NA	*$ 4,000.00*	$ -	*NA*
8	Maintain & Improve Trails (Various locations)	0	0	0	No	Trail Project	NA	NA	$ -	$ -	*NA*
9	Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	0.75	0.75	0	No	Trail Project	NA	NA	$ -	$ -	*NA*
10	Pedestrian & Traffic Safety (Various Locations)	0	0	0	No	Incorporated	NA	NA	*$311,101.53*	$ -	*NA*
11	Audit and Expenditure Report Prep	0	0	0	No	NA	NA	NA	$ -	*$ 4,000.00*	*NA*
		2.15	**2.15**	**8.26**			**$ -**		**$ 503,756**	**$ 19,284**	**$ -**

		Other
#	**Project Name**	**Other Notes or Information** *(optional)*
1	Bicycle Safety Improvements (Various Locations)	
2	Downtown Revitalization	No project activity during FY19/20
3	Freedom Blvd (Alta Vista Ave to Green Valley Rd)	Overall project cost = $3.125M. In 2017, City received $1.55M in STIP funds. Application did not identify source for additional funding. City plans to use $570k in Measure D
4	Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	No project activity during FY19/20
5	Green Valley Rd (Freedom Blvd to City Limits)	Project design initiated in FY19/20
6	Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd	In 2018, City received $330k Coastal Conservance grant for design and environmental documents. Overall cost was estimated at $495k. Measure D has been used as additional funding
7	Maintain Roads (City-wide, All Districts)	
8	Maintain & Improve Trails (Various locations)	
9	Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	No project activity during FY19/20
10	Pedestrian & Traffic Safety (Various Locations)	
11	Audit and Expenditure Report Prep	

Grouped Projects

Bicycle Safety Improvements – Provided funding to Bike Santa Cruz County for the Earn-A-Bike program at Watsonville middle and high schools; Provided funding to Ecology Action for the Bike Smart and Walk Smart programs at Watsonville elementary schools; provided funding for Ecology Action for Bike to Work activities.

Maintain Roads – Expenditures were for the City's Street Saver program for analysis of existing road conditions.

Maintain Trails – Work included design of a trail maintenance project on Struve Slough between Main Street and Harkins Slough Road, preparation of CEQA documents for the Rail Trail project and restoration work along Upper Struve Slough trail between Main Street and Pennsylvania Drive.

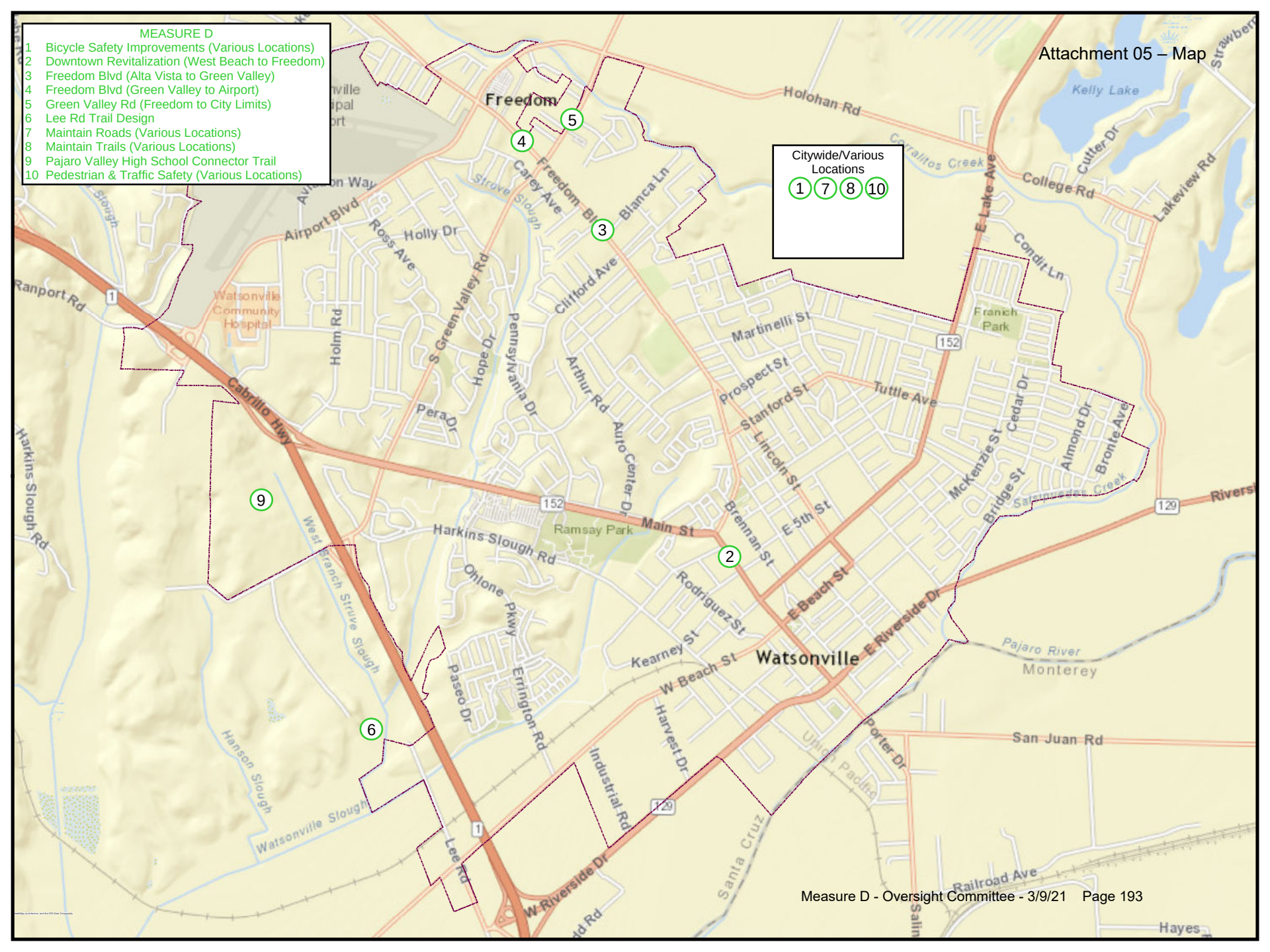
Pedestrian & Traffic Safety – Included with this item was the Green Lanes project which nstalled green lanes where none existed previously at following locations:

Bridge Street – All

Green Valley Road – Harkins Slough Road to Freedom Boulevard

Harkins Slough Road – Green Valley Road to Riverside Drive

Rodriguez Street – Rodriguez Way to Riverside Drive


MEASURE D
1 Bicycle Safety Improvements (Various Locations)
2 Downtown Revitalization (West Beach to Freedom)
3 Freedom Blvd (Alta Vista to Green Valley)
4 Freedom Blvd (Green Valley to Airport)
5 Green Valley Rd (Freedom to City Limits)
6 Lee Rd Trail Design
7 Maintain Roads (Various Locations)
8 Maintain Trails (Various Locations)
9 Pajaro Valley High School Connector Trail
10 Pedestrian & Traffic Safety (Various Locations)
Attachment 05 – Map
Citywide/Various Locations
1 7 8 10
Freedom
Holohan Rd
Kelly Lake
Carrallitos Creek
Cutter Dr
College Rd
Lakeview Rd
E Lake Ave
Condit Ln
Franich Park
Airport Blvd
Ross Ave
Holly Dr
Carey Ave
Freedom Blvd
Blanca Ln
Struve Slough
Ranport Rd
Watsonville Community Hospital
Holm Rd
S Green Valley Rd
Hope Dr
Pennsylvania Dr
Clifford Ave
Arthur Rd
Auto Center Dr
Martinelli St
Prospect St
Stanford St
Tuttle Ave
Cedar Dr
Almond Dr
Bronte Ave
McKenzie St
Bridge St
Cabrillo Hwy
Pera Dr
Harkins Slough Rd
West Branch Struve Slough
Ramsay Park
Main St
Lincoln St
E 5th St
Brennan St
Ohlone Pkwy
Rodriguez St
E Beach St
E Riverside Dr
Kearney St
W Beach St
Watsonville
Pajaro River
Monterey
Paseo Dr
Errington Rd
Harvest Dr
Industrial Rd
Porter Dr
San Juan Rd
Hanson Slough
Watsonville Slough
Lee Rd
W Riverside Dr
Santa Cruz
Railroad Ave
Hayes
152
129
1

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Measure D Maintenance of Effort (MOE) Baseline Calculation

Jurisdiction: City of Watsonville

Year: FY2019/20

Date of Report: 12/17/2020

Calculation of Annual Average Transportation Expenditures/Baseline MOE:			BASELINE = pre-Measure D Total Expenditure by Year				
Revenues Spent - Enter the total revenues expended in previous Fiscal Years (for transportation) from all local sources and state/fed formula programs.	**FY20/21 estimate/ budget**	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**
General Fund (150)	$808,443	$748,429	$683,401	$38,565	$630,186	$572,100	$816,136
LLMAD (285)	$600	$788	$594	$0	$1,162	$594	$594
Impact Fees (340, 344, 347)	$110,000	$118,440	$141,640	$5,000	$149,742	$137,807	$218,469
Net Investment Gain from Local Sources	$5,000	$0	$29,630	$0	$0	$0	$0
Other City Revenues	$0	$0	$21,266	$0	$0	$0	$0
Annual MOE Revenues Spent	**$924,043**	**$867,657**	**$876,531**	**$43,565**	**$781,090**	**$710,501**	**$1,035,199**
MOE Average Baseline revenues SPENT for FY14/15 to FY16/17						**$842,263**	
MOE Exclusions* - Formula Funds & Special Grants							
Gas Tax (305)	$947,436	$1,156,476	$1,028,446	$1,498,900	$996,896	$1,119,956	$1,312,560
Traffic Congestion Relief Fund Loan Repayment		$59,607	$60,258	$0	$0	$0	$0
One-time Grant Funds	$5,405,409	$1,682,001	$934,772	$6,539,936	$308,573	$196,998	$84,128
SB1 (306) - RMRA	$626,600	$264,659	$999,078	$0	$0	$0	$0
Measure D (312)	$577,160	$808,856	$927,019	$750,000	$0	$0	$0
MOE Exclusions	**$7,556,605**	**$3,971,599**	**$3,949,573**	**$8,788,836**	**$1,305,469**	**$1,316,954**	**$1,396,688**
Total Revenues SPENT for Transportation Projects	**$8,480,648**	**$4,839,256**	**$4,826,104**	**$8,832,401**	**$2,928,822**	**$2,027,455**	**$2,431,887**

How funds were spent: Enter amount expended on varius transportation purposes	**FY20/21 estimate/ budget**	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**
General Fund (150) - Engineering & Streets	$808,443	$748,429	$683,401	$509,414	$630,186	$572,100	$816,136
One Time Grant (260)	$3,802,537	$0	$1,034,182	$0	$0	$0	$0
Gas Tax (305) - Includes One-time Grant Funds	$938,916	$2,898,084	$2,795,387	$7,529,669	$2,264,770	$1,161,242	$687,245
SB 1 (306)	$2,032,088	$264,659	$873,633	$0	$0	$0	$0
Measure D (312)	$2,875,685	$808,856	$225,100	$150,000	$0	$0	$0
Total Expenditures	**$10,457,669**	**$4,720,028**	**$5,611,703**	**$8,189,083**	**$2,894,956**	**$1,733,342**	**$1,503,381**
Average EXPENDITURES on transportation FY14/15 to FY16/17						**$2,043,893**	

Source/location of supporting budget or fiscal statement documentation.

FY20/21=draft budget; prior=2020 Annual Street Report

Certification:

___X___YES The City of Watsonville has budgeted and will meet the Maintenance of Effort requirement for the reporting year.

_____NO The City of Watsonville did not meet the Maintenance of Effort requirement for the reporting year for the following reasons:

If revenues spent in a year did not match 3-year Baseline average, explain here.

DocuSigned by:
Cindy Czerwin
E62535C368D9432...
Finance Director Signature

12/18/2020 | 2:40 PM PST
Date

*Funding sources excluded from MOE calculation are listed for information purposes and will make it easier to reconcile this report against annual budgets. Excluded sources include special, non-formula, competitive grants, and/or past revenues carried over for special proejcts and/or emergencies. This includes formula funds from state and regional agencies and one-time grants - such as RSTP/STBG, STIP, ATP, ARRA, FEMA, HSIP, FTA5310, No & Low Emission Bus program.

Measure D: 5-Year Program of Projects (FY19/20-23/24)
Agency: ***City of Watsonville***
Expenditure Plan Category: ***Neighborhood Projects***
Approval Date: ***06/11/19***

Measure D Revenues

	Prior	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Estimated Annual Measure D Allocations	**$ 1,683,286**	**$879,820**	**$880,074**	**$900,609**	**$913,307**	**$926,169**

				Amount of Measure funds to be used									
Project Name/location	**Description** *(include project purpose and complete streets components if applicable)*	**Total Measure D**	**Prior Years Spent**	**FY19/20**	**FY20/21**	**FY21/22**	**FY22/23**	**FY23/24**	**Total cost estimate**	**Other Funds $**	**Other fund sources**	**Est. Construction start date**	**Major project? * (yes/no)**
Bicycle Safety Improvements (Various Locations)	Provide signage and traffic markings along bicycle corridors and provide educational programs.	*$305,000*	$105,000	$50,000		$100,000		$50,000	*$305,000*	*None*	*None*	*Spring 2020 Spring 2022*	*No*
Downtown Revitalization	Provide complete streets improvements including but not limited to pedestrian crossings, bus stops, parking, sidewalks and traffic management. Includes design, environmental documentation and construction.	*$101,500*	$101,500						*$101,500*	*None*	*None*	*Project deferred to undetermined date*	*No*
Freedom Blvd (Alta Vista Ave to Green Valley Rd)	Reconstruct roadway, remove & replace non-ADA compliant driveways & curb ramps, install high visibility crosswalks, upgrade existing bus shelter, install new traffic signal at Sydney Ave. Includes design, environmental documentation and construction.	*$570,000*	$0		$125,000	$445,000			*$3,125,000*	*$2,555,000*	*Gas Tax - $505,000 SB1 - $500,000 STIP - $1,550,000*	*Spring 2022*	*Yes*
Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	Repair and resurface damaged roadway and bike lanes, replace damaged sidewalks, add pedestrian facilities where none exist. Includes design, environmental documentation and construction. Restriping 2021, reconstruction 2023.	*$940,000*	$0	$195,000		$150,000	$595,000		*$2,650,000*	*$1,705,000*	*Gas Tax - $500,000 SB1 - $500,000 TBD - $705,000*	*Spring 2021 Spring 2023*	*Yes*
Green Valley Rd (Freedom Blvd to City Limits)	Reconstruct roadway, install median island, remove and replace non-compliant driveways & curb ramps, restripe roadway & provide bike lanes where none exist.	*$650,000*	$100,000	$550,000					*$2,200,000*	*$1,450,000*	*Gas Tax - $800,000 SB1 - $650,000*	*Spring 2020*	*Yes*
Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd to Pajaro Valley High School driveway)	Prepare design, environmental documents and construction of pedestrian and bicycle trail	*$1,000,000*	$230,000	$74,000	$46,000			$650,000	*$1,445,000*	*$645,000*	*Coastal Conservancy - $330,000 TBD - $350,000*	*Spring 2024*	*Yes*
Maintain Roads (City-wide, All Districts)	Place three-layer coating system on road surface. Includes Airport Blvd to 600 ft west.	*$900,000*	$100,000	$400,000	$400,000				*$2,000,000*	*$1,100,000*	*Gas Tax - $600,000 SB1 - $500,000*	*Spring 2020 Spring 2021*	*Yes*
Maintain & Improve Trails (Various locations)	Develop, maintain and enhance existing pedestrian and bicycle trails including Upper Struve Slough Trail	*$400,000*	$100,000	$100,000	$100,000		$100,000		*$550,000*	*None*	*None*	*Spring 2020 Spring 2021*	*No*
Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	Construct 8' wide pedestrian and bike trail. Includes design, environmental documentation and construction.	*$200,000*					$100,000	$100,000	*$750,000*	*$550,000*	*Gas Tax - $75,000 SB1 - $75,000 TBD - $400,000*	*Spring 2024*	*Yes*
Pedestrian & Traffic Safety (Various Locations)	Install or upgrade safety and traffic calming measures such as striping, markers, signage, signals, lighting, flashing beacons, curb extensions and speed humps and provide educational programs.	*$910,221*	$110,221	$350,000	$50,000	$140,000	$160,000	$100,000	*$910,221*	*None*	*None*	*Spring each year*	*No*
Adminstrative Costs	Cost of annaul audit.	*$25,000*	$0	$5,000	$5,000	$5,000	$5,000	$5,000	*$25,000*	*None*	*None*	*None*	*No*
	Estimated Annual Measure D Expenditures	**$846,721**	**$1,724,000**	**$726,000**	**$840,000**	**$960,000**	**$905,000**						
	Carry over from previous fiscal year	**$0**	**$844,248**	**$69**	**$154,840**	**$216,423**	**$170,497**						
	Balance at end of current fiscal year	**$836,565**	**$68**	**$154,143**	**$215,449**	**$169,730**	**$191,666**						
	Annual Interest Earnings on Measure D Revenues (=0.45219%)	**$7,684**	**$0**	**$697**	**$974**	**$768**	**$867**						
	Carry over to next fiscal year	**$844,248**	**$69**	**$154,840**	**$216,423**	**$170,497**	**$192,533**						

**For Major Projects (e.g. require CEQA, over $1M, and/OR lots of public interest), provide separate one-page summary with longer desciption, describe consistency with the Complete Streets Act; Cost/Funding/schedule by phase)*

AGENDA
CITY OF WATSONVILLE
CITY COUNCIL MEETING

Opportunity Through Diversity; Unity Through Cooperation.

The City of Watsonville is dedicated to improving the economic vitality, safety & living environment for the culturally rich Watsonville community, by providing leadership for the achievement of community goals & high quality, responsive public services.

Francisco Estrada, Mayor, District 4
Rebecca J. Garcia, Mayor Pro Tempore, District 5

Felipe Hernandez, Council Member, District 1
Aurelio Gonzalez, Council Member, District 2
Lowell Hurst, Council Member, District 3
Trina Coffman-Gomez, Council Member, District 6
Ari Parker, Council Member, District 7

Matt Huffaker, City Manager
Alan J. Smith, City Attorney
Beatriz Vázquez Flores, City Clerk

City Council Chambers
275 Main Street, Top Floor
Watsonville, CA 95076

Spanish language interpretation is available

Americans with Disabilities Act

The Council Chambers is an accessible facility. If you wish to attend a meeting and you will require assistance in order to attend and/or participate, please call the City Clerk's Office at least five (5) days in advance of the meeting to make arrangements. The City of Watsonville TDD number is (831) 763-4075.

Meetings are streamed live via the City's website and archived thereafter. Meeting are also televised live on Charter Cable Communications Channel 70 and AT&T Channel 99 and re-broadcast on Thursday at 5:00 p.m. and Saturday at 8:00 a.m. the same week of the meeting.

For information regarding this agenda, please call the City Clerk's Office at (831) 768-3040.

AGENDA PACKET

Attachments: Agenda Packet

AGENDA (EN ESPAÑOL)

Attachments: Agenda en Español

4:00 p.m.

Anyone Addressing the City Council is asked to fill out a blue card and leave it at the podium for recording purposes

(IF YOU CHALLENGE ANY ACTION APPEARING ON THIS AGENDA IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE PUBLIC MEETING DESCRIBED ON THIS AGENDA, OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE CITY CLERK PRIOR TO, OR AT, THE PUBLIC MEETING.)

1. ROLL CALL

2. INFORMATION ITEMS—Written Report(s) Only

A. REPORT OF DISBURSEMENTS

Attachments: Report of Disbursements June 11, 2019

3. REPORTS TO COUNCIL -- No Action Required

A. MEASURE G REPORT BY REVENUE OVERSIGHT COMMITTEE CHAIR RICK DANNA AS REQUIRED BY WATSONVILLE MUNICIPAL CODE SECTION 3-6.1102 (10 MINUTES)

Attachments: Fourth Annual Measure G Report

Fourth Annual Measure G Report_Spanish

B. PRESENTATION BY SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION ON REGIONAL MEASURE D PROJECTS (15 MINUTES)

Requested by: Public Works & Utilities Director Palmisano

4. NEW BUSINESS

A. CONSIDERATION OF APPROVAL OF PROJECT LIST FOR TRANSPORTATION PROJECTS FUNDED BY MEASURE D

Requested by: Public Works & Utilities Director Palmisano

Attachments: Measure D 5-Year Project List - Report
Measure D 5-Year Project List - Resolution

1) Staff Report

2) City Council Clarifying & Technical Questions

3) Public Input

4) Motion Whether to Approve Staff Recommendation:

76-19 Resolution Approving Measure D: 5-Year Program Of Projects (FY 2019/2020 - FY 2023/2024) for the City of Watsonville to be Funded By Measure D which was Approved by Voters on November 8, 2016

5) City Council Deliberation on Motion(s)

5. CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one consensus motion. Any items removed will be considered immediately after the consensus motion. The Mayor will allow public input prior to the approval of the Consent Agenda.

Public Input on any Consent Agenda Item

A. MOTION APPROVING MINUTES OF MAY 28, 2019

Attachments: Minutes 052819

B. MOTION APPROVING ATTENDANCE REQUEST BY MAYOR PRO TEMPORE GARCIA TO ATTEND 2019 ANNUAL LEAGUE OF CALIFORNIA CITIES MAYORS & COUNCIL MEMBERS EXECUTIVE FORUM ON JUNE 19-21, 2019 ($1255.80)

Attachments: R. Garcia - Mayors and Council Exec Forum

C. 77-19 RESOLUTION APPROVING SPECIFICATIONS & CALLING FOR BIDS FOR WWTP BIOSOLIDS LOADING, TRANSPORTATION, & BENEFICIAL REUSE THREE YEAR CONTRACT PROJECT NO. WW-19-01 (ESTIMATED COST OF $350,000 WILL BE FUNDED FROM THE WASTEWATER ENTERPRISE FUND)

Requested by: Public Works & Utilities Director Palmisano

Attachments: Call Bids for Biosolid Removal - Report

Call Bids for Biosolids Disposal - Resolution

D. 78-19 RESOLUTION APPROVING SPECIFICATIONS & CALLING FOR BIDS FOR THE WWTP FERRIC CHLORIDE SUPPLY PROJECT NO. WW-19-02 (ESTIMATED COST OF $215,000 PER YEAR WILL BE FUNDED FROM THE WASTEWATER ENTERPRISE FUND)

Requested by: Public Works & Utilities Director Palmisano

Attachments: Call Bids for Ferric Chloride - Report

Call Bids for Ferric Chloride Supply - Resolution

E. 79-19 RESOLUTION AWARDING $695,775 BID TO PACIFIC UNDERGROUND CONSTRUCTION, INC., FOR THE ROACHE ROAD SANITARY SEWER REPLACEMENT PROJECT NO. SS-18-09 ($695,775 WILL BE FUNDED FROM THE WASTEWATER ENTERPRISE FUND)

Requested by: Public Works & Utilities Director Palmisano

Attachments: Award Bid for Roache Rd Sewer Replacement - Report

AB Roache Rd Sanitary Sewer Replacement Project - Resolution

F. 80-19 RESOLUTION AWARDING CONTRACT TO RAFTELIS FINANCIAL CONSULTANTS, INC., FOR PREPARING A COST OF SERVICE ANALYSIS & RATE STUDY FOR THE CITY'S WATER, WASTEWATER, & SOLID WASTE ENTERPRISE FUNDS, IN AN AMOUNT NOT TO EXCEED $151,939 OF WHICH $64,700 WILL BE FUNDED FROM WATER ENTERPRISE FUND, $48,580 FROM WASTEWATER ENTERPRISE FUND, & $38,660 FROM SOLID WASTE ENTERPRISE FUND

Requested by: Public Works & Utilities Director Palmisano

Attachments: Contract to Raftelis for Utility Rate Study - Report

Awarding Contract for Rate Study - Resolution

G. 81-19 RESOLUTION APPROVING ONE-YEAR CONTRACT WITH THATCHER COMPANY OF CALIFORNIA, INC. FOR ALUMINUM SULFATE PURCHASING IN THE AMOUNT OF $406,073.00

Requested by: Public Works & Utilities Director Palmisano

Attachments: Purchase of Aluminum Sulfate - Report
Contract for Purchase of Aluminum Sulfate - Resolution

H. 82-19 RESOLUTION APPROVING THE PROPOSED FY 2019/2020 SANTA CRUZ COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT ZONE 7 BUDGET AS APPROVED BY THE ZONE 7 BOARD OF DIRECTORS

Requested by: Public Works & Utilities Director Palmisano

Attachments: Zone 7 Budget - Report
Zone 7 Budget - Resolution

I. 83-19 RESOLUTION APPOINTING BLANCA BALTAZAR-SABBAH AS TRUSTEE TO THE CITY OF WATSONVILLE BOARD OF LIBRARY TRUSTEES

Attachments: Library Board Application
Appt to Library Board - Resolution

J. 84-19 RESOLUTION DECLARING ITS SUPPORT OF ASSEMBLY BILL 857 AS INTRODUCED ON FEBRUARY 20, 2019, & AMENDED ON MAY 17, 2019, (CHIU AND SANTIAGO) ENTITLED PUBLIC BANKS: IF ENACTED INTO LAW, WOULD ESTABLISH A CALIFORNIA MUNICIPAL PUBLIC BANKING LICENSE & SUPPORT THE CONCEPT OF A STATE, REGIONAL, OR NETWORK OF PUBLIC BANKS TO PROVIDE COST-SAVING SERVICES TO PUBLIC ENTITIES

Attachments: AB 857 Support of Public Banking - Resolution
Assembly Bill 857

K. 85-19 RESOLUTION DECLARING ITS SUPPORT OF SENATE BILL 5 AS INTRODUCED ON DECEMBER 3, 2018, & AMENDED ON MAY 24, 2019, (BEALL, MCGUIRE & PORTANTINO) ENTITLED AFFORDABLE HOUSING & COMMUNITY DEVELOPMENT INVESTMENT PROGRAM: WOULD ESTABLISH AN ONGOING FUNDING MECHANISM THAT WOULD ULTIMATELY DIRECT UP TO $2 BILLION ANNUALLY IN SUPPORT OF LOCAL INFILL, TRANSIT ORIENTED DEVELOPMENT, AFFORDABLE HOUSING & NEIGHBORHOOD REVITALIZATION PROJECTS

Requested by: Mayor Pro Tempore Garcia

Attachments: SB 5 Support of Affordable Housing & Comm Dev - Resolution
Senate Bill 5

L. FINAL ADOPTION OF ORDINANCE AMENDING CHAPTER 18 (DEFINITIONS) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE FOR THE REGULATION OF ALCOHOL RELATED BUSINESSES LOCATED WITHIN THE CITY OF WATSONVILLE

1384-19

Requested by: Community Development Director Merriam

Attachments: WMC 14-18 Definitions Alcohol Ordinance - Ordinance

M. FINAL ADOPTION OF ORDINANCE REPEALING CHAPTER 25 (ALCOHOL-RELATED USES) OF TITLE 14 (ZONING) IN ITS ENTIRETY AND ADDING A NEW CHAPTER 25 (ALCOHOL-RELATED USES) TO TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE FOR THE REGULATION OF ALCOHOL RELATED BUSINESSES LOCATED WITHIN THE CITY

1385-19

Requested by: Community Development Director Merriam

Attachments: WMC 14-25 Alcohol Related Uses - Ordinance

Objection Alcohol Ordinance

N. FINAL ADOPTION OF ORDINANCE AMENDING CHAPTER 6 (TAXATION) OF TITLE 3 (FINANCE) OF THE WATSONVILLE MUNICIPAL CODE ADDING ARTICLE 14 (ALCOHOL SALES EDUCATION AND REGULATORY FEE) TO BE USED FOR THE RECOVERY OF ALL OR A PORTION OF THE COST OF THE ANNUAL INSPECTIONS AND EDUCATION FOR ALCOHOL RELATED PERMITS

1386-19
pulled

Requested by: Community Development Director Merriam

Attachments: WMC 3-6.1400 Alcohol Sales Education & Regulatory Fee - Ordinance

6. ITEMS REMOVED FROM CONSENT AGENDA

1386-19

6:30 p.m.

7. ROLL CALL

8. PLEDGE OF ALLEGIANCE

9. PRESENTATIONS & ORAL COMMUNICATIONS

(This time is set aside for members of the general public to address the Council on any item not on the Council Agenda, which is within the subject matter jurisdiction of the City Council. No action or discussion shall be taken on any item presented except that any Council Member may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters

relating to Council will be noted in the minutes and may be scheduled for discussion at a future meeting or referred to staff for clarification and report. ALL SPEAKERS ARE ASKED TO FILL OUT A BLUE CARD & LEAVE IT AT THE TABLE DESIGNATED NEAR THE PODIUM, GO TO THE PODIUM AND ANNOUNCE THEIR NAME AND ADDRESS IN ORDER TO OBTAIN AN ACCURATE RECORD FOR THE MINUTES.

A. ORAL COMMUNICATIONS FROM THE PUBLIC

B. PRESENTATION OF MAYOR'S CERTIFICATE OF RECOGNITION TO CESAR PARRA, ELI ROMERO, & ROSARIO MENDEZ TORRES FOR THEIR PERFORMANCE AT THE SPEECH & DEBATE COMPETITION

10. PUBLIC HEARINGS, ORDINANCES, & APPEALS

JOINT CITY COUNCIL, SUCCESSOR AGENCY & SUCCESSOR HOUSING AGENCY FOR THE FORMER REDEVELOPMENT AGENCY MEETING

A. BUDGET STUDY SESSION & PUBLIC HEARING FOR FISCAL YEARS 2019-2021

Requested by: Administrative Services Director Czerwin

Attachments: FY 2019-21 Budget - Report
attachment 3 to Report - Budget Summary
attachment 4 to Report - Salary List
Public Hearing Notice for Budget - Resolution
WMC 2-3 Administrative Departments - Ordinance

1) Staff Report

2) City Council Clarifying & Technical Questions

3) Public Hearing

4) Motion Whether to Approve Staff Recommendation:
86-19 a) Resolution Fixing Date & Time as June 25, 2019, at 6:30 p.m. for a Public Hearing to Consider Adoption of Biennial Budget for Fiscal Years 2019-2020 & 2020-2021 & Directing the City Clerk to Give Notice Thereof

b) Ordinance Introduction Amending Chapter 3 (Administrative Departments) of Title 2 (Administration) of the Watsonville Municipal Code by Adding a New Article 14 Entitled Innovation & Technology Department Making Same a City Department Reporting Directly to the City Manager

5) City Council Deliberation on Motion(s)

11. PRESENTATIONS & ORAL COMMUNICATIONS (Continued)

C. ORAL COMMUNICATIONS FROM THE COUNCIL

12. EMERGENCY ITEMS ADDED TO AGENDA

13. REQUESTS & SCHEDULING FUTURE AGENDA ITEMS

14. ADJOURNMENT

Pursuant to Section 54954.2(a)(1) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day and on the City of Watsonville website at www.cityofwatsonville.org.

Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office (275 Main Street, 4th Floor) during normal business hours. Such documents are also available on the City of Watsonville website at www.cityofwatsonville.org subject to staff's ability to post the document before the meeting.

City of Watsonville
Public Works & Utilities Department

M E M O R A N D U M

DATE: **April 8, 2019**

TO: **Matthew D. Huffaker, City Manager**

FROM: **Steve Palmisano, Director of Public Works & Utilities**
Maria Esther Rodriguez, Assistant Director of Public Works & Utilities

SUBJECT: **Council approval of project list for transportation projects funded by Measure D**

AGENDA ITEM: **June 11, 2019** **City Council**

RECOMMENDATION:
Staff recommends that the City Council adopt a resolution approving a list of transportation projects to be funded by Measure D.

DISCUSSION:
In 2016, Santa Cruz County voters approved Measure D, a one-half cent sales tax that funds transportation projects for 30 years. The Measure allocates a portion of the funding to individual agencies and the City's projected share for FY 2019/20 is $880,000. Requirements of the funding include development of a five year expenditure plan with Council approval, on an annual basis.

Measure D funding received in FY18/19 is being used on Bicycle Safety, Downtown Revitalization, Green Valley Road Improvement design, Lee Road Trail design, Road Maintenance design, trail maintenance design and Pedestrian and Traffic Safety improvements.

The proposed project list calls for FY19/20 funds to be used on:

- Bicycle safety improvements
- Freedom Blvd pedestrian and bicycle improvements,
- Green Valley Road reconstruction,
- Lee Road Trail design,
- Road maintenance,
- Trail maintenance and
- Pedestrian and traffic safety improvements.

STRATEGIC PLAN:
Measure D funding and improvements will address the Strategic Plan Goal 3.E., improving road infrastructure.

FINANCIAL IMPACT:
Measure D will provide additional funding for transportation projects, and will also provide funding for the local match required for many State grant programs, thus extending the funding even further.

ALTERNATIVES:
None

ATTACHMENTS:
None

cc: City Attorney

RESOLUTION NO. 76-19 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING THE MEASURE D: 5-YEAR PROGRAM OF PROJECTS (FY 2019/2020 - FY 2023/2024) FOR THE CITY OF WATSONVILLE TO BE FUNDED BY MEASURE D WHICH WAS APPROVED BY VOTERS ON NOVEMBER 8, 2016

WHEREAS, Santa Cruz County voters approved a one-half cent sales tax (Measure D) on November 8, 2016, which will fund transportation projects for the next 30 years; and

WHEREAS, the City of Watsonville's projected share for FY19/20 is $880,000, which will provide additional funding for City transportation projects; and

WHEREAS, Measure D funding requirements include the development of a five year expenditure plan with public input and City Council approval; and

WHEREAS, the City's five-year expenditure plan will be reviewed and approved each year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

That the City Council hereby approves the Measure D: 5-Year Program of Projects (FY19/20 – FY23/24) for the City of Watsonville which is attached hereto and incorporated herein as Exhibit "A."

****

The foregoing resolution was introduced at a regular meeting of the Council of the City of Watsonville, held on the **11th** day of **June**, **2019**, by Member **Coffman-Gomez**, who moved its adoption, which motion being duly seconded by Member **Gonzalez**, was upon roll call carried and the resolution adopted by the following vote:

AYES:	COUNCIL MEMBERS:	**Coffman-Gomez, Garcia, Gonzalez, Hernandez, Hurst, Parker, Estrada**
NOES:	COUNCIL MEMBERS:	**None**
ABSENT:	COUNCIL MEMBERS:	**None**

Francisco Estrada, Mayor

ATTEST:

City Clerk

June 17, 2019
Date

APPROVED AS TO FORM:

City Attorney

****

I, Irwin Ortiz, Assistant City Clerk of the City of Watsonville, do hereby certify that the foregoing Resolution No. 76-19 (CM) was duly and regularly passed and adopted by the Watsonville City Council at a meeting thereof held on the 11th day of June, 2019, and that the foregoing is a full, true and correct copy of said Resolution.

Irwin Ortiz, Assistant City Clerk

Date 6/18/19

Measure D: 5-Year Program of Projects (FY19/20-23/24)
Agency: ***City of Watsonville***
Expenditure Plan Category: ***Neighborhood Projects***
Approval Date: ***06/11/19***

Measure D Revenues

	Prior	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Estimated Annual Measure D Allocations	**$ 1,683,286**	**$879,820**	**$880,074**	**$900,609**	**$913,307**	**$926,169**

				Amount of Measure funds to be used									
Project Name/location	**Description** *(include project purpose and complete streets components if applicable)*	**Total Measure D**	**Prior Years Spent**	**FY19/20**	**FY20/21**	**FY21/22**	**FY22/23**	**FY23/24**	**Total cost estimate**	**Other Funds $**	**Other fund sources**	**Est. Construction start date**	**Major project? * (yes/no)**
Bicycle Safety Improvements (Various Locations)	Provide signage and traffic markings along bicycle corridors and provide educational programs.	*$305,000*	$105,000	$50,000		$100,000		$50,000	*$305,000*	*None*	*None*	*Spring 2020 Spring 2022*	*No*
Downtown Revitalization	Provide complete streets improvements including but not limited to pedestrian crossings, bus stops, parking, sidewalks and traffic management. Includes design, environmental documentation and construction.	*$101,500*	$101,500						*$101,500*	*None*	*None*	*Project deferred to undetermined date*	*No*
Freedom Blvd (Alta Vista Ave to Green Valley Rd)	Reconstruct roadway, remove & replace non-ADA compliant driveways & curb ramps, install high visibility crosswalks, upgrade existing bus shelter, install new traffic signal at Sydney Ave. Includes design, environmental documentation and construction.	*$570,000*	$0		$125,000	$445,000			*$3,125,000*	*$2,555,000*	*Gas Tax - $505,000 SB1 - $500,000 STIP - $1,550,000*	*Spring 2022*	*Yes*
Freedom Blvd Improvements (Green Valley Rd to Airport Blvd)	Repair and resurface damaged roadway and bike lanes, replace damaged sidewalks, add pedestrian facilities where none exist. Includes design, environmental documentation and construction. Restriping 2021, reconstruction 2023.	*$940,000*	$0	$195,000		$150,000	$595,000		*$2,650,000*	*$1,705,000*	*Gas Tax - $500,000 SB1 - $500,000 TBD - $705,000*	*Spring 2021 Spring 2023*	*Yes*
Green Valley Rd (Freedom Blvd to City Limits)	Reconstruct roadway, install median island, remove and replace non-compliant driveways & curb ramps, restripe roadway & provide bike lanes where none exist.	*$650,000*	$100,000	$550,000					*$2,200,000*	*$1,450,000*	*Gas Tax - $800,000 SB1 - $650,000*	*Spring 2020*	*Yes*
Lee Rd Trail (Lee Rd from RR xing to Harkins Slough Rd and Harkins Slough Rd from Lee Rd to Pajaro Valley High School driveway)	Prepare design, environmental documents and construction of pedestrian and bicycle trail	*$1,000,000*	$230,000	$74,000	$46,000			$650,000	*$1,445,000*	*$645,000*	*Coastal Conservancy - $330,000 TBD - $350,000*	*Spring 2024*	*Yes*
Maintain Roads (City-wide, All Districts)	Place three-layer coating system on road surface. Includes Airport Blvd to 600 ft west.	*$900,000*	$100,000	$400,000	$400,000				*$2,000,000*	*$1,100,000*	*Gas Tax - $600,000 SB1 - $500,000*	*Spring 2020 Spring 2021*	*Yes*
Maintain & Improve Trails (Various locations)	Develop, maintain and enhance existing pedestrian and bicycle trails including Upper Struve Slough Trail	*$400,000*	$100,000	$100,000	$100,000		$100,000		*$550,000*	*None*	*None*	*Spring 2020 Spring 2021*	*No*
Pajaro Valley High School Connector Trail (Airport Blvd to Harkins Slough Rd)	Construct 8' wide pedestrian and bike trail. Includes design, environmental documentation and construction.	*$200,000*					$100,000	$100,000	*$750,000*	*$550,000*	*Gas Tax - $75,000 SB1 - $75,000 TBD - $400,000*	*Spring 2024*	*Yes*
Pedestrian & Traffic Safety (Various Locations)	Install or upgrade safety and traffic calming measures such as striping, markers, signage, signals, lighting, flashing beacons, curb extensions and speed humps and provide educational programs.	*$910,221*	$110,221	$350,000	$50,000	$140,000	$160,000	$100,000	*$910,221*	*None*	*None*	*Spring each year*	*No*
Adminstrative Costs	Cost of annaul audit.	*$25,000*	$0	$5,000	$5,000	$5,000	$5,000	$5,000	*$25,000*	*None*	*None*	*None*	*No*
	Estimated Annual Measure D Expenditures	**$846,721**	**$1,724,000**	**$726,000**	**$840,000**	**$960,000**	**$905,000**						
	Carry over from previous fiscal year	**$0**	**$844,248**	**$69**	**$154,840**	**$216,423**	**$170,497**						
	Balance at end of current fiscal year	**$836,565**	**$68**	**$154,143**	**$215,449**	**$169,730**	**$191,666**						
	Annual Interest Earnings on Measure D Revenues (=0.45219%)	**$7,684**	**$0**	**$697**	**$974**	**$768**	**$867**						
	Carry over to next fiscal year	**$844,248**	**$69**	**$154,840**	**$216,423**	**$170,497**	**$192,533**						

**For Major Projects (e.g. require CEQA, over $1M, and/OR lots of public interest), provide separate one-page summary with longer desciption, describe consistency with the Complete Streets Act; Cost/Funding/schedule by phase)*

Exhibit "A"
Page 1 of 1

SPEED
LIMIT
25
Bridge St
Google

SPEED
LIMIT
25
CONSTRUCTION
ZONE

Bridge St
Google

ROAD
CLOSED

Coastal Rail Trail Project
Segment 18 — Phase 1
Ohlone Parkway to Watsonville Slough Trail Trailhead
Funded by:
City of Watsonville
Measure D
California Transportation Commission
Land Trust of Santa Cruz County
Santa Cruz County Friends of the Rail & Trail
Santa Cruz Regional Transportation Commission

Coastal Rail Trail Project
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CITY OF WATSONVILLE
CALIFORNIA
LAND TRUST OF SANTA CRUZ COUNTY
MEASURE D
Moving Santa Cruz County Forward
SANTA CRUZ COUNTY FRIENDS OF THE RAIL & TRAIL
SCCRTC

Measure D Recipient Agency: County of Santa Cruz

Measure D Annual Report Cover Sheet

Fiscal Year 2019/20

Submit documents to rmoriconi@sccrtc.org by December 31, 2020.

Dear Measure D Taxpayer Oversight Committee: The County of Santa Cruz is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY19/20 Formula Allocations	$2,936,355.42
Unspent Prior Year Allocations	$3,870,636.70
Interest earned on Unspent Prior Allocations	$143,186.61
Total Measure D Funding Available in FY19/20	**$6,877,662.71**
Total Measure D Funds Spent in FY19/20	**$2,844,274.15**
Total Measure D Rollover to FY20/21	$4,105,904.61
Maintenance of Effort	
FY19/20 LOCAL funds spent on transportation projects, operations, and/or services *(exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*	$15,065,058
Maintenance of Effort **Baseline** *(average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017)*	$6,029,980
Measure D Compliance Documents	
Document	
1. FY19/20 Annual Report Cover Sheet *(this document)*	**Attached**
2. FY19/20 Audited Financials for Measure D funds *(see "Measure D Audit Guidance" for additional information)*	**Attached**
3. FY19/20 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on.	**Attached**
a. *If applicable* **–Grouped projects supplemental information:** For any grouped projects (e.g. citywide roadway repairs), include a supplemental **list of specific locations** (road names, project limits,	n/a

and length or routes/areas served), **work done at each** (e.g. environmental, design, construction), **and schedule** for completing construction at each.	
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY19/20 (for projects with specific locations).	**Attached**
5. FY19/20 Performance Measures Report *(Measure D Guidelines Attachment B)*	**Attached**
6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY19/20 as compared to the 3-5 years prior to FY16/17.	**Attached**
a. If FY19/20 Local funds expended were lower than Baseline amount, explain why:	n/a
7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? *(If "no," Measure D cannot be used for indirect costs)* **a. Date of most recent ICAP: 9/30/2020**	**Yes**
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	**Attached**
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	**Attached** **(Approved Board Letter)**
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan *(per Article III.A.4.)*	**Date: 6/25/19**
c. Date annual 5-year Plan approved by Governing Board	**Date: 6/25/19**
9. Complete Streets Compliance *(Cities/County only)***:** Attach copy or	**See Page 10 of County of Santa Cruz Design Criteria**

provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. *Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.*	https://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/DESIGNCRITERIA.pdf
10. Annual Report Narrative *(may be included in Management & Admin section of audit)*	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	**All funds received are deposited into a separate, dedicated fund. A project-based cost management system is used to track all expenditures by project, and only Measure D qualified project expenditures are charged to Measure D funds. Funds are being accumulated in anticipation of taking on larger projects that offer economies of scale. Every fiscal year, the County enacts a pavement management projects that targets the majority of the anticipated Measure D funding. See Measure D 5-year Plan for project list.**
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	**The County has a 5-year plan based on projected Measure D funds, and projects are only initiated for which adequate funding is available.**
c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	**We can confirm projects were implemented in compliance with applicable laws. Resurfacing projects are categorically exempt from CEQA, we obtain certifications (CAT-EX) from County planning for each project.**
Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds. *(per Article III.A.3.)*.	**Measure D Information on past, current, and planned future work is provided on our website.** http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx

12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	**In addition to our general web page on Measure D & SB-1, we provide a project notice letter to affected residents (attached) and maintain a project website during construction.**
a. Website with Measure D information Web address: see response at right *(per Article III.A.7.)*	http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx
b. News Article: *Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)*	**Upon award of contract we send an outreach letter to residents on streets which will be included in that project. The 2019 letter is included for reference.**
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available.	**Yes – signage was placed at each project site.** **Signage photo was not available for the 2019 project.**
13. Photos: Attach before/after and construction photos if available of projects/work done in FY19/20.	**Attached**
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	**A project website is created for each individual project containing all pertinent information for public reference. This website is posted on project signage and serves as a central point of information during the project. Unfortunately the website for the 2019 project is no longer available due to the time elapsed. Information on archived projects including maps and road lists is kept on our Measure D informational website at the link below.** http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx

Contacts

Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
George Springer	Accountant III	DPW097@santacruzcounty.us

Document online at:

https://sccrtc.org/wp-content/uploads/2021/03/2.-Financial-Statements-Measure-D-Final.pdf

SANTA CRUZ COUNTY
MEASURE D FUND

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
JUNE 30, 2020

MEASURE D EXPENDITURE REPORT - Direct Allocations

Reporting Year FY19/20

Recipient Agency County of Santa Cruz

#	Project Name	Total Project Cost	FY19/20 Measure D Expenditures	Prior Year expenditures (if applicable) FY16/17 Measure D Expenditures on this project	FY17/18 Measure D Expenditures	FY18/19 Measure D Expenditures	Measure D TOTAL SPENT *through reporting year*	*(Est) Future Year(s) Measure D Expenditures*	Consistency: Project in approved 5-year plan? *(yes/no)*
1	Casserly Road Bridge Replacement	$ 223,440.00	$ -	$ -	$ 199,500.00	$ 23,940.00	$ 223,440.00	$ -	Yes
2	2018 Measure D Resurfacing	$ 2,226,082.55	$ 69,937.36	$ -	$ 8,911.88	$ 2,147,233.31	$ 2,226,082.55	$ -	Yes
3	2019 Measure D Resurfacing	$ 2,700,001.00	$ 1,998,239.89	$ -	$ -	$ 100,935.34	$ 2,099,175.23	$ 600,825.77	Yes
4	2020 Measure D Resurfacing	$ 2,705,484.00	$ 709,208.32	$ -	$ -	$ 5,484.16	$ 714,692.48	$ 1,990,791.52	Yes
5	FY18 Outreach and Education - Ecology Action	$ 13,000.00	$ -	$ -	$ 13,000.00	$ -	$ 13,000.00	$ -	Yes
6	FY18 Outreach and Education - Bike Santa Cruz	$ 1,750.00	$ -	$ -	$ 1,750.00	$ -	$ 1,750.00	$ -	Yes
7	FY19 Measure D Audit Fees	$ 4,480.00	$ -	$ -	$ -	$ 4,480.00	$ 4,480.00	$ -	No
8	FY19 Measure D Education & ATP	$ 5,723.60	$ -	$ -	$ -	$ 5,723.60	$ 5,723.60	$ -	Yes
9	FY20 Measure D Audit Fees	$ 4,540.00	$ 4,540.00	$ -	$ -	$ -	$ 4,540.00	$ -	No
10	FY20 Measure D Education & ATP	$ 62,348.58	$ 62,348.58	$ -	$ -	$ -	$ 62,348.58	$ -	Yes
	Total		$ 2,844,274	$ -	$ 223,162	$ 2,287,796	$ 5,355,232	$ 2,591,617	

	FY 19/20 Measure D Revenues	FY 16/17 Measure D Revenues *(4/1/17-6/30/17)*	FY 17/18 Measure D Revenues	FY 18/19 Measure D Revenues	Total Measure D Expended	*Fund Balance/ Carryover to Future Years*
Allocation	$ 2,936,355.42	$ 345,648.16	$ 2,974,999.32	$ 3,060,947.51	$ 5,355,232.44	$ 4,105,905
Interest	$ 72,516.05	$ -	$ 16,899.81	$ 53,770.78		

MEASURE D EXPENDITURE REPORT

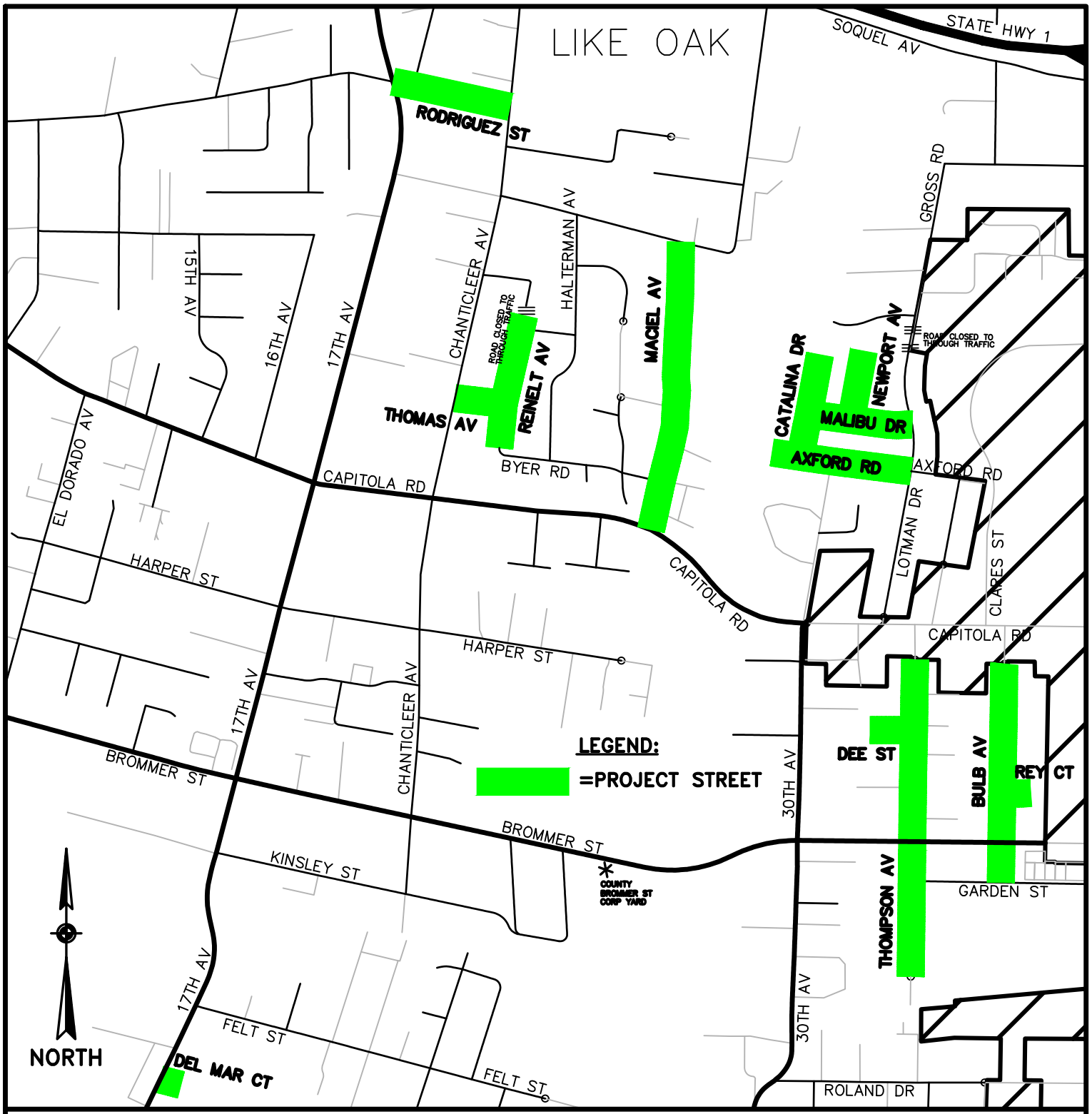
		Project Description/Location		Project Status/Timeline			
#	Project Name	**Project Description** *(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)*	**Location/Limts (if grouped project, list each location/limit)**	**Work Done in FY19/20** (e.g. planning, design, construction, right-of-way)	**CEQA compliance** *(List type of doc & certification date - e.x. CE, 5/1/18)*	**Construction/Implement schedule**	**Completion Date** *(actual or estimate)*
1	Casserly Road Bridge Replacement	Bridge Repalcement	Casserly Road at Smith Road	None (Complete)	CAT EX	6/17-8/17	8/1/2017
2	2018 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	None (Complete)	CAT EX	6/18-9/18	11/21/2018
3	2019 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Construction	CATEX	6/19-11/19	11/1/2019
4	2020 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Design/ Construction	CATEX	6/20-9/20	9/1/2020
5	FY18 Outreach and Education - Ecology Action	Outreach	N/A	None (Complete)	n/a	n/a	n/a
6	FY18 Outreach and Education - Bike Santa Cruz	Outreach	N/A	None (Complete)	n/a	n/a	n/a
7	FY19 Measure D Audit Fees	Audit Fees - Administration	N/A	Audit	n/a	n/a	n/a
8	FY19 Measure D Education & ATP	Outreach	N/A	Outreach	n/a	n/a	n/a
9	FY20 Measure D Audit Fees	Audit Fees - Administration	N/A	Audit	n/a	n/a	n/a
10	FY20 Measure D Education & ATP	Outreach	N/A	Outreach	n/a	n/a	n/a

MEASURE D EXPENDITURE REPORT

		Stats - if applicable					Leveraged Funds, if any		Measure D use		
#	Project Name	New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/repair (pothole, seals, etc)	Rehab of bikeways, sidewalks, or ADA ramps included? *(describe)*	If Complete Streets not incorporated into project, why not?	Leveraged Fund Amounts *(grants & other funds where Meas. D used as match)*	Leveraged Fund Source(s) Name(s)	Measure D-funded **Capital Costs**	Measure D-funded **Non-capital** *(non-infrastructure, outreach, admin)*	Measure D-funded **Indirect costs** (and overhead)
1	Casserly Road Bridge Replacement	0	0.01	No	Existing Road Constraints		N/A	N/A	$ 199,500.00	$ -	$ 23,940.00
2	2018 Measure D Resurfacing	0	0	6.51	System maintenance only		N/A	N/A	$ 2,029,514.32	$ -	$ 196,568.23
3	2019 Measure D Resurfacing	0	0	5.75	System maintenance only		N/A	N/A	$ 1,905,361.48	$ -	$ 193,813.75
4	2020 Measure D Resurfacing	0	0	6.26	System maintenance only		N/A	N/A	$ 636,756.70	$ -	$ 77,935.78
5	FY18 Outreach and Education - Ecology Action	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 13,000.00	$ -
6	FY18 Outreach and Education - Bike Santa Cruz	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 1,750.00	$ -
7	FY19 Measure D Audit Fees	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 4,480.00	$ -
8	FY19 Measure D Education & ATP	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 5,723.60	$ -
9	FY20 Measure D Audit Fees	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 4,540.00	$ -
10	FY20 Measure D Education & ATP	n/a	n/a	n/a	n/a		N/A	N/A	$ -	$ 62,348.58	$ -
		0.00	**0.01**	**18.52**			**$ -**		**$ 4,771,133**	**$ 91,842**	**$ 492,258**

2019 Measure D Project - Roads List

Road Name	BegLocation	EndLocation	District	Treatment	Length (mi)
MACIEL AV	MATTISON LN	CAPITOLA RD	1	Rubber Cape	0.32
REINELT AV	WOOLPERT WY	BYER RD	1	Rubber Cape w/ Digouts	0.16
THOMAS AV	CHANTICLEER AV	REINELT AV	1	Rubber Cape w/ Base Treatment	0.05
RODRIGUEZ ST	17TH AV	CHANTICLEER AV	1	Rubber Cape w/ Base Treatment	0.13
DEL MAR CT	17TH AV	END	1	Rubber Cape	0.02
CATALINA DR	AXFORD RD	N END	1	Rubber Cape w/ Base Treatment	0.12
MALIBU DR	LOTMAN DR	CATALINA DR	1	Rubber Cape w/ Digouts	0.11
AXFORD RD	W END	LOTMAN DR	1	Rubber Cape w/ Digouts	0.14
NEWPORT AV	MALIBU DR	W END	1	Rubber Cape	0.08
THOMPSON AV	78' S/CAPITOLA RD	BROMMER ST	1	Rubber Cape w/ Base Treatment	0.20
THOMPSON AV	BROMMER ST	S END	1	Rubber Cape w/ Base Treatment	0.18
BULB AV	GARDEN ST	BROMMER ST	1	Rubber Cape w/ Base Treatment	0.04
BULB AV	BROMMER ST	1030' N/BROMMER ST	1	Rubber Cape w/ Base Treatment	0.20
DEE ST	THOMPSON AV	W END	1	Rubber Cape w/ Base Treatment	0.05
REY CT	BULB AV	E END	1	Rubber Cape	0.03
MILLER HILL RD	SOQUEL SAN JOSE RD	SKYLAND RD	1	Spot Repairs	-
MILLER CUTOFF	MILLER HILL RD	SOQUEL SAN JOSE RD	1	Spot Repairs	-
BEACH DR	APTOS BEACH DR	S END	2	Rubber Cape w/ Base Treatment	0.75
SPRECKELS DR	TREASURE ISLAND AV	APTOS BEACH DR	2	Rubber Cape w/ Base Treatment	0.16
BENNETT RD	APTOS BEACH DR	MOOSE HEAD DR	2	Rubber Cape w/ Digouts	0.09
BENNETT RD	VENETIAN RD	APTOS BEACH DR	2	Pulverize & 3" AC Rebuild	0.07
HAINLINE RD	MOOSE HEAD DR	VENETIAN RD	2	Rubber Cape w/ Digouts	0.14
STEPHEN RD	MOOSE HEAD DR	APTOS BEACH DR	2	Rubber Cape w/ Digouts	0.08
STEPHEN RD	APTOS BEACH DR	VENETIAN RD	2	Rubber Cape	0.10
MARTIN RD	ALTA VISTA RD	ICE CREAM GRADE	3	Rubber Cape w/ Digouts	0.60
BROOKSIDE AV	LOVE CREEK RD	GLEN ARBOR RD	5	Rubber Cape w/ Digouts	0.47
LIVE OAK AV	GLEN ARBOR RD	BROOKSIDE AV	5	Rubber Cape w/ Digouts	0.16
PINE ST	LIVE OAK AV	MANZANITA AV	5	Rubber Cape w/ Digouts	0.08
WHITTIER AV	BROOKSIDE AV	MANZANITA AV	5	Rubber Cape w/ Digouts	0.07
LOVE CREEK RD	HWY 9	BROOKSIDE AV	5	Rubber Cape w/ Digouts	0.47
CENTRAL AV	FILLMORE ST	LOVE CREEK RD	5	Rubber Cape	0.17
SUNNYSIDE AV	LOVE CREEK RD	FAIRVIEW AV	5	Rubber Cape w/ Digouts	0.23
MAIN ST	SUNNYSIDE AV	HWY 9	5	Rubber Cape w/ Digouts	0.15



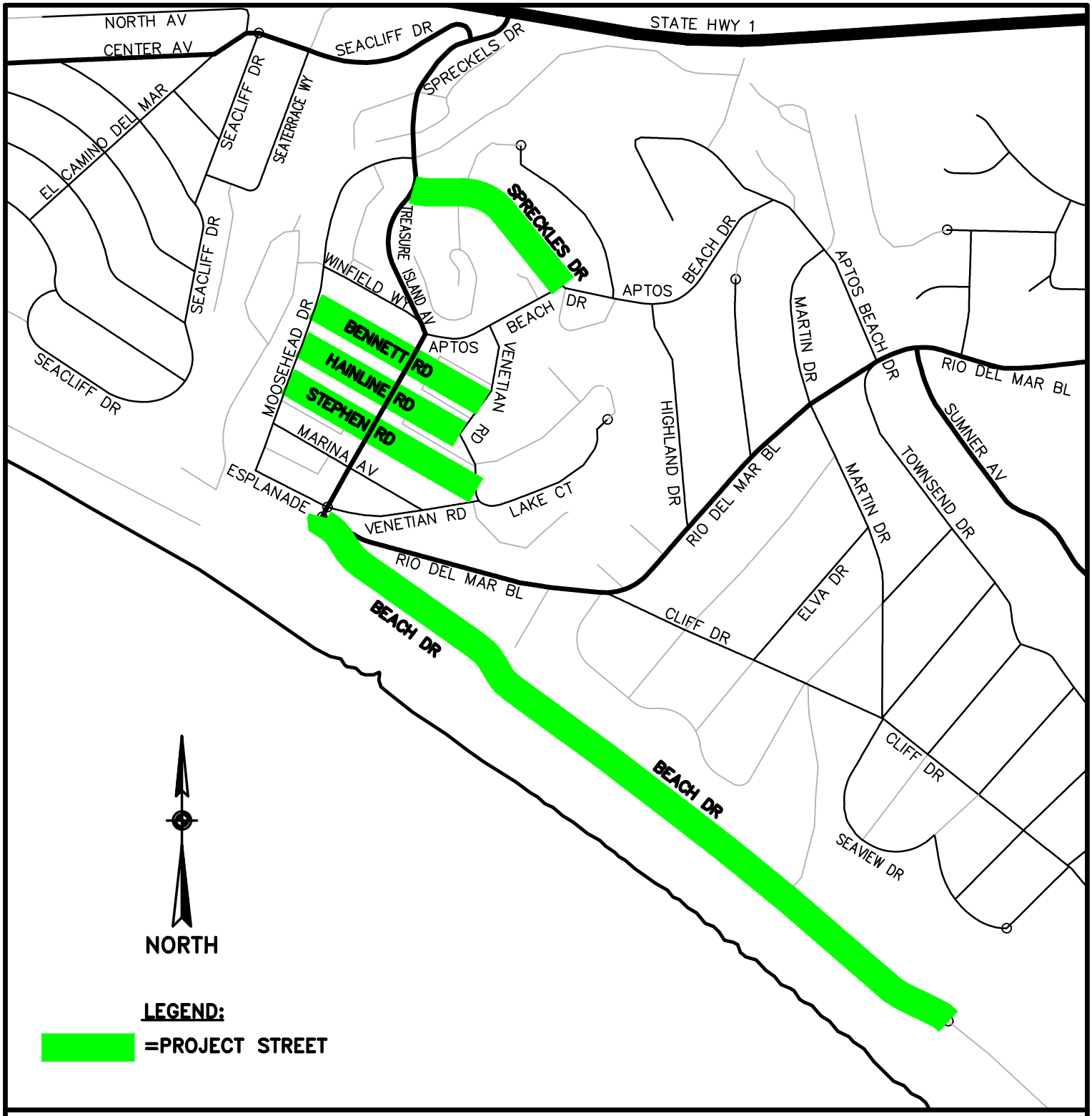
2019 MEASURE D PROJECT

VICINITY MAP

DISTRICT 1 ROADWAYS

DESIGN:	CRC	DATE:	2/26/19
DRAFTING:	DAM	SCALE:	1"=800'
CHECKED:	SBW	JOB NO:	_

SHEET B1



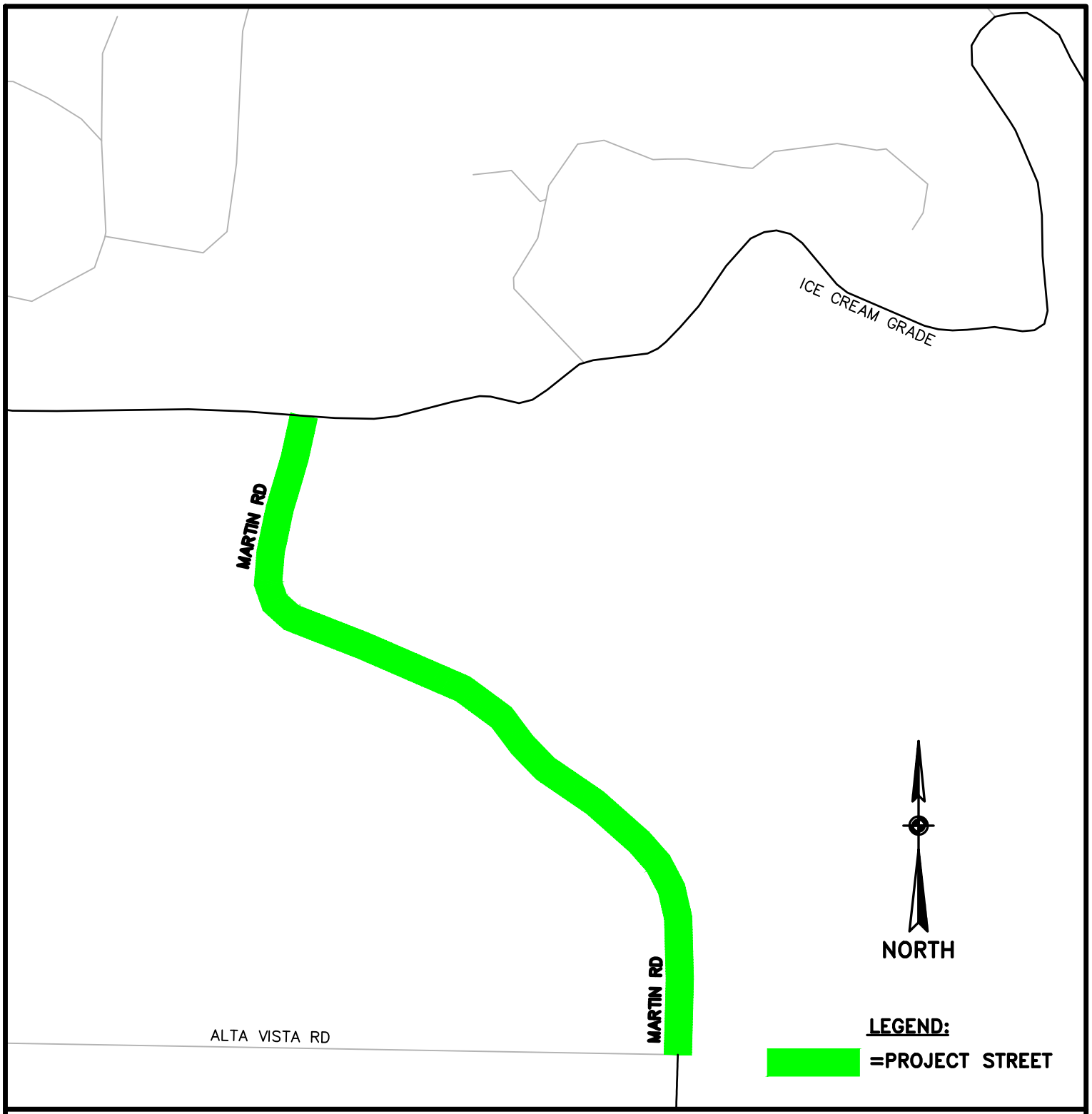
2019 MEASURE D PROJECT

VICINITY MAP

DISTRICT 2 ROADWAYS

DESIGN:	CRC	DATE:	3/29/19
DRAFTING:	DAM	SCALE:	1"=600'
CHECKED:	SBW	JOB NO:	_

SHEET B3



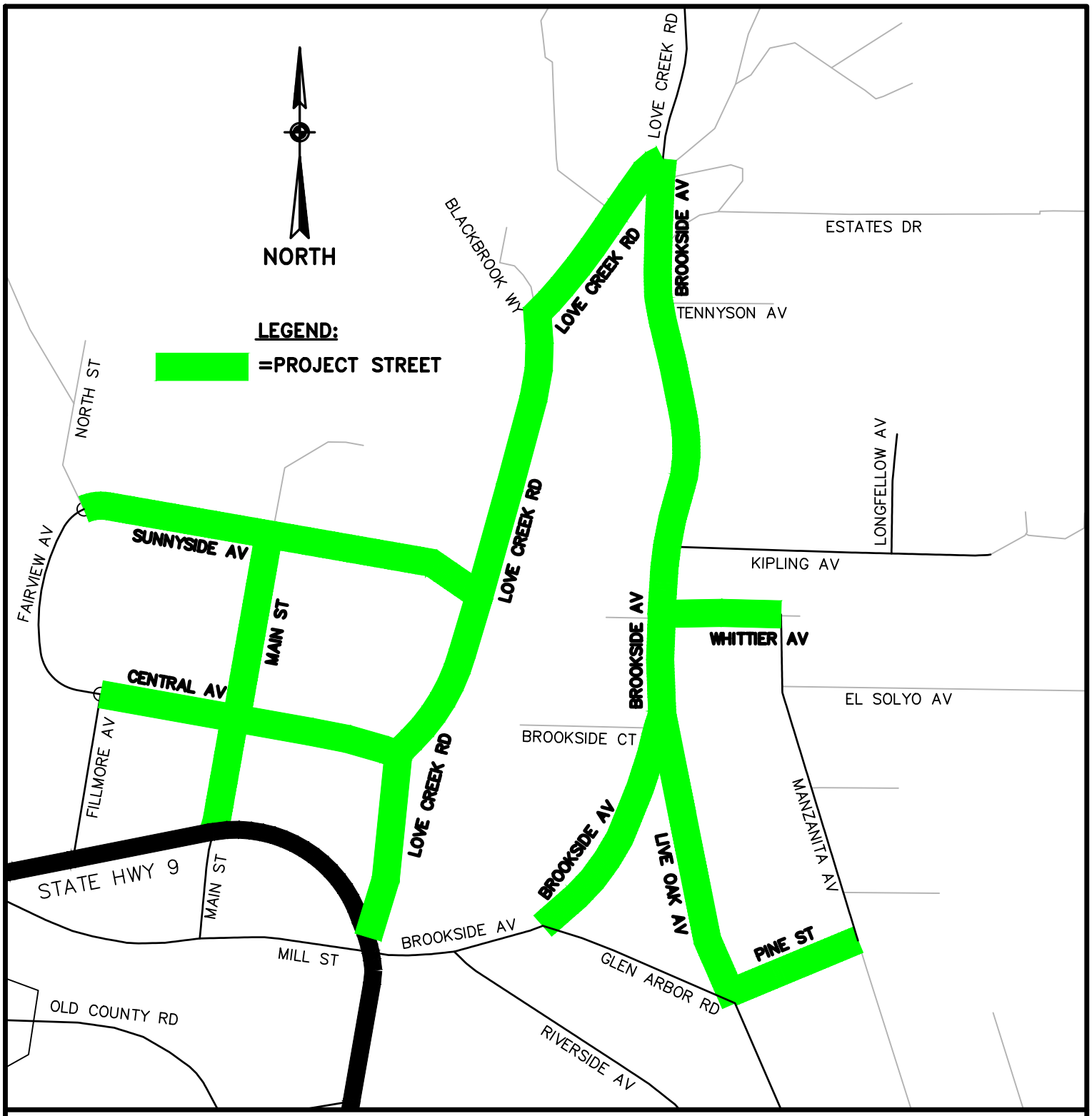
2019 MEASURE D PROJECT

VICINITY MAP

DISTRICT 3 ROADWAYS

DESIGN:	CRC	DATE:	2/26/19
DRAFTING:	DAM	SCALE:	1"=500'
CHECKED:	SBW	JOB NO:	_

SHEET B4



2019 MEASURE D PROJECT

VICINITY MAP

DISTRICT 5 ROADWAYS

DESIGN:	CRC	DATE:	2/26/19
DRAFTING:	DAM	SCALE:	1"=400'
CHECKED:	SBW	JOB NO:	_

SHEET B5

Measure D: Neighborhood Projects Program (Funds to Cities and County for Local Streets and Roads - LSR)

Performance Measures

AGENCY: **Santa Cruz County**

Measure D recipients are to document the performance and benefits of the projects and programs funded with Measure D funds. The following performance measures are a selection of performance standards to be documented by the recipients, as applicable. Additional or alternate performance measures may be provided or requested by the RTC or recipients.

Submittal date **1/13/2021**

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	**Current**	
Pavement State of Repair	*Track city/countywide Pavement Condition Index (PCI), which rates the "surface condition" of local streets from 1 to 100, at least every three years.*		*Any agency with a falling PCI must provide an explanation. If the PCI drops, specify what funding amounts, policies, or other needs are required to enable increasing the PCI to 60 (fair) or above.*
Average Network PCI (0-100)*	48	46	Based on our 2018 PCI survey the County would need an annual resurfacing budget of $24 million in order to maintain our current PCI of 48. For the past several years our resurfacng budget has been approximately $2.2 million per year, with the introduction of new funding sources such as Measure D, SB-1, and refuse impact fees we hope to build up over the next few years to an average annual resurfacing budget of approximately $8 million. Even with these new funding sources our resurfacing funding levels are far below that needed even to maintain our current PCI, it is predicted that our PCI will continue to fall and is predicted to reach a PCI of 33 over 10 years.
Date of PCI Analysis (month/year)	May 2018	May 2018	
Miles repaved in FY19/20 *(using all funds, not just Measure D)*	9.04	5.75	
Miles agency plans to repave in FY20/21 *(using all funds, not just Measure D)*	5.75	32.73	
Total centerline miles in jurisdiction	596.78	596.45	
Complete Streets Implementation			*Provide an explanation if less than 20% of Measure D funds are spent on bicycle and pedestrian facilities.*
Percent of annual Measure D funds used to support bicycling and walking.	9%	9% (based on % bike lanes)	
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways) w/Meas D	0	*99.98 (currently in process of developing new bike plan)	The County has committed to allocating $20,000 of its yearly share toward bicycle education. Given the existing pavement funding gap, the remainder of the County share of Measure D funds is being directed towards road pavement preservation. While this strategy does not specifically target improvements to bike facilities, it does preserve existing facilities for all road users including bikes. If upgrades to bike or pedestrain facilities are planned on a road targeted for resurfacing, we would include those upgrades if feasible.
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/striping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained) w/Meas D	N/A	1-education and outreach	
Describe how school access was improved for children bicycling and walking, which may include collision data w/Meas D	N/A	1-education and outreach	
Capital Project and Program Investment	*Investment into capital projects and programs is greater than funding program administration (outreach, staffing, administrative support)*		*Any agency expending less on capital investments compared to other activities must explain how capital investments will increase in the subsequent years*
Amount of Meas D expended on capital projects and programs by phase (design, right-of-way, construction and capital support)	**See Expenditure Report Tab**	**See Expenditure Report Tab**	
Leveraged Funds	*Report total grants and other funding secured using Measure D as a match.*		*Explain if Measure D funds fully funding all projects.*
Amount of competitive grants secured using Measure D as match	$0.00	$0.00	Measure D funds were not used to match grants in FY19/20

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Measure D Maintenance of Effort (MOE) Certification Form

Jurisdiction: County of Santa Cruz

Year: FY19/20

Date of Report: 1/13/2021

Calculation of Annual Average Transportation Expenditures/MOE Baseline & Compliance

	Total Expenditure by Year					BASELINE = pre-Measure D
REVENUES SPENT - Enter the total revenues expended in previous Fiscal Years (for transportation) from all local sources and state/fed formula programs.	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**
Taxes	$4,695,419	$5,767,874	$4,045,700	$5,329,430	$4,278,404	$5,369,569
Measure D	$2,880,419	$3,243,303	$2,969,212	$0	$0	$0
Licenses, Permit, & Franchises	$243,117	$395,558	$302,160	$258,029	$207,125	$166,123
Use of Money & Property	($73,825)	($245,169)	($85,222)	$24,411	$16,344	$27,682
Intergovernmental Revenue ~ Gas Tax	$10,740,736	$10,458,777	$6,667,049	$5,525,445	$6,063,022	$7,899,193
Intergovernmental Revenue	$14,381,430	$23,633,892	$12,779,585	$16,986,331	$8,656,523	$10,426,837
Charges for Current Services	$1,424,259	$915,202	$1,858,767	$482,971	$328,253	$25,355
Miscellaneous Revenues	$42,533	$547,416	$20,449	$208,973	$15,593	$52,426
Other Financing Sources	$8,111,230	$660,160	$1,000,000	$0	$0	$0
Other Financing Sources - Fund Balance	$5,786,387	($2,241,063)	$2,295,411	$5,678,712	$5,957,925	$6,135,095
Annual MOE Revenues SPENT	**$48,231,706**	**$43,135,950**	**$31,853,111**	**$34,494,302**	**$25,523,189**	**$30,102,280**

MOE Baseline (Avg 3 to 5 years prior to Measure D) **$30,039,924**

MOE Exclusions* - Formula Funds & Special Grants						
Fund Balance	($5,786,387.00)	$2,241,063.00	($2,295,411.00)	($5,678,712.00)	($5,957,925.00)	($6,135,095.00)
MEASURE D REVENUE	($2,880,419.06)	($3,243,302.89)	($2,969,212.16)			
HUTA	($10,740,736.19)	($10,458,777.38)	($6,667,049.29)	($5,525,445.16)	($6,063,021.69)	($7,899,193.42)
ST-RSTPX RG SRF TRNSP PRG EXCH	($1,339,942.00)	($2,110,982.82)	($315,061.76)	($1,360,562.40)	$0.00	($2,697,353.71)
ST-STIP STATE TRANSP IMPRV PRG	$0.00	$0.00	($156,522.01)	($1,282,044.33)	($850,000.00)	$0.00
ST-NATURAL DISASTER ASSISTANCE	($939,440.29)	($2,159,009.09)	$15,926.76	($2,006,782.62)	($606,391.43)	($4,308.95)
ST-HOMEOWNERS' PROP TAX RELIEF	($4,522.00)	($4,527.00)	($4,555.44)	($4,624.76)	($4,656.44)	($4,650.00)
ST-OTHR TAX RELIEF SUBVENTIONS	($143.02)	($347.49)	($259.73)	($153.15)	($151.86)	($178.13)
ST-COASTAL CONSERVANCY	$0.00	$0.00	($45,000.00)	($405,000.00)	$0.00	$0.00
ST-OTHER	($10,158.67)	($651,111.00)	($999,933.03)	($1,367,952.75)	($97,165.00)	($12,000.00)
ST-HWY SFTY & TRAF RDCTN PRP1B	($19,024.00)	$0.00	$0.00	$0.00	$0.00	($24,379.50)
FED-FAS/FAU EMERGENCY RELIEF	($6,760,110.23)	($8,601,581.17)	($7,283,641.69)	($988,677.55)	($305,085.46)	($711,235.64)
FED-HAZARD ELIMINATION SAFETY	($362,951.23)	($1,955,110.40)	$0.00	($184,245.73)	($467,493.55)	($104,349.64)
FED-FEMA	($2,848,713.00)	($3,770,641.65)	($2,938,212.84)	($3,129,224.91)	($55,915.08)	($89,904.52)
FED-HBRR	($671,682.98)	($2,566,756.25)	($432,932.78)	($696,484.12)	($2,529,293.24)	($493,948.20)
FED-MISC GRANTS	$0.00	$0.00	$49,958.68	($145,059.92)	$0.00	$0.00

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FED-OTHER	$0.00	($39,994.70)	($244,187.36)	($210,877.71)	$0.00	$0.00
CONTR FR OTHER GOVT AGENCIES	$0.00	$0.00	($98,042.00)	($3,749,107.00)	($532,162.00)	($200,000.00)
RDA PASS-THROUGHS	($2,544.91)	($3,900.69)	($2,308.51)	($2,327.01)	($2,396.18)	($1,720.72)
INSURANCE PROCEEDS	($799,873.00)	($1,146,382.00)	$0.00	($1,128,394.00)	($2,880,999.63)	($5,433,182.39)
MOE Exclusions	***($33,166,647.58)***	***($34,471,361.53)***	***($24,386,444.16)***	***($27,865,675.12)***	***($20,352,656.56)***	***($23,811,499.82)***
Total Revenues Used for Transportation Projects	**$15,065,058**	**$8,664,589**	**$7,466,667**	**$6,628,627**	**$5,170,533**	**$6,290,781**

How funds were spent: Enter amount expended on varius transportation purposes.	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**
Adminstrative Expense	$173,960	$47,066	$15,798	$109,326	$112,719	$54,354
Undistributed Engineering	$305,317	($124,017)	$904,910	$260,982	$363,683	$421,663
Road Reconstruction	$5,217,896	$8,303,628	$1,181,423	$996,349	$2,559,956	$673,959
Ped Ways & Bike Paths - Construction	$160,163	$1,458,460	$6,239,505	$3,913,260	$260,372	$1,070,467
Storm Drains Construction	$509,557	$228,583	$351,200	$138,248	$477,802	$264,427
Storm Damage Construction	$13,911,929	$12,413,319	$14,592,116	$11,942,771	$2,226,493	$6,330,338
Signals,Safety - Construction	$1,744,239	$3,760,362	$1,539,936	$2,565,300	$2,161,219	$1,715,444
Right of Way	$13,841	$3,368	$3,987	$6,816	$19,778	$11,683
Roads Lights & Traffic Signals	$772,280	$766,363	$726,783	$810,577	$763,026	$903,968
Road Patching	$1,021,853	$941,798	$1,179,923	$537,303	$514,066	$646,602
Ped Ways & Bike Paths - Maintenance	$148,329	$187,808	$0	$0	$0	$0
Paving Management	$0	$0	$0	$234,685	$729,030	$4,110,196
Storm Damage - Maintenance	$1,764,593	$143,401	$1,260,412	$5,227,841	$748,380	$1,286,834
Other Road Maintenance	$8,576,844	$9,204,423	$6,643,336	$5,344,222	$8,587,099	$5,852,701
Aid to Other Government Agencies	$15,000	$15,000	$11,836	$111,211	$10,120	$9,657
Non Road Reimbursable Work (Approps for Continegencies)	$0	$0	$0	$0	$310,734	$792,063
Total Expenditures	**$34,335,801**	**$37,349,563**	**$34,651,165**	**$32,198,891**	**$19,844,477**	**$24,144,355**

Source/location of supporting budget or fiscal statement documentation.

All FY actual amounts tie to the Annual Road Report as filed with California State Controller's Office.

Certification:

Yes	X	The AGENCY has budgeted and will meet the Maintenance of Effort requirement for the reporting year.
No		The AGENCY did not meet the Maintenance of Effort requirement for the reporting year for the following reasons:

If revenues spent in a year did not match 3-year Baseline average, explain here.

DocuSigned by:
Kim Moore
667FC2D50AA64B6...

Finance Director Signature

1/14/2021
Date

*Funding sources excluded from MOE calculation are listed for information purposes and will make it easier to reconcile this report against annual budgets. Excluded sources include special, non-formula, competitive grants, and/or past revenues carried over for special proejcts and/or emergencies. This includes one-time grants - such as RSTP/STBG, STIP, ATP, ARRA, FEMA, HSIP, FTA5310, No & Low Emission Bus program.

INDEPENDENT OFFICE OF AUDITS AND INVESTIGATIONS
P.O. BOX 942874, MS-2
SACRAMENTO, CA 94274-0001
PHONE (916) 323-7111
FAX (916) 323-7123
TTY 711
https://ig.dot.ca.gov

September 30, 2020

Mr. Matt Machado
Director of Public Works
County of Santa Cruz, Department of Public Works
701 Ocean Street, Room 410
Santa Cruz, CA 95060

Dear Mr. Machado:

The Independent Office of Audits and Investigations (IOAI) received the County of Santa Cruz, Department of Public Works (County) Indirect Cost Rate Proposal (ICRP) for fiscal year (FY) 2019/20 on August 14, 2020 which certifies the County has complied with Title 2 Code of Federal Regulations Part 200. We found that the ICRP submission is in compliance with the IOAI streamlined submission requirements.

The County is authorized to use the fixed rate of 43.79 percent of Total Direct Salaries and Wages plus Fringe Benefits for billing FY 2019/20 indirect costs to the California Department of Transportation.

The accepted rate is based on the understanding that a carry forward provision applies, and no adjustment will be made to previously approved rates. IOAI did not perform an audit of the ICRP. The ICRP may be subject to an audit in the future. Acceptance of the indirect rate is based on the understanding that the County agrees to provide subsequent reimbursement if the rate proposal is later found to have included costs that are unallowable as specified by law, regulation, or the terms and conditions of state or federal awards.

Please retain a copy of this letter for your files. If you have any questions, contact Luisa Ruvalcaba, Audit Manager, at Luisa.Ruvalcaba@dot.ca.gov.

Sincerely,

MarSue Morrill

MARSUE MORRILL, CPA
AUDIT CHIEF
Planning and Modal Office

Enclosure

c: Italo Jimenez, Department Fiscal Officer, County of Santa Cruz
DLA.Audits@dot.ca.gov
DOTP.Audits@dot.ca.gov
DRMT.Audit@dot.ca.gov
Scott Eades, Deputy District Director, Planning and Local Assistance, District 5, California Department of Transportation
Reinie Jones, Acting District Local Assistance Engineer, District 5, California Department of Transportation
Gilbert Petrissans, Chief, Division of Accounting, California Department of Transportation
Rodney Whitfield, Director, Financial Services, Federal Highway Administration
Veneshia Smith, Financial Manager, Financial Services, Federal Highway Administration
Luisa Ruvalcaba, Audit Manager, Independent Office of Audits and Investigations
P1590-1119

FIXED WITH CARRYFORWARD ICAP/ICRP SUBMISSION CERTIFICATION

LOCAL GOVERNMENT AGENCY: County of Santa Cruz Department of Public Works

Indirect Cost Rate

FISCAL YEAR FY2020

The indirect cost rate plan contained herein is for use on grants, contracts and other agreements with the Federal Government and the California Department of Transportation (Department), subject to the provisions in Section II. This rate(s) was prepared by the County of Santa Cruz Department of Public Works and accepted by the Department.

SECTION I: Rates:

Rate Type	Effective Period	Rate	Applicable To	Identify Base
Fixed with Carryforward*	7/1/19 to 6/30/20	43.79%	All Programs	Total Direct Salaries and Wages plus fringe benefits

Rate Type	Effective Period	Rate	Applicable To	Identify Base
Fringe Benefit (if applicable)*				

*A Fringe Benefit Rate is only required if you intend to use an additional rate, a separate fringe benefit rate.
[A proposed fringe benefit rate computation should accompany the ICAP/ICRP if it is not approved as part of the LGA's central service cost allocation plan. A fringe benefit rate is not required for Agencies that specifically identify fringe benefit costs to individual employees.]

SECTION II: General Provisions:

A. Limitations:

The rate(s) in this Agreement is subject to any statutory or administrative limitations and applies to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rate(s) is subject to the following conditions: (1) Only costs incurred by the LGA were included in its indirect cost pool as finally accepted; such costs are legal obligations of the LGA and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; (4) The information provided by the LGA which was used to establish the rate(s) is not later found to be materially incomplete or inaccurate by the Federal Government or the Department. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government or the Department; (5) Prior actual costs used in the calculation of the approved rate(s) are contained in the LGA's Single Audit which was prepared in accordance with 2 CFR 200. If a Single Audit is not required to be performed, then audited financial statements should be used to support the prior actual costs; and, (6) The rate(s) is based on an estimate of the costs to be incurred during the period.

B. Accounting Changes:
This Agreement is based on the accounting system purported by the LGA to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. Fixed Rate with CarryForward:
The fixed rate(s) used in this Agreement is based on an estimate of the costs for the period(s) covered by the rate(s).

For fixed rates, when the actual costs for the period is determined by the LGA's audited financial statements – any differences between the application of the fixed rate(s) and actual costs will result in an over or under recovery of costs. The over or under recovery will be carried forward, as an adjustment to the calculation of the indirect cost rate(s), to the second fiscal year subsequent to the fiscal year covered by this plan

D. Audit Adjustments:
Immaterial adjustments resulting from the audit of information contained in this plan shall be compensated for in the subsequent indirect cost plans approved after the date of the audit adjustment. Material audit adjustments will require reimbursement from the LGA. For rates covering a future fiscal year, unallowable costs will be removed from the indirect cost pool(s) and the rate(s) appropriately adjusted.

E. Record Retention:
The proposal and all related documentation must be retained for audit in accordance with the record retention requirements of the State or Federal agreements for which the indirect rate(s) will be billed or for three years after the fiscal year for which the rate(s) is calculated, whichever is longer.

F. Use by Other Federal Agencies:
Authority to accept this agreement by the Department has been delegated by the Federal Highway Administration, California Division. The purpose of this acceptance is to permit the LGA to bill indirect costs to Title 23 funded projects administered by the Federal Department of Transportation (DOT).

The acceptance will also be used by the Department in state-only funded projects.

G. Other:
If any Federal contract, grant, or other agreement is reimbursing indirect costs by a means other than the accepted rate(s) in this Agreement, the LGA should (1) credit such costs to the affected programs, and (2) apply the accepted rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

H. Rate Calculation for Fixed Rate with Carryforward:

INDIRECT

FY 20 Budgeted/Estimated Indirect Costs $ 12,916,114

Carryforward from FY 18 $ (2,170,220)

Budgeted FY 20 Indirect Costs $ 10,745,894

FY 20 Budgeted Direct Salaries & Wages $ 24,538,604

(or applicable base) plus fringe benefits

FY 20 Indirect Cost Rate 43.79 %

FRINGE BENEFIT

FY _____ Budgeted/Estimated Costs $ _____

Carryforward from FY _____ $ _____

Budgeted FY _____ Costs $ _____

FY _____ Budgeted Direct Salaries & Wages (or applicable base) $ _____

FY _____ Fringe Benefit Rate _____ %

CERTIFICATION OF INDIRECT COSTS

This is to certify that I, Italo Jimenez , have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

- All costs included in the proposal to establish billing of an indirect cost rate(s) for fiscal year 2020 (July 1, 2019 to June 30, 2020) are allowable in accordance with the requirements of the Federal and State award(s) to which they apply and 2 Code of Federal Regulations (CFR), Part 200, “Cost Principles”, Subpart E, and Appendices V & VII for State, Local, and Indian Tribal Governments. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.
- All costs included in this proposal are properly allocable to Federal and State awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government and the Department will be notified of any accounting changes that would affect the fixed, final, or predetermined rate(s).
- I understand that during the predetermined (or extension) period, there will be no changes to the ICAP/ICRP calculation methodology used, no changes to our financial management system (i.e. change in processes, or in accounting software), and no substantial changes to our organizational structure and program(s).
- I understand that if a rate extension is granted, I may not request a rate review until the extension period ends and that at the end of the extension period, I must re-apply to develop and negotiate a rate(s).

- I understand that the ICAP/ICRP package along with all supporting documentation from which the proposed rates are developed must be retained for audit in accordance with the record retention requirements of the State or Federal agreements for which the indirect rate(s) will be billed or for three years after the fiscal year for which the rate(s) is calculated, whichever is longer.

- Additionally, I understand that in accordance with 2 CFR, Part 200, Appendix VII, refunds shall be made if proposals are later found to have included costs that are unallowable as specified by law or regulation, as identified in Subsection 200.420 to this part, or by the terms and conditions of Federal and State award, or are unallowable because they are clearly not allocable to Federal or State awards. These adjustments or refunds will be made regardless of the type of rate(s) negotiated (predetermined, final, fixed or provisional). For rates covering a future fiscal year (i.e. extended rates), the unallowable costs will be removed from the indirect cost pool(s) and the rate(s) appropriately adjusted for all fiscal years covered by the extension.

I acknowledge as a representative of County of Santa Cruz Department of Public Works that the proper use and application of the indirect rate contained in this indirect cost rate proposal is the responsibility of the County of Santa Cruz Department of Public Works and such use may be subject to audit by the Department or Federal Highway Administration. Failure to cooperate with an audit can result in the withdrawal of Department acceptance and require immediate reimbursement of previously reimbursed indirect costs.

I declare that the foregoing is true and correct.

Government Unit: County of Santa Cruz Department of Public Works

Signature: DocuSigned by: Matt Machado EB686DE85FE54AA... 8/13/2020
(Sign in blue ink only)

Reviewed, Approved, and Submitted by:

Name of Official: Matt Machado

Title: Director of Public Works

Date of Execution: _____

Email: matt.machado@santacruzcounty.us

Signature: DocuSigned by: ECAF121B1F8143F... 8/13/2020
(Sign in blue ink only)

Prepared By:

Name of Official: Italo Jimenez

Title: Department Fiscal Officer

Telephone No.: 831-454-2798

Email: Italo.Jimenez@santacruzcounty.us

INDIRECT COST RATE(S) SUBMISSION ACCEPTANCE

The Department has received this ICAP/ICRP and accepts the plan for billing and reimbursement purposes.

MarSue Morrill

Signature

Date: September 28, 2020

Accepted by:
MARSUE MORRILL, CPA
Chief
Planning and Modal Office
Independent Office of Audits and Investigations
(916) 323-7105

COUNTY OF SANTA CRUZ
DEPARTMENT OF PUBLIC WORKS

701 Ocean Street – 4th Floor, Santa Cruz, CA 95060
Phone: (831) 454-2160 Fax: (831) 454-2385

MEASURE D FUNDING

UPDATED 5 YEAR PLAN

JUNE 2019

COUNTY OF SANTA CRUZ DEPARTMENT OF PUBLIC WORKS
ROAD OPERATIONS ENGINEERING DIVISION

MEASURE D - GENERAL EXPENDITURES

Description
Year 4 of Current Plan (2023) to be placed in reserve for future projects to be determined, shares to be allocated to each district based on percentage of maintained mileage
Year 5 of Current Plan (2024) to be placed in reserve for future projects to be determined, shares to be allocated to each district based on percentage of maintained mileage
$20,000 Each Year to be used for Safe Routes to Schools (to be used for bike/ped education at schools)

District 1

FUNDING= $732,000 PER YEAR ANTICIPATED (GREEN = 2020 PROPOSED PROJECT)

RoadName	BegLocation	EndLocation
BENEDICT AV	CABRILLO AV	W END
LILLIAN WY	N END	S END
SEQUOIA DR	WINKLE AV	THURBER LN
TWIN HILLS DR	THURBER LN	LILLIAN WY
CHIRCO AV	S END	GERMAINE AV
GERMAINE AV	S END	CABRILLO AV
HELEN AV	THURBER LN	PESTANA AV
HELEN CT	HELEN AV	S END
PESTANA AV	HELEN DR	GERMAINE AV
SERRELL AV	CHIRCO AV	W END
THURBER LN	SOQUEL DR	345'S/WAUGH AV
THURBER LN	345'S/WAUGH AV	N END
BENSON AV	THURBER LN	END
BOWMAN CT	BENSON AV	END
TIFFANI CT	BENSON AV	S END
FAIRWAY DR	SOQUEL DR	354'N/CRESTLINE WY
FAIRWAY DR	354'N/CRESTLINE DR	N END
ADAR LN	MERLIN WY	S END
CHRIS CT	CORNWELL RD	E END
CORNWELL RD	HILLTOP RD	MERLIN WY
CORNWELL RD	MERLIN WY	60' N/O CHRIS CT
MERLIN WY	CORNWELL RD	SOQUEL SAN JOSE
MORRIS DR	CORNWELL RD	W END
TERRA LN	MERLIN WY	S END

District 2

FUNDING= $820,000 PER YEAR ANTICIPATED (GREEN = 2020 PROPOSED PROJECT)

RoadName	BegLocation	EndLocation
SEA CLIFF DR	SANTA CLARA AV	BROADWAY
SANTA CRUZ AV	BROADWAY	SEACLIFF DR
SAN BENITO AV	SEACLIFF DR	SEACLIFF DR
EAST ST	SANTA CRUZ AV	CENTER AV
VALENCIA AV	EAST ST	SEACLIFF DR
SANTA CLARA AV	SEACLIFF DR	CENTER AV
EL CAMINO DEL MAR	SEA CLIFF DR	SEA CLIFF DR
HILLCREST DR	STATE PARK DR	MAR VISTA DR
COATES DR	HILLCREST DR	SEACLIFF DR
NORTH AV	SEACLIFF DR	240'W/EAST ST
SEA TERRACE WY	SEACLIFF DR	SEACLIFF DR
CENTER AV	BROADWAY	EL CAMINO DEL MAR
SEA CLIFF DR	SPRECKLES DR	SANTA CLARA AV
KELP LN	EL CAMINO DEL MAR E	SEACLIFF DR
ROBIN DR	E END	N END
SANDPIPER LN	BEACH PINES DR	W CNR
SEA VIEW DR	CLIFF DR	LAMANDA DR
MARTIN DR	APTOS BEACH DR	CLIFF DR
CLIFF DR	N CNR	RIO DEL MAR BL
ELVA DR	MARTIN DR	CLIFF DR
VENETIAN RD	STEPHEN RD	APTOS BEACH DR
OCEANVIEW DR SB	HILLVIEW WY	ECM
OCEANVIEW DR NB	HILLVIEW WY	SAN ANDREAS RD
HILLVIEW WY	OCEANVIEW DR	S END
HOLIDAY DR	HILLVIEW WY	N END
PLEASANT VALLEY RD	HAMES RD S	ECM
BLAKE AV	ALDRIDGE LN	HAMES RD
ALDRIDGE LN	CORRALITOS RD	BLAKE AV

District 3

FUNDING= $259,000 PER YEAR ANTICIPATED (GREEN = 2020 PROPOSED PROJECT)

RoadName	BegLocation	EndLocation
SWANTON RD	BIG CREEK RD	LITTLE CREEK BR
SWANTON RD	LITTLE CREEK BR	845FT S/O ARCHIBALD CREEK
SWANTON RD	845FT S/O ARCHIBALD CREEK	MOLINO CREEK
SWANTON RD	MOLINO CREEK	HWY 1

Recommendation: Bank Funding toward one large project on Swanton Road

District 4		
FUNDING= $205,000 PER YEAR ANTICIPATED (GREEN = 2020 PROPOSED PROJECT)		
RoadName	**BegLocation**	**EndLocation**
LAKEVIEW DR	STATE HIGHWAY 129	COLLEGE RD
LAKEVIEW DR	COLLEGE RD	CARLTON RD

District 5

FUNDING= $662,000 PER YEAR ANTICIPATED (GREEN = 2020 PROPOSED PROJECT)

RoadName	BegLocation	EndLocation
PLATEAU DR	HWY 9	LAUREL DR
VALLEY DR	LAUREL DR	PLATEAU DR
LAUREL DR	HWY 9	HILLSIDE DR
ADA AV	VALLEY DR	PLATEAU DR
GUSHEE ST N	FELTON EMPIRE RD	HIHN ST
GUSHEE ST S	PLATEAU DR	LAUREL DR
RUSSELL AV	HWY 9	VALLEY DR
HIHN ST	HWY 9	ECM MARKER
KIRBY ST	HWY 9	GUSHEE ST
COOPER ST	FELTON EMPIRE RD	CLEARVIEW PL
ASHLEY ST	FELTON EMPIRE RD	FARMER ST
BLAIR ST	COOPER ST	WRIGHT ST
WRIGHT ST	BLAIR ST	ECM/PVT SIGN
CLEARVIEW PL	COOPER ST	W END
LINCOLN WY	OAK AV	SAN LORENZO AV
WASHINGTON WY	SAN LORENZO AV	OAK AV
OAK AVE	HWY 9	LINCOLN WY
REDWOOD DR	HWY 9	HILLCREST DR
PLATEAU DR	LAUREL DR	REDWOOD DR
VALLEY DR	REDWOOD DR	LAUREL DR
MCKINLEY WY	PROSPECT AV	GOLD AV
JACKSON WAY	SAN LORENZO AV	PROSPECT AV
COVERED BRIDGE RD N	GRAHAM HILL RD	ECM/COVERED BRIDGE
COVERED BRIDGE RD S	GRAHAM HILL RD	ECM/COVERED BRIDGE
KIPLING AV	BROOKSIDE AV	ECM/265 KIPLING AV
LONGFELLOW AV	KIPLING AV	N END
MAIN ST	HWY 9	MILL ST
MILL ST	HWY 9 S	HWY 9 N
OLD COUNTY RD	HWY 9 (NORTH)	BARRICADE
HILLSIDE AV	STATE HIGHWAY 9	ECM
MARION AV	EDUARDO AV	QUAIL HOLLOW RD
RIVERSIDE PARK DR	MADRONE AV	ECM/GATE
MADRONE AV	GLEN ARBOR RD	RIVERSIDE PARK DR
HILLCREST AV	GLEN ARBOR RD	E END
MANZANITA AV N	WHITTIER AV	ECM/PINE ST
MANZANITA AV S	LOCUST ST	686' S/ OF LOCUST ST (ECM)
RIVERSIDE AV	GLEN ARBOR RD	WENTE AV
AZALEA ST	HWY 236	S END
BLACKSTONE DR	WEST PARK AV	BLACKSTONE CT
BLACKSTONE CT	BLACKSTONE DR	NE END
1ST ST (BC)	HWY 236	WEST PARK AV
RIDGE DR	VIRGINIA AV	HWY 236
VIRGINIA AV	MADRONE AV	RIDGE DR
MADRONE AV	WEST PARK AV	VIRGINIA AV
OAK AVE (BC)	HWY 236	WEST PARK AV
RIVER ST	LORENZO ST	HWY 9
GROVE ST	BOULDER ST	EAST ST
SOUTH ST	EAST ST	BOULDER ST

Santa Cruz County CA

Approved
Jun 25, 2019 9:00 AM

Agenda Item DOC-2019-585

Consider approval of the Measure D 5-Year Plan for 2019-20 Fiscal Year and take related actions, as outlined in the memorandum of the Deputy CAO, Director of Public Works

Information

Department:	DPW: Road Operations	**Sponsors:**	Deputy CAO/Director of Public Works Matt Machado
Category:	DPW RDOPS - Board Letter	**Projects:**	Master Calendar
Functions:	Land Use & Community Services		

Links

Link DOC-2020-39 : Approve specifications and estimate for 2020 Measure D Resurfacing Project; set bid opening for 2:15 p.m. on February 6, 2020, return March 24, 2020 with recommendation for award and take related actions, as recommended by the Deputy CAO, Director of Public Works

Attachments

Board Memo
5 Year Plan

Financial Impact

The County's allocation of Measure D funds according to revenue projections from the RTC in a Memo dated 4/10/19 is $2,975,997. This amount will be used for planning purposes for the 2020 Measure D Resurfacing project.

Board Letter

Recommended Actions

1) Consider approval of the Measure D 5-Year Plan for the 2019-20 Fiscal Year; and

2) Authorize Public Works to submit a copy of the approved board package to the Santa Cruz County Regional Transportation Commission (SCCRTC).

Executive Summary

To receive Measure D Funding, the County must annually update its 5 Year Expenditure Plan. These updates must be approved by the Board at a public meeting, and proof of this

approval must be provided to the SCCRTC.

Background
On November 8, 2016, Santa Cruz County voters passed Measure D, a one-half cent sales tax that funds transportation projects for a 30-year period. Included in the Measure was an Expenditure Plan (Plan) that specified the amount of funds and the types of projects that it would support. The County of Santa Cruz Public Works estimates it will receive an average of $2.8 million per year for the next 30 years. This funding will be managed and spent only in the County and cannot be taken away by the State or used for other projects. The three top priorities ranked by the community were maintenance and repair of County roadways, neighborhood resurfacing projects, and neighborhood safety projects.

Section 32A of the Measure D ordinance states that each agency receiving Measure D revenue shall hold a public hearing and adopt a five year program of projects including information about each of the projects to be funded with Measure D revenues. This five year plan is meant to be a continuous plan, updated each fiscal year such that the next five years expenditures are always outlined. This item has been placed on the regular board agenda to satisfy the public hearing requirement of the ordinance.

Analysis
Attached for the Board's review and approval is the current proposed 5 year plan for the upcoming fiscal year. Upon approval by the board, the 5 Year Plan will be provided to the SCCRTC for inclusion in their overall Measure D Expenditure Plan.

Changes to the Measure D 5-Year Plan in 2019 include the addition of Lakeview Drive and Paulsen Road to District 4, the removal of Green Valley Road for Districts 2 and 4, and the removal of Mesa Verde Drive and Arroyo Drive from District 4. These changes were made based on input from the respective Board Supervisor's office to align the plan with current regional priorities.

It is our recommendation to place the final year of the updated 5 Year Plan in reserve as Public Works evaluates Countywide resurfacing needs to determine resurfacing priorities for future Measure D Projects.

Body

Strategic Plan Elements
3.C (Local Roads), 6.C (County Infrastructure)
This funding will be directed toward road infrastructure repair projects, meeting strategic plan objectives by maintaining County road infrastructure.

Meeting History

Jun 25, 2019 9:00 AM Video **Board of Supervisors** **Regular Meeting**

1) APPROVED the Measure D 5-Year Plan for the 2019-20 Fiscal Year; and

2) Authorized Public Works to submit a copy of the approved board package to the Santa Cruz County Regional Transportation Commission (SCCRTC)

RESULT: **APPROVED [UNANIMOUS]**
MOVER: John Leopold, First District Supervisor

SECONDER: Greg Caput, Vice Chair, Fourth District Supervisor
AYES: John Leopold, Zach Friend, Ryan Coonerty, Greg Caput, Bruce McPherson

Discussion

Add Comment

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Full document online at:
https://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/DESIGNCRITERIA.pdf

COUNTY OF SANTA CRUZ

DESIGN CRITERIA

CONTAINING STANDARDS FOR THE CONSTRUCTION OF

STREETS
STORM DRAINS
SANITARY SEWERS
WATER SYSTEMS
DRIVEWAYS

WITHIN THE UNINCORPORATED PORTION OF SANTA CRUZ COUNTY

JUNE 2019 EDITION

PRICE: $15.00

County of Santa Cruz

PLANNING DEPARTMENT
701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123
KATHLEEN MOLLOY, PLANNING DIRECTOR
www.sccoplanning.com

NOTICE OF EXEMPTION

To: Clerk of the Board
Attn: Susan Galloway
701 Ocean Street, Room 500
Santa Cruz, CA 95060

Project Name: 2019 Measure D Pavement Improvement Project

Project Location: This project is located along portions of various roadways in unincorporated Santa Cruz County as identified it Attachment A.

Assessor Parcel No.: Public ROW

Project Applicant: Santa Cruz County Department of Public Works

Project Description: The proposed project involves pavement maintenance and repair activities along various roadways in unincorporated Santa Cruz County. Various repair treatments will be used depending on existing roadway conditions. Attachment A identifies the sections of roadway receiving improvements, and the treatment designated for each section. The primary treatment for most roads will involve isolated road base repairs (digouts) of damaged areas followed by rubberized cape seal. Portions of some roads will be pulverized and re-compacted to address base issues, some will receive asphalt paving.

Agency Approving Project: County of Santa Cruz

County Contact: Daniel Mays **Telephone No.** (831) 454-2813

Date Completed: 3/12/2019

This is to advise that the County of Santa Cruz has found the project to be exempt from CEQA under the following criteria:

Exempt status: (*check one*)

☐ The proposed activity is not a project under CEQA Guidelines Section 15378.
☐ The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
☐ The proposed activity is exempt from CEQA as specified under CEQA Guidelines Section 15061(b)(3).
☐ **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
☐ **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).
Specify type:
☒ **Categorical Exemption**

15301 (c)(d) Class 1. Existing Facilities

Reasons why the project is exempt:

The project involves repair and maintenance of existing public facilities for the purpose of improving public safety and involves no expansion of the existing use.

Signature: _____ Date: 3/12/19 Title: Resource Planner IV
Juliette Robinson

Attachment A

2019 Measure D Project - Roads List					
Road Name	**BegLocation**	**EndLocation**	**District**	**Treatment**	**Length (mi)**
MACIEL AV	MATTISON LN	CAPITOLA RD	1	Rubber Cape	0.32
REINELT AV	WOOLPERT WY	BYER RD	1	Rubber Cape w/ Digouts	0.16
THOMAS AV	CHANTICLEER AV	REINELT AV	1	Rubber Cape w/ Base Treatment	0.05
RODRIGUEZ ST	17TH AV	CHANTICLEER AV	1	Rubber Cape w/ Base Treatment	0.13
DEL MAR CT	17TH AV	END	1	Rubber Cape	0.02
CATALINA DR	AXFORD RD	N END	1	Rubber Cape w/ Base Treatment	0.12
MALIBU DR	LOTMAN DR	CATALINA DR	1	Rubber Cape w/ Digouts	0.11
AXFORD RD	W END	LOTMAN DR	1	Rubber Cape w/ Digouts	0.14
NEWPORT AV	MALIBU DR	W END	1	Rubber Cape	0.08
THOMPSON AV	78' S/CAPITOLA RD	BROMMER ST	1	Rubber Cape w/ Base Treatment	0.20
THOMPSON AV	BROMMER ST	S END	1	Rubber Cape w/ Base Treatment	0.18
BULB AV	GARDEN ST	BROMMER ST	1	Rubber Cape w/ Base Treatment	0.04
BULB AV	BROMMER ST	1030' N/BROMMER ST	1	Rubber Cape w/ Base Treatment	0.20
DEE ST	THOMPSON AV	W END	1	Rubber Cape w/ Base Treatment	0.05
REY CT	BULB AV	E END	1	Rubber Cape	0.03
MILLER HILL RD	SOQUEL SAN JOSE RD	SKYLAND RD	1	Spot Repairs	-
MILLER CUTOFF	MILLER HILL RD	SOQUEL SAN JOSE RD	1	Spot Repairs	-
BEACH DR	APTOS BEACH DR	S END	2	Rubber Cape w/ Base Treatment	0.75
SPRECKELS DR	TREASURE ISLAND AV	APTOS BEACH DR	2	Rubber Cape w/ Base Treatment	0.16
BENNETT RD	APTOS BEACH DR	MOOSE HEAD DR	2	Rubber Cape w/ Digouts	0.09
BENNETT RD	VENETIAN RD	APTOS BEACH DR	2	Pulverize & 3" AC Rebuild	0.07
HAINLINE RD	MOOSE HEAD DR	VENETIAN RD	2	Rubber Cape w/ Digouts	0.14
STEPHEN RD	MOOSE HEAD DR	APTOS BEACH DR	2	Rubber Cape w/ Digouts	0.08
STEPHEN RD	APTOS BEACH DR	VENETIAN RD	2	Rubber Cape	0.10
VENETIAN RD	STEPHEN RD	APTOS BEACH DR	2	Pulverize & 3" AC Rebuild	0.15
MARTIN RD	ALTA VISTA RD	ICE CREAM GRADE	3	Rubber Cape w/ Digouts	0.60
BROOKSIDE AV	LOVE CREEK RD	GLEN ARBOR RD	5	Rubber Cape w/ Digouts	0.47
LIVE OAK AV	GLEN ARBOR RD	BROOKSIDE AV	5	Rubber Cape w/ Digouts	0.16
PINE ST	LIVE OAK AV	MANZANITA AV	5	Rubber Cape w/ Digouts	0.08
WHITTIER AV	BROOKSIDE AV	MANZANITA AV	5	Rubber Cape w/ Digouts	0.07
LOVE CREEK RD	HWY 9	BROOKSIDE AV	5	Rubber Cape w/ Digouts	0.47
CENTRAL AV	FILLMORE ST	LOVE CREEK RD	5	Rubber Cape	0.17
SUNNYSIDE AV	LOVE CREEK RD	FAIRVIEW AV	5	Rubber Cape w/ Digouts	0.23
MAIN ST	SUNNYSIDE AV	HWY 9	5	Rubber Cape w/ Digouts	0.15

Total: 5.75

County of Santa Cruz

DEPARTMENT OF PUBLIC WORKS

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070
(831) 454-2160 FAX (831) 454-2385 TDD (831) 454-2123

MATT J. MACHADO
DIRECTOR OF PUBLIC WORKS

2019 MEASURE D RESURFACING PROJECT
NOTICE OF UPCOMING WORK

You are receiving this letter because your property is either located on or is accessed by a County road which will be resurfaced this summer, the purpose of this letter is to let you know about the upcoming work and what to expect. This work is part of the Measure D sales tax, a measure passed by Santa Cruz voters in 2016 to provide additional funding for local roads and other transportation needs around the County. The County has directed their share of this funding toward neighborhood resurfacing projects.

Project work will encompass several phases: First existing roadway striping will be removed, then select areas of patchwork will be done, followed by 2-3 layers of roadway seal (seals will be done in stages with typically days or weeks without construction work between each seal coat), and finally restriping of the roadway. There will be disruptions to traffic and some short duration closures (up to a few hours to allow for curing of certain types of seal), the project Contractor will provide advance notice in the form of door hangars to advise of any such closures.

For informational purposes we are enclosing a project roads list and vicinity maps of work, this information will also be on the project website and signs posted in the area of work. Also enclosed is a detail showing roadway seal work edge limits, this is provided as a reference for homeowners and residents as this issue has caused confusion in past projects. In cases where a road is bound by a curb & gutter or similar edge restraint, the County maintained road limit ends at the road/gutter interface. In cases where there is no gutter or edge restraint, the County maintains the road surface that was originally build ant accepted by the County. We often find that over time many property owners have extended the asphalt along their frontage for parking or other purposes, any such privately built extensions are not a part of the County road and will not be resurfaced by the County.

In the interest of minimizing disruption, we have created a project website which will be kept up to date with details on the project including scheduling of the various phases of work so that you may plan around construction activities to avoid getting stuck in traffic.

https://scc2019measuredresurfacing.com/

We would also like to provide you with contact information for the key personnel overseeing this work in case you would like to discuss any specific concerns not addressed on the project website. APS (American Pavement Systems) will be the prime contractor for this work, their project manager will be Lucas Dias who can be reached at (209) 202-8779.

We apologize in advance for any inconvenience our project may cause you. We will try to keep disruption to a minimum but there will be some avoidable disruption during construction, please be patient as we improve your road.

Yours truly,

MATT MACHADO
Deputy CAO
Director of Public Works

By: Casey Carlson
Senior Civil Engineer

CRC
Copy to: Casey Carlson
Carisa Duran
Cristina Crocker

#13-County of Santa Cruz – Measure D FY19/20 Project Photos

Beach Drive - BEFORE

Beach Drive – AFTER

Love Creek Rd – BEFORE

AFTER

Measure D Recipient Agency: Community Bridges/Lift Line

Measure D Annual Report Cover Sheet

Fiscal Year 2019/20

Submit documents to rmoriconi@sccrtc.org by December 31, 2020.

Dear Measure D Taxpayer Oversight Committee: Community Bridges Lift Line *(Recipient Agency)* is pleased to present the following information demonstrating compliance with the voter-approved Measure D Ordinance, Strategic Implementation Plan (SIP), agreements and guidelines. Collectively they make up the Measure D annual report for recipient agencies.

Measure D Financial Information	
FY19/20 Formula Allocations	$808,862.00
Unspent Prior Year Allocations	$266,583.63
Interest earned on Unspent Prior Allocations	$320.50
Total Measure D Funding Available in FY19/20	**$1,075,766.13**
Total Measure D Funds Spent in FY19/20	**$929,502.21**
Total Measure D Rollover to FY20/21	$146,263.92
Maintenance of Effort	
FY19/20 LOCAL funds spent on transportation projects, operations, and/or services *(exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*	$1,398,381
Maintenance of Effort **Baseline** *(average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017)*	$757,521
Measure D Compliance Documents	
Document	**Attached (check)**
1. FY19/20 Annual Report Cover Sheet *(this document)*	X
2. FY19/20 Audited Financials for Measure D funds *(see "Measure D Audit Guidance" for additional information)*	X
3. FY19/20 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. ***Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.**	X
a. *If applicable* **–Grouped projects supplemental information**	NA
4. Map: Attach or provide web link to map(s) of projects funded with Measure D funds in FY19/20 (for projects with specific locations).	X
5. FY19/20 Performance Measures Report *(Measure D Guidelines Attachment B)*	X
6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY19/20 as compared to the 3-5 years prior to FY16/17.	X
a. If FY19/20 Local funds expended were lower than Baseline amount, explain why.	N/A

7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? *(If "no," Measure D cannot be used for indirect costs)* **a. Date of most recent ICAP: 05/01/2019**	Yes
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	Att. D5-D7 FY1920, Att. A4-A6 FY2021.
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	X
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan *(per Article III.A.4.)*	Date: 4/9/2019
c. Date annual 5-year Plan approved by Governing Board	Date: 11/20/2019
9. Complete Streets Compliance *(Cities/County only)***:** Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. *Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.*	NA
10. Annual Report Narrative *(may be included in Management & Admin section of audit)*	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	Unspent reserves are deferred revenues isolated in a separate interest bearing account to be utilized for continued property build-out and improvements and to reduce the principal on the owner-carry 5 year note.
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	N/A
c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	X
Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how	X

your agency is using or plans to use Measure D funds. *(per Article III.A.3.)*.	
12. Sample(s) of public outreach on Measure D-funded projects 7/1/19-6/30/20	X
a. Website with Measure D information (attach PDF): Web address: https://communitybridges.org/liftline/ *(per Article III.A.7.)*	X
b. News Article: *Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)*	X
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available. *See "Measure D: Sign Specifications" for additional signage guidance. (per Article III.A.6.)*	X
13. Photos: Attach before/after and construction photos if available of projects/work done in FY19/20.	X
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	NA

Contacts

Designated staff available to report on or answer any and all inquiries in regard to Recipient Agency's audit, projects and expenditures, and/or compliance with Measure D before the RTC and/or the Measure D Taxpayer Oversight Committee or RTC advisory committees, as applicable.

Name	Title	Phone/email
Kirk Ance	Program Director/ Administrator	831-688-8840 ext 238
Douglas Underhill	CFO/Fiscal Administrator	831-688-8840 ext 276
Ruhsora Iskandarova	Financial Assistant	831-688-8840 ext 273
Raymon Cancino	CEO/ Administrator	831-688-8840 ext 201

s:\measured\fiscal\expenditurereports\fy2020expenditurereports\liftline\measure d- annual-cover sheet final.docx

General Compliance Reporting:

Confirm completion of the following Measure D Agreement requirements during the reporting year. The RTC shall utilize information from Recipient on expenditures to prepare a comprehensive report to the public on the expenditure of Measure D revenues.

Recipient - Update all highlighted fields on 3 tabs. Reporting Requirements (Articles from the Master Fund Agreement are referenced as comments)

REPORTING YEAR: **FY19/20**

Recipient Agency ***Community Bridges Lift Line***

Public Information/ Outreach	**Date**	**Documentation (ex. copy of resolution, minutes, notices, articles, webpage, signage, etc) - *please attach.***	**Comments, additional info. If applicable, briefly explain why publicity requirement was not completed**
Date Initial 5-Year Plan Adopted	11/20/2019	1) Att. B1-B4 2) Att. B5-B7	Public hearing process is overseen by RTC (see row 10) Community Bridges (CB) Board of Directors adopted the Measure D five-year plan as part of its annual budget approval. 1) CB Board Agenda, agency budget review. Note due to lack of quorum, the motion to approve the 19/20 agency roll-up budget will be added to an e-vote to be sent out by Tonje following the meeting. (see att. B3 6:34) 2) CB Board approval of 19/20 FY budget which includes Lift Line Measure D revenue and five-year plan of expenditurers via e-vote(see att. B6 7.1c).
Date of 5-Year Plan Public Hearing	4/9/2019	1) Att. C1 - C3 2) D. Web address 3) Att. D1-D7	Community Bridges-Lift Line (CB-LL) is the only agency receiving a direct allocation of Measure D funds that is not a public agency. Review and approval of the CB-LL Measure D five-year plan will be overseen by the Regional Transportation Commission (RTC). 1) C1 - C3, E&D TAC (RTC) Agenda, item 20 CB-LL 5-Year Plan. 2) D, E&D TAC (RTC) Meeting Packet, https://sccrtc.org/wp-content/uploads/2019/04/00_Packet_19April09.pdf 3) D1-D7, CB-LL Measure D 5-Year Plan/ Public Presentation.
Date of annual audit of Measure D Expenditures	See Comment		With the SCCRTC's approval, CB has not started our Measure D audit, that will be occurring in conjunction with our Agency audit that is targeted to be completed early Feb. 2020.
News Article	FY19/20	1) Att. F1 - F2 2) Att. G1 - G3	1) Press Release August 23, 2019, Highlighting Lift Line's new operations facility, which was purchased with Measure D funding. 2) June 12, 2020 eNewsletter G2 showing Lift Line's expanded services Saturday and Sunday which are funded by Measure D.
Website with info on Meas. D projects	ongoing	https://communitybridges.org/liftline/	https://sccrtc.org/funding-planning/measured/
Map of Measure D-funded Projects	ongoing	1) Att. H 2) Att. I	1) Operations Facility Map 2) Measure D Service Area Map

Photos (before/after)	ongoing	1) Att. J1-J2 2) Att. K1 3) Att. K2	1) Lift Line Operations Facility Site, before and after occupancy. 2) Lift Line Ooperatiosn Facility before and after Improvements. 3) Improvements sealing shop flooring.
Signage	ongoing	1) Att. L 2) Att. M 3) Att. N	1) Lift Line New Operations Facility w/ Measure D Signage. 2) Electric Vehicle Charging Stations w/ Measure D Signage. 3) Measure D signage on Electric Vehicles.
Describe any other public outreach conducted during the reporting year about Measure D	Please see Attachment O1-O3 List of outreach preformed FY19/20 of which included Measure D expanded serviced. See Att. P Outreach photo of posting at Santa Cruz Museum of Art & History, Senior Companion Coffee. See Att. Q, Photo of Lift LIne Display of services at the Santa Cruz Museum of Art & History.		

Maintenance of Effort

FY19/20 LOCAL funds spent on multimodal local road repairs & maintenance *(exclude HUTA, formula state & fed funds, special grants)*	$1,398,381	*FY19/20 LOCAL funds spent on transportation projects, operations, and/or services (exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*
Maintenance of Effort BASELINE *(should match MOE report submitted to RTC in 2017)*	$757,521	*Pre-Measure D Baseline of average of locally-generated revenues (ex. general funds, sales and property taxes and other fees) and expenditures for transportation purposes in the three to five fiscal years prior to the start of Measure D allocations to recipient agencies (FY16/17, FY15/16, FY14/15, and optionally FY13/14 and FY12/13).*
FY20/21 LOCAL (exclude HUTA, formula state & fed funds) funds BUDGETED on multimodal local road repairs & maintenance	$1,210,418	*FY20/21 LOCAL funds projected on transportation projects, operations, and/or services (exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.)*
If FY19/20 local expenditures were lower than the baseline amount, explain why. *(e.g. emergencies, extraordinary event - fires, etc) Recipient agencies have up to three fiscal years to meet the adjusted minimum local revenue expenditure requirement.*	N/A	
Does your agency have an indirect cost allocation plan?	Yes	*If "no", Measure D funds cannot be used for indirect costs.*
Cities/County Only: **Does your agency have an adopted Complete Streets policy?**	Yes/No	*If "yes" - when was it adopted? If "no", agency is required to immediately adopt one in order to continue to receive Measure D funds.*

Contacts

Administrative officer or designated staff available to report on or answer any and all inquiries in regard to Recipient's receipt, usage, and/or compliance audit findings regarding Measure D funds before the RTC and/or the Independent Oversight Committee or RTC advisory committees, as applicable.

Name	Title/Measure D tasks	Phone/email
Kirk Ance	Program Director/ Administrator	831-688-8840 ext 238
Douglas Underhill	CFO/Fiscal Administrator	831-688-8840 ext 276
Ruhsora Iskandarova	Financial Assistant	831-688-8840 ext 273
Raymon Cancino	CEO/ Administrator	831-688-8840 ext 201

MEASURE D EXPENDITURE REPORT:

LIFT LINE - COMMUNITY BRIDGES

#	Project Name	Total Project Cost	FY19/20 Measure D Expenditures	Past year(s) Measure D Expenditures on this project	Measure D TOTAL SPENT *through reporting year*	(Est) Future Year(s) Measure D Expenditures	Project in approved 5-year plan?
1	* Driver Personnel	Approx $250K/Yr	**$ 282,653.04**	$ 499,697.03	$ 782,350.06	$ 1,463,092.08	Yes
2	Driver Trainer	Approx $75K/Yr	**$ 48,230.79**	$ 80,166.81	$ 128,397.60	$ 347,875.66	Yes
3	Admin Assistant/Dispatch	Approx $65K/Yr	**$ 47,300.38**	$ 100,377.79	$ 147,678.17	$ 343,997.36	Yes
4	Out Reach / Publicity	Approx $6K/Yr	**$ 8,301.29**	$ 13,571.18	$ 21,872.47	$ 29,946.78	Yes
5	Operations Facility - Pre-Construction	$ 132,242.00	**$ 96,686.66**	$ 41,153.10	$ 137,839.76	$ 90,517.00	Yes
6	Operations Facility - Reserve	$ 5,799,450.00	**$ 442,506.06**	$ 599,532.38	$ 1,042,038.44	$ 1,275,569.03	Yes
7	Vehicle Equipment - Reserve	$ 175,000.00	**$ 3,824.00**	$ 89,396.64	$ 93,220.64	$ 75,000.00	Yes
		Total	**$ 929,502.21**	**$ 1,423,894.92**	**$ 1,423,894.92**	**$ 3,625,997.91**	

LIFT LINE - COMMUNITY BRIDGES

	Project Description/Location		Project Status/Timeline		
Project Name	**Description** *(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)*	**Location/Limts**	**Work Done in FY19/20**	**CEQA compliance** *(List type of document & certification date - e.x. CE, 5/1/18)*	**Construction or Implementation Schedule**
* Driver Personnel	Providing expanded hours of paratransit service	Santa Cruz County	Operations	N/A	On-Going
Driver Trainer	Providing saftery and service training for paratransit drivers	Santa Cruz County	Operations	N/A	On-Going
Admin Assistant/Dispatch	Supporting additional paratransit rides	Santa Cruz County	Operations	N/A	On-Going
Out Reach / Publicity	Materials/videos to promote paratransit ride availability	Santa Cruz County	Education and Promotion	N/A	On-Going
Operations Facility - Pre-Construction	Facility Project Management - architects, environ review, design	Santa Cruz County	Operations	N/A	On-Going
Operations Facility - Reserve	Reserve for projected Acquisition, contruction and/or renovation expenses	Santa Cruz County	Other (describe in project description column)	N/A	Paving 2020
Vehicle Equipment - Reserve	Vehcile replacement, 5310 vehcile match funds, CARB match, equipment e.g. vehilce hoist	Santa Cruz County	Equipment and New Vehicles	N/A	Equipment Match FY1920

***** Operating Costs include driver support (Mechanical, IT, Fleet Manager, Program Supervisor) salaries and fringes, vechicle operations including vehicle maintenance repair, fuel, vehicle insurance, communications, taxes & licenses related to paratransit services. It also includes a prorated allocation of costs such as general liability insurance, staff training and other indirect costs

LIFT LINE - COMMUNITY BRIDGES

		Leveraged Funds, if any		Measure D use			
Project Name	**Completion Date** *(actual or estimate)*	**Leveraged Funds** *(grants & other funds secured, which used Meas. D as match)*	**Leveraged Fund Source Name(s)**	***Measure D-funded Capital Costs***	***Measure D-funded Non-capital*** *(non-infrastructure, outreach, admin, etc)*	***Measure D-funded indirect costs***	**% Paratransit**
* Driver Personnel	On-Going			*N/A*	*$ 782,350.06*	*$217,952.23*	100%
Driver Trainer	On-Going			*N/A*	*$ 128,397.60*		100%
Admin Assistant/Dispatch	On-Going			*N/A*	*$ 147,678.17*		100%
Out Reach / Publicity	On-Going			*N/A*	*$ 21,872.47*		100%
Operations Facility - Pre-Construction	On-Going			*N/A*	*$ 137,839.76*		100%
Operations Facility - Reserve	On-Going			*$ 1,042,038.44*	*N/A*		100%
Vehicle Equipment - Reserve	On-Going	$ 719,973.59	Caltrans 5310 and CARB Program	*$ 93,220.64*	*N/A*		100%
		$ 719,973.59		**$ 1,135,259.07**	**$ 1,218,138.06**	**$ 217,952.23**	**100%**

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)

Annual Financial Report

Fiscal Year Ended June 30, 2020

COMMUNITY BRIDGES
(A Private, Non-Profit Organization)

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KAKU & MERSINO, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Community Bridges

Report on the Financial Statements

We have audited the accompanying financial statements of Community Bridges (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Bridges as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

1588 Shaw Ave • Clovis, CA 93611 • 559/324-7097 • Fax 559/324-7180

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and supplementary information (pages 21-42) is presented for purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *CDE Audit Guide*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and in conformity with the CDE Audit Guide issued by the California Department of Education and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. Also, in our opinion, the Measure D information is fairly stated in all material respects in relation to the financial statements as a whole, and the funds allocated to, and received by the Community Bridges' Measure D Funding were expended in conformance with applicable statutes, rules and regulations of Measure D and the agreement with Santa Cruz County Regional Transportation Commission for the year ended June 30, 2020.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2021, on our consideration of Community Bridges' 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Bridges' internal control over financial reporting and compliance.

Kaku + Mersino, LLP

KAKU & MERSINO, LLP

February 12, 2021

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

ASSETS	
Cash and Cash Equivalents	$ 3,106,145
Investments	868,063
Grant Receivables	2,164,060
Other Receivables	367,231
Inventories	24,595
Prepaid Expenses	191,940
Deposits	36,849
Property and Equipment, net	7,633,681
TOTAL ASSETS	$ 14,392,564
LIABILITIES	
Accounts Payable and Accrued Expenses	$ 1,449,427
Salaries and Benefits Payable	629,452
Refundable Advances	1,407,646
Obligation Under Capital Lease	1,355
Reserve Fund - Transportation	204,214
Notes Payable	4,618,496
TOTAL LIABILITIES	8,310,590
NET ASSETS	
Net Assets without Donor Restrictions	5,638,380
Net Assets with Donor Restrictions	443,594
TOTAL NET ASSETS	6,081,974
TOTAL LIABILITIES AND NET ASSETS	$ 14,392,564

The accompanying notes are an integral part of the financial statements.

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT and REVENUE			
Support			
Grant Revenues	$ 12,866,717	$ -	$ 12,866,717
Foundations and other institutions	1,453,596		1,453,596
Donations/contributions	1,244,996		1,244,996
Total support	15,565,309	-	15,565,309
Revenue			
Service fees	1,889,902		1,889,902
Interest	9,344	11,751	21,095
Other income	196,800	1,655	198,455
Total revenue	2,096,046	13,406	2,109,452
Net assets released from restrictions	23,811	(23,811)	-
TOTAL SUPPORT and REVENUE	17,685,166	(10,405)	17,674,761
EXPENSES			
Program Services			
Women, Infants, and Children (WIC)	1,828,575		1,828,575
Child & Adult Care Food Program	3,609,672		3,609,672
Transportation Services - Lift Line	1,994,803		1,994,803
Senior Nutrition Meals on Wheels	1,580,551		1,580,551
Child Development Division	1,875,260		1,875,260
Nueva Vista Community Resources	328,197		328,197
Live Oak Family Community Resources	299,548		299,548
Mountain Community Resources	413,070		413,070
La Manzana Community Resources	501,906		501,906
Senior CBAS Elderday	1,311,414		1,311,414
Total Program Services	13,742,996	-	13,742,996
Supporting Services			
Management and General	1,907,969		1,907,969
Other Services	308,098		308,098
Fund Development	221,662		221,662
Total Supporting Services	2,437,729	-	2,437,729
TOTAL EXPENSES	16,180,725	-	16,180,725
EXCESS/(DEFICIENCY) OF SUPPORT AND REVENUE OVER EXPENSES	1,504,442	(10,405)	1,494,037
Increase in Grant Funded Assets	1,088,033		1,088,033
Depreciation Grant Funded Assets	(276,038)	-	(276,038)
INCREASE IN NET ASSETS	2,316,437	(10,405)	2,306,032
NET ASSETS, BEGINNING OF YEAR	3,321,943	453,999	3,775,942
NET ASSETS, END OF YEAR	$ 5,638,380	$ 443,594	$ 6,081,974

The accompanying notes are an integral part of the financial statements.

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	PROGRAM SERVICES						
	Women, Infants & Children (WIC)	Child & Adult Care Food Program	Transportation Services - Lift Line	Senior Nutrition Meals on Wheels	Child Development Division	Nueva Vista Community Resources	Live Oak Family Community Resources
EXPENSES							
Salaries and benefits	$ 1,553,664	$ 284,703	$ 1,253,912	$ 796,268	$ 1,467,646	$ 229,598	$ 174,639
Food payments	-	3,382,449	-	-	-	-	-
Building occupancy	226,455	27,368	64,556	121,676	132,384	41,718	32,399
Meals expense	-	-	-	553,826	45,848	1,345	-
Travel and transportation	4,743	4,595	78,958	51,370	6,887	2,638	1,460
Supplies and other misc expenses	27,742	3,414	14,746	40,146	77,060	17,900	14,623
Professional and contracted servic	22,401	20,906	151,710	8,977	26,106	4,429	31,619
Vehicle expense	-	-	165,508	16,760	-	-	-
Insurance	10,123	1,561	86,184	20,380	17,579	8,611	7,966
Printing, advertising and dues	4,199	2,586	6,516	2,987	3,891	888	1,203
Telephone and communication	43,321	7,547	23,028	10,276	38,266	9,053	9,396
Minor equipment	24,013	3,812	6,526	5,780	44,965	2,900	10,752
Equipment rental & repair	809	-	15,012	3,978	3,081	1,028	7,592
Interest expense	-	-	123,427	-	-	-	-
Staff training	11,813	371	1,157	83	2,797	3,165	3,284
Contract services to other agencie	-	-	-	-	-	-	-
Taxes, licenses and bank fees	3,699	1,325	12,767	5,201	6,073	640	4,615
Depreciation	22,230	-	3,840	-	2,677	4,284	-
Administrative services	333,237	63,501	289,637	263,573	192,542	54,182	40,853
Subtotal	2,288,449	3,804,138	2,297,484	1,901,281	2,067,802	382,379	340,401
Less Intercompany Transfers	(459,874)	(194,466)	(302,681)	(320,730)	(192,542)	(54,182)	(40,853)
TOTAL EXPENSES	$ 1,828,575	$ 3,609,672	$ 1,994,803	$ 1,580,551	$ 1,875,260	$ 328,197	$ 299,548

The accompanying notes are an integral part of the financial statements.

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	PROGRAM SERVICES			SUPPORTING SERVICES			
	Mountain Community Resources	La Manzana Community Resources	Senior CBAS Elderday	Management and General	Other Services	Fund Development	Total
EXPENSES							
Salaries and benefits	$ 250,144	$ 366,782	$ 862,819	$ 1,431,621	$ 34,205	$ 44,468	$ 8,750,469
Day care home food payments	-	-	-	-	-	-	3,382,449
Building occupancy	18,847	62,029	266,626	108,295	152,325	700	1,255,378
Meals expense	9,594	-	97,114	-	-	-	707,727
Travel and transportation	4,414	4,175	239,046	3,352	46	593	402,277
Supplies and other misc expenses	22,849	30,328	34,278	52,850	6,355	58,747	401,038
Professional and contracted services	43,122	5,885	79,037	165,776	3,476	88,307	651,751
Vehicle expense	-	1,159	-	302	-	-	183,729
Insurance	4,208	4,722	15,314	10,012	4,868	-	191,528
Printing, advertising and dues	726	1,704	9,381	19,199	2	6,590	59,872
Telephone and communication	6,507	9,367	8,861	12,628	627	14,695	193,572
Minor equipment	4,123	2,420	10,582	12,561	-	-	128,434
Equipment rental & repair	1,143	1,478	583	6,356	3,414	-	44,474
Interest expense	25,388	-	-	-	89,320	-	238,135
Staff training	3,165	3,165	815	4,182	-	2,070	36,067
Contract services to other agencies	-	39,103	-	106,438	-	-	145,541
Taxes, licenses and bank fees	5,507	1,677	7,112	19,799	3,098	5,492	77,005
Depreciation	13,333	13,404	-	16,036	10,362	-	86,166
Administrative services	70,230	86,421	268,965	10,469	-	38,687	1,712,297
Subtotal	483,300	633,819	1,900,533	1,979,876	308,098	260,349	18,647,909
Less Intercompany Transfers	(70,230)	(131,913)	(589,119)	(71,907)	-	(38,687)	(2,467,184)
TOTAL EXPENSES	$ 413,070	$ 501,906	$ 1,311,414	$ 1,907,969	$ 308,098	$ 221,662	$ 16,180,725

The accompanying notes are an integral part of the financial statements.

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$	2,306,032
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation		362,206
(Increase) Decrease in Assets:		
Trading Securities		(247,379)
Grant Receivables		91,751
Other Receivables		177,553
Inventories		(5,203)
Prepaid Expenses		113,352
Deposits		2,550
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses		204,054
Salaries and Benefits Payable		(223,182)
Deferred Revenue		1,128,518
Reserve Fund - Transportation		(62,370)
NET CASH PROVIDED BY OPERATING ACTIVITIES		3,847,882
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property and Equipment		(912,198)
NET CASH USED BY INVESTING ACTIVITIES		(912,198)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Capital Lease		(1,806)
Payments on Debt		(268,710)
NET CASH USED BY FINANCING ACTIVITIES		(270,516)
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,665,168
BEGINNING CASH AND CASH EQUIVALENTS		440,977
ENDING CASH AND CASH EQUIVALENTS	$	3,106,145

Supplemental Disclosures of Cash Flow Information:
Cash paid during year for interest $238,135

The accompanying notes are an integral part of the financial statements.

Note 1. NATURE OF ACTIVITIES

Community Bridges (the Organization) is a not-for-profit organization that was incorporated in California in 1977. Its stated purpose is to organize, develop, and operate programs that provide meals, nutritional information, transportation, day care, and related services to low-income children, the elderly, and other eligible persons in the local area. The Organization is both publicly and privately funded. The Organization has program contracts with both the federal and state governments as listed in the accompanying Schedule of Expenditures of Federal and State Awards and also receives funds from private donations and service contracts.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

- Net Assets without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

- Net Assets with Donor Restrictions – These net assets generally result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cost Allocations

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied and that is also in accordance with guidance of any specific funding terms and conditions associated with the funding received. Allocated expenditures for shared costs include compensation and benefits, which are allocated either on the basis of actual time tracking or estimates of time and effort such as may be extrapolated from a time study. Costs such as contract services are allocated to the program which receives the benefit and may be further allocated based on clients, employees, or number of service units. Facility costs, including depreciation, are allocated based on square footage.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents
For the purpose of the statement of cash flows, the Organization considers deposits in banks, and investments purchased with a maturity of three months or less to be cash equivalents. When required by funding sources, funds received specifically for program expenses are deposited in separate bank accounts.

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Grants Receivables and Other Receivables
Accounts receivable are amounts due from various agencies and entities for services performed under fee for service contracts. Grants receivable are amounts due from federal, state, or local funding sources for services performed under cost reimbursement contracts. Management considers all amounts to be fully collectible, and therefore, no allowance for doubtful accounts has been recorded in the accompanying financial statements.

Property and Equipment
Contributed property and equipment are recorded at fair value on the date of donation. Contributions of property and equipment are recorded as unrestricted support, unless the donor stipulates how long the assets must be used.

Property and equipment purchased with Organization funds are capitalized at cost and depreciated over the useful estimated lives of the asset using the straight-line method. Amortization of building improvements is based on the estimated useful life of the improvements. Depreciation and amortization expense is charged against operations. Expenditures for property and equipment in excess of $5,000 are capitalized.

Property and equipment purchased with grant funds are depreciated using the straight-line method over the estimated useful life of the assets. Depreciation of these assets is charged against grant funded assets in the Statement of Activities.

In the event of a contract termination, certain funding sources require title to property and equipment previously purchased with grant funds revert to the funding source. Certain funding sources also limit the use of property and equipment for specific programs and require approval for disposition of property and equipment from the funding source.

Depreciation is calculated based on the following estimated useful lives:

Type of Asset	Estimated Useful Life
Furniture & Equipment	3-10 years
Vehicles	5 years
Leasehold Improvements	5-10 years
Buildings	30 years

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

Inventories, consisting of food and consumable food service supplies, are valued at cost, which approximates market, on a first-in-first-out basis.

Income Tax Status

Community Bridges is a non-profit organization that is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The Organization's returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Advertising

Advertising costs are expensed as incurred. Advertising costs totaling $6,581 were expensed in the year ended June 30, 2020. There were no advertising costs capitalized during the year ended June 30, 2020.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject Community Bridges to concentrations of credit risk consist principally of cash balances and grant receivables. Concentration of credit risk with respect to grant receivables are limited due to receivables being from government agencies.

Community Bridges maintains cash balances at five financial institutions located in the county of Santa Cruz, California. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2020, the uninsured cash balances totaled $3,343,815. Money market funds are neither insured nor guaranteed by FDIC.

Note 4. CASH & CASH EQUIVALENTS

Cash and Cash Equivalents consist of the following at June 30, 2020:

	Amount
Cash	$ 3,035,351
Money Market Funds	70,794
Total	$ 3,106,145

Note 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2020 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds	$ 868,063	$ 868,063

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Note 6. PROPERTY & EQUIPMENT

Property & equipment are summarized by major classifications as follows:

Buildings	$ 6,042,849
Vehicles	2,166,932
Furniture & Equipment	1,067,031
Leasehold Improvements	1,327,950
Total Property & Equipment	10,604,762
Less: Accumulated Depreciation	(2,971,081)
Property & Equipment, net	$ 7,633,681

Depreciation amounted to $276,038 for grant funded property and equipment, and $86,166 for Organization property and equipment for the year ended June 30, 2020. Equipment and building are pledged as collateral as disclosed on the notes payable.

Note 7. REFUNDABLE ADVANCES

Refundable Advances consists of the as following at June 30, 2020:

Program Advances	$ 467,876
Paycheck Protection Program (PPP)	939,770
Total Refundable Advances	$ 1,407,646

Paycheck Protection Program

The Organization received a grant from Santa Cruz County Bank in the amount of $1,666,372 under the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The grant is subject to a note dated April 22, 2020, and may be forgiven to the extent proceeds of the grant are used for eligible expenditures such as payroll and other expenses described in the CARES Act. The Organization intends to use the entire grant amount for qualifying expenses. The loan bears interest at a rate of 1% and is payable in monthly installments of principal and interest over 24 months beginning August 6, 2021. The proceeds from the grant are recognized as a refundable advance until the conditions for forgiveness are substantially met. As of June 30, 2020, the Organization has $726,602 of qualifying expenses and accordingly has recorded grant revenue of $726,602. The remaining balance in refundable advances is $939,770.

Note 8. DEFINED CONTRIBUTION PLAN

The Organization has a defined contribution plan covering employees who have six consecutive months of service from date of hire. The Organization contributed $66,960 to the plan for all eligible employees who contributed a 2% salary match for the year ending June 30, 2020.

Note 9. COMMITMENTS AND CONTINGENCIES

The Organization leases a copier under a capital lease. The economic substance of the lease is that the Organization is financing the acquisition of the asset through the lease, and accordingly, it is recorded in the Organization's assets and liabilities. The leased assets are included in equipment at $9,032 and accumulated depreciation of $7,678.

Minimum lease payments, on an annual basis, are as follows:

For the Year Ending June 30,	
2021	$ 1,584
2022	0
2023	0
2024	0
2025	0
Thereafter	0
Total minimum lease payment	1,584
Less amount representing interest	(229)
Present value minimum lease payment	$ 1,355

Note 10. COMPENSATED ABSENCES

Accumulated unpaid vacation is recognized as a liability of the Organization. The expenditure is recognized in the year to which the liability relates. The value of accumulated vacation at June 30, 2020 is $393,932.

Note 11. RESERVE FUND - TRANSPORTATION

The reserve fund primarily consists of a facilities reserve and vehicle reserve, set aside from the County of Santa Cruz, voter approved 30-year Measure D sales tax, administered by the Santa Cruz County Regional Transportation Commission (RTC) for the Lift Line program of Community Bridges, a Consolidated Transportation Service Agency. The amount set aside is part of a 5-year master funding agreement, approved by the RTC and Community Bridges.

Note 12. NOTES PAYABLE

Notes payable consist of the following at June 30, 2020:

	Amount
Line of credit with a financial institution in the amount of $650,000. Interest rate is prime plus 1.00%. The line renewals on March 13, 2021. The line is secured by equipment, inventory, receivables, and contains certain covenants.	$ 0
Promissory note of $1,527,000 to a financial institution with 12 months interest only, then 48 monthly payments of $8,656, followed by 60 monthly payments of $9,165. Balloon payment due May 5, 2027. Swap variable interest rate currently at 4.625%. The note is secured by a building.	1,196,190
Promissory note payable with monthly payments of principal and interest of $3,061. Interest rate is 5% per annum. The note is secured by a building.	493,287
Promissory note payable with monthly payments of principal and interest of $3,548. Interest rate is 5% per annum. Balloon payment due June 1, 2022. The note is unsecured.	629,019
Promissory note payable with monthly payments of interest only $4,167. Interest rate is 5% per annum. A balloon payment is due June 28, 2024. The note is secured by a building.	800,000
Promissory note payable to a financial institution in 107 monthly payments of principal and interest of $11,482. Interest rate is 4.75%. Loan balance is due June 5, 2029 The note is secured by a building.	1,500,000
Total	$4,618,496
Current Portion	$ 105,252
Long Term Portion	$4,513,244

Schedule of future minimum principal payments for each of the succeeding years ending June 30 are as follows:

2021	$ 105,252
2022	716,144
2023	103,199
2024	909,969
2025	115,188
Thereafter	2,668,744
	$4,618,496

Note 13. COMMITMENTS AND CONTINGENCIES

Operating Leases:

The total rental expense incurred by the Organization for facilities during the year was $429,825. The Organization also had miscellaneous equipment rental of $5,298 for the year, which was expensed. Minimum future rental payments under noncancellable operating leases for each of the next 5 years in aggregate are:

For the Year Ending June 30,	
2021	$ 38,308
2022	38,308
2023	9,000
2024	0
2025	0

Note 14. CHANGE IN PRONOUNCEMENT

Effective July 1, 2020, The Organization prospectively changed its method of recognizing revenue in its financial statements to conform with a recent pronouncement of the Financial Accounting Standards Board. Grant funded contracts were previously considered reciprocal transactions as exchange agreements. Under new guidance, grants likely are to be considered nonreciprocal transactions and therefore are considered contributions. The prospective change to the financial statements increased grant revenue $428,390 for the year ending June 30, 2020.

Note 15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 12, 2021, the date the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact net assets. Other financial impact could occur though such potential impact is unknown at this time.

Note 16. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Financial assets at year-end

Cash	$ 3,106,145
Investments	868,063
Grants Receivable	2,164,060
Other receivable	367,231
Total Financial Assets	$ 6,505,499

Less those unavailable for general expenditures within one year, due to:

Accounts payable and accrued expenses	(1,449,427)
Salaries and benefits payable	(629,452)
Refundable advances	(1,407,646)
Reserves restricted use	(204,214)
Current portion long term debt	(105,252)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,709,508

Organization operations require maintenance of financial assets, which consist of cash to meet normal operating expenses. The Organization also has a line of credit in place in the amount of $650,000 which it could draw upon in the event of any unanticipated liquidity needs.

INDEPENDENT AUDITORS' 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*

To the Board of Directors of
Community Bridges

We have audited, in accordance with the 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, the financial statements of Community Bridges (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 12, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Bridges' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Bridges' internal control. Accordingly, we do not express an opinion on the effectiveness of Community Bridges' internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Bridges' financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kaku + Mersino, LLP

KAKU & MERSINO, LLP

February 12, 2021

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Community Bridges

Report on Compliance for Each Major Federal Program

We have audited Community Bridges' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Bridges' major federal programs for the year ended June 30, 2020. Community Bridges' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Community Bridges' major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Community Bridges' 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Community Bridges' compliance.

Opinion on Each Major Federal Program

In our opinion, Community Bridges complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

(Continued)

Report on Internal Control Over Compliance

Management of Community Bridges is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Bridges' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Community Bridges' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kaku + Mersino, LLP

KAKU & MERSINO, LLP

February 12, 2021

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COMMUNITY BRIDGES

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Program Title	Federal CFDA Number	Program/ Contract Number	Program Expenditures	Expenditures to Subrecepients
U.S. Department of Agriculture:				
Passed through Calif Dept of Education:				
Summer Food Service Program for Children	10.559	19B00116	51,487	
Passed through Calif Association of Food Banks:				
Food Stamp Outreach (Cal Fresh Outreach)	10.561	18-7013	65,326	
Passed through Salud Para La Gente				
Covered California Health Insurance Education	93.525	15-N-57	22,734	
Passed through Calif State Dept of Health Services:				
Special Supplemental Food Program for				
Women, Infants and Children (WIC)	10.557	19-10140 A01	628,359	
Women, Infants and Children (WIC)	10.557	19-10140 A01	1,666,370	
Women, Infants and Children (WIC) Farmer's Ma	10.557	19-10140 A01	1,200	
Passed through Calif Dept of Education:				
Child and Adult Care Food Program:				
Homes and Homes Administration	10.558	44-1733-4F	3,661,113	
Centers and Centers Administration Children	10.558	44-1733-4A	81,247	
Centers and Centers Administration Adults	10.558	44-1733-4A	46,094	
Total Department of Agriculture			6,223,930	-
U.S. Department of Health and Human Services:				
Passed through the City of Santa Cruz:				
Community Development and Block Grant-BFCC	93.569	N/A	25,000	
Community Development and Block Grant-Familia C	93.569	N/A	75,000	
Passed through Area Agency on Aging for Santa Cruz & San Benito Counties:				
Special Programs for the Aging-Title IIIB-Transporta	93.044	1920-02	38,124	
Special Programs for the Aging-Title IIIC1-Cong Me	93.045	1920-02	265,851	
Special Programs for the Aging-Title IIIC2-Home De	93.045	1920-02	161,433	
Food Donation Program:				
Nutrition Services Incentives Program - Congrega	93.053	1920-02	31,642	
Nutrition Services Incentives Program - Home De	93.053	1920-02	79,781	
Passed through County of Santa Cruz:				
CARE Program (Ryan White CARE Act)	93.153	N/A	1,764	
Total Department of Housing and Urban Development			678,595	-

COMMUNITY BRIDGES

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Program Title	Federal CFDA Number	Program/ Contract Number	Program Expenditures	Expenditures to Subrecepients
U.S. Federal Emergency Management Agency				
Federal Emergency Management Agency:				
Emergency Food & Shelter National Board Program:				
Home Delivered Meals	97.024	33-089200-013	$ 8,750	
Nueva Vista Meals	97.024	33-089200-030	2,205	
Total Department Federal Emergency Management Agency			10,955	-
U.S. Department of Transportation:				
Passed through Calif Dept of Transportation:				
Federal Transit Authority Section 5310-Equipment	20.500	64AC18-00625	384,541	
Federal Transit Authority Section 5310-Expanded	20.513	64AO18-00679	-	
Federal Transit Authority Section 5310-Expanded	20.513	64AO18-00679	112,778	
Total Department of Transportation			497,319	-
U.S. Department of Treasury				
Passed through County of Santa Cruz:				
Corona Virus Relief Fund	21.019		13,752	
Total Department of Treasury			13,752	-
Total Federal Financial Assistance			$ 7,424,551	$ -

COMMUNITY BRIDGES

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Program Title	Federal CFDA Number	Program/ Contract Number	Program Expenditures	Expenditures to Subrecepients
State Programs				
California Department of Aging:				
Title IIIC(1) - Congregate Meals		1920-02	$ 69,262	
Title IIIC(2) - Home Delivered Meals		1920-02	178,302	
Passed through First Five of Santa Cruz County				
State Proposition 10/First Five - LMCR		19-20-002	198,174	
State Proposition 10/First Five - MCR		19-20-002	56,407	
State Proposition 10/First Five - LOCR		19-20-002	15,549	
Passed through City of Santa Cruz/Regional Transportation Commission				
Transportation Development Act-Paratransit CTSA		N/A	800,055	
Passed through City of Santa Cruz/Regional Transportation Commission				
State Transit Assistance (STA)		N/A	100,000	
Passed through the SC Co Office of Education				
QRIS Block Grant		MOU	61,400	
California Air Resources Board				
Lift Line Paratransit Dial-A-Ride Electric Vehicle Transition Pro		G16-LDPL-06	5,639	
Low Carbon Transit Operations Program		99313	139,143	
Passed through the First Five of Santa Cruz County				
QCC-QRIS Block Grant		18-19-104	4,300	
First Five Santa Cruz County		19-20-055	4,340	
Early Education and Support Division (formerly Child Devel Div)				
State Preschool		CSPP-9584	1,647,530	
Total State Financial Assistance			3,280,101	-
Total Federal and State Financial Assistance			$ 10,704,652	$ -

COMMUNITY BRIDGES
(A Private, Non-Profit Organization)

NOTES TO SUPPLEMENTARY INFORMATION
June 30, 2020

Note A. SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Basis of Presentation
The accompanying schedule of expenditures of federal and state awards includes the grant activity of Community Bridges under programs of the federal government for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S*., Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Community Bridges, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Bridges.

Summary of Significant Accounting Policies
Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Community Bridges does not use the 10 percent de minimis indirect cost rate.

Note B. CLAIM PREPARATION

Centers
Monthly CACFP claims are prepared in accordance with the total count - fixed percentage claiming method.

The "Total Count-Fixed Percentage" claiming method requires each Organization to accurately categorize enrollment data into free, reduced price, and base rate categories at least one time at the beginning of the fiscal year. The percentage for each category becomes the percentage used to determine reimbursement for the fiscal year. These percentages may be adjusted by the Organization to accurately categorize enrollment if material changes in the enrollment percentages occur during the fiscal year.

Day Care Homes
Monthly CACFP claims are prepared in accordance with the Tiering claims method.

A day care home sponsor must collect eligibility from each day care home provider under sponsorship. All providers are Tier II unless eligibility has been documented. A Tier I home is determined based on either the location of the home in an eligible area or by the provider’s income. Sponsors must document the determination and keep on file as long as the classification is in effect plus three physical years.

Note C. PROPERTY

Property purchased with CDE contract are separately accounted for in a property management system.

COMMUNITY BRIDGES

(A Private, Non-Profit Organization)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2020

A. SUMMARY OF AUDIT RESULTS

- The auditors' report expresses an unmodified opinion on whether the financial statements of Community Bridges were prepared in accordance with GAAP.

- No significant deficiencies were found during the audit of the financial statements that are required to be reported in the 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*. No material weaknesses are reported.

- No instances of noncompliance material to the financial statements of Community Bridges were disclosed during the audit.

- No significant deficiencies in internal control over major federal award programs were disclosed during the audit in the Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

- The auditor's report on compliance for the major federal award programs for Community Bridges expresses an unmodified opinion on all major federal programs.

- Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule, if any.

- The programs tested as major programs included: CFDA No. 10.557 – Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); CFDA No. 20.500 Federal Transit – Capital Investment Grants

- The threshold for distinguishing Types A and B programs was $750,000.

- Community Bridges was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDITS

None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

None

D. STATUS OF PRIOR YEAR FINDINGS

None

COMMUNITY BRIDGES

COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Child & Adult Care Food	CDE Child-Care Centers	QRIS	Other Child-Care Centers	Adult Care Centers	Total Other Programs	Total
SUPPORT and REVENUE							
Support							
Child Development Funding	$ -	$ 1,647,530	$ -	$ -	$ -	$ -	$ 1,647,530
Food Program	3,640,339	81,247	-	-	46,094	-	3,767,680
Other Grant Revenues	15,000	66,360	61,400	166,303	-	7,142,444	7,451,507
Foundations and other institutions	8,000	-	-	24,640	-	1,420,956	1,453,596
Donations/contributions	8,646	7,338	-	1,993	-	1,227,019	1,244,996
Total support	3,671,985	1,802,475	61,400	192,936	46,094	9,790,419	15,565,309
Revenue							
Service fees		85,982	-	100,689	-	1,703,231	1,889,902
Interest	-	-	-	-	-	21,095	21,095
Other income	8,280	5,709	-	3,453	-	181,013	198,455
Total revenue	8,280	91,691	-	104,142	-	1,905,339	2,109,452
Net assets released from restrictions	-	-	-	-	-	-	-
TOTAL SUPPORT and REVENUE	3,680,265	1,894,166	61,400	297,078	46,094	11,695,758	17,674,761
EXPENSES							
Salaries and benefits	284,703	1,326,128	43,171	98,348	36,525	6,961,594	8,750,469
Day care home food payments	3,382,449	-	-	-	-	-	3,382,449
Building occupancy	27,368	123,319	-	9,065	-	1,095,626	1,255,378
Meals expense	-	44,986	-	862	9,569	652,310	707,727
Travel and transportation	4,595	6,711	-	176	-	390,795	402,277
Supplies and other misc. expenses	3,414	91,600	18,229	12,198	-	275,597	401,038
Professional and contracted services	20,906	23,479	-	2,627	-	604,739	651,751
Vehicle expense	-	-	-	-	-	183,729	183,729
Insurance	1,561	15,162	-	2,417	-	172,388	191,528
Printing, advertising and dues	2,586	3,185	-	706	-	53,395	59,872
Telephone and communication	7,547	34,805	-	3,461	-	147,759	193,572
Minor equipment	3,812	2,781	-	300	-	121,541	128,434
Equipment rental & repair	-	-	-	-	-	44,474	44,474
Interest expense	-	-	-	-	-	238,135	238,135
Staff training	371	2,542	-	255	-	32,899	36,067
Contract services to other agencies	-	-	-	-	-	145,541	145,541
Taxes, licenses and bank fees	1,325	5,204	-	869	-	69,607	77,005
Depreciation	-	2,677	-	-	-	83,489	86,166
Administrative services	63,501	166,456	-	26,086	-	1,456,254	1,712,297
Subtotal	3,804,138	1,849,035	61,400	157,370	46,094	12,729,872	18,647,909
Intercompany Eliminations	(194,466)	-	-	-	-	(2,272,718)	(2,467,184)
TOTAL EXPENSES	3,609,672	1,849,035	61,400	157,370	46,094	10,457,154	16,180,725
EXCESS/(DEFICIENCY) OF SUPPORT AND REVENUE OVER EXPENSES	70,593	45,131	-	139,708	-	1,238,605	1,494,037
Increase in Grant Funded Assets	-	-	-	-	-	1,088,033	1,088,033
Depreciation Grant Funded Assets	-	-	-	-	-	(276,038)	(276,038)
INCREASE/(DECREASE) IN NET ASSETS	70,593	45,131	-	139,708	-	2,050,600	2,306,032
NET ASSETS, BEGINNING OF YEAR	27,190	80,191	-	121,135	839	3,546,587	3,775,942
NET ASSETS, END OF YEAR	$ 97,783	$ 125,322	$ -	$ 260,843	$ 839	$ 5,597,187	$ 6,081,974

COMMUNITY BRIDGES

SCHEDULE OF EXPENDITURES BY STATE CATEGORIES

FOR THE YEAR ENDED JUNE 30, 2020

		CSPP-9584 Child Care Centers	Total Reimbursable	QRIS	Non-Reimb.	Total Program
Expenditures:						
1000	Certified Salaries	$ 942,999	$ 942,999	$ 39,137	$ -	$ 982,136
1100	Teachers Salaries	942,999	942,999	39,137		982,136
2000	Classified Salaries	138,377	138,377	-	-	138,377
2300	Clerical & Other Personnel Salaries	86,071	86,071			86,071
2500	Food Service Personnel Salaries	52,306	52,306			52,306
3000	Employee benefits	244,753	244,753	4,034	-	248,787
3300	Old Age, Survivors, Disability & Health Ins	201,085	201,085	2,648		203,733
3500	State Unemployment Insurance	12,762	12,762	260		13,022
3600	Workers Compensation Insurance	30,906	30,906	1,126		32,032
4000	Books, Supplies, Food, and Transportation	134,757	134,757	18,229	-	152,986
4300	Instructional Supplies	82,471	82,471	18,229		100,700
4700	Food Services	52,286	52,286			52,286
5000	Contracted Services & Other Operating Expenses	218,093	218,093	-	923	219,016
5100	Contracts for Personal Services	23,479	23,479		-	23,479
5200	Travel, Conferences & Other Expenses	14,381	14,381		923	15,304
5400	Insurance	15,162	15,162			15,162
5500	Utilities & Housekeeping Services	102,232	102,232			102,232
5600	Contracts, Rents and Leases	62,839	62,839			62,839
6000	Sites, Buildings, New Equip & Equip Replacement	37,878	37,878	-	-	37,878
6400	New Equipment	37,878	37,878			37,878
Expenses not otherwise classified:						
	Depreciation	2,677	2,677			2,677
	Indirect Cost at 10%	166,322	166,322		134	166,456
Subtotals		168,999	168,999	-	134	169,133
TOTAL EXPENDITURES		$ 1,885,856	$ 1,885,856	$ 61,400	$ 1,057	$ 1,948,313

We have examined the claims filed for reimbursement and the original supporting records supporting the tranactions recorded under the contracts listed above to an extent considered necessary to assure ourselves that the amounts claimed by the contractor were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions.

COMMUNITY BRIDGES

RECONCILIATION OF CDE AND GAAP EXPENSE REPORTING
FOR THE YEAR ENDED JUNE 30, 2020

	CSPP-9584 Child Care Centers
Schedule of Expenditures by State Categories	$ 1,849,035
Adjustment to Reconcile Difference in Reporting:	
Capitalized equipmnet	37,878
Non-reimbursable	(1,057)
Combining Statement of Activities (GAAP)	$ 1,885,856

COMMUNITY BRIDGES

SCHEDULE OF CLAIMED EQUIPMENT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2020

	Child and Adult Care Food	Child Care Pre-School CSPP-9584	Total
Capitalized Equipment Expended on the AUD with Prior Written Approval			
None	$ -	$ -	$ -
Subtotal	$ -	$ -	$ -
Capitalized Equipment Expended on the AUD without Prior Written Approval			
None	$ -	$ -	$ -
Subtotal	$ -	$ -	$ -
Total	$ -	$ -	$ -

Note: Community Bridges' capitalization threshold is $5,000.

COMMUNITY BRIDGES

SCHEDULE OF CLAIMED EXPENDITURES FOR RENOVATIONS & REPAIRS
FOR THE YEAR ENDED JUNE 30, 2020

	Child and Adult Care Food	Child Care Pre-School CSPP-9584	Total
Unit Costs Under $10,000 per Item			
Depreciation on renovations for RM portable	$ -	$ 2,677	$ 2,677
Total	$ -	$ 2,677	$ 2,677
Unit Costs $10,000 or more per Item With Prior Written Approval			
Playground	$ -	$ 37,878	$ 37,878
Total	$ -	$ 37,878	$ 37,878
Unit Costs $10,000 or more per Item Without Prior Written Approval			
None	$ -	$ -	$ -
Total	$ -	$ 40,555	$ 40,555

Note: Community Bridges' capitalization threshold is $5,000.

COMMUNITY BRIDGES

SCHEDULE OF CLAIMED ADMINISTRATIVE COSTS

For the Year Ended June 30, 2020

	Child & Adult Care Food Program	CSPP-9584 Child Care Centers	Total Costs
Grants Management Salaries	$ -	$ 47,607	$ 47,607
Accounting Salaries	-	30,844	30,844
CACFP Centers Consultant	-	7,620	7,620
Employee Benefits-Hlth/UI/401K	-	9,482	9,482
Payroll Taxes-FICA/WC	-	6,276	6,276
Indirect Costs	63,501	166,322	229,823
TOTAL	$ 63,501	$ 268,151	$ 331,652

California Department of Education Audited Attendance and Fiscal Report for California State Preschool Programs Early Childhood Mental Health Consultation Services

A U D 8501MHCS Page 1 of 12

Fiscal Year Ending June 30, 2020

Contract Number CSPP-9584

Vendor Code B671

Full Name of Contractor Community Bridges

Section 1 - Days of Enrollment Certified Children in Classrooms with Mental Health Consultation Services Recipient(s)

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus				1.2300	0
Three Years and Older Full-time				1.0500	0
Three Years and Older Three-quarters-time				0.8000	0
Three Years and Older One-half-time	1,493		1,493	0.6693	999.2649
Exceptional Needs Full-time-plus				1.8672	0
Exceptional Needs Full-time	2,966	-47	2,919	1.5900	4,641.21
Exceptional Needs Three-quarters-time				1.2050	0
Exceptional Needs One-half-time	521		521	1.0037	522.9277
Limited and Non-English Proficient Full-time-plus				1.3480	0
Limited and Non-English Proficient Full-time	24,832	47	24,879	1.1500	28,610.85
Limited and Non-English Proficient Three-quarters-time				0.8750	0
Limited and Non-English Proficient One-half-time	88		88	0.6693	58.8984

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 1 - Days of Enrollment Certified Children in Classrooms with Mental Health Consultation Services Recipient(s) (continued)

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus				1.3480	0
At Risk of Abuse or Neglect Full-time				1.1500	0
At Risk of Abuse or Neglect Three-quarters-time				0.8750	0
At Risk of Abuse or Neglect One-half-time				0.6693	0
Severely Disabled Full-time-plus				2.3274	0
Severely Disabled Full-time				1.9800	0
Severely Disabled Three-quarters-time				1.4975	0
Severely Disabled One-half-time				1.2452	0
TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES RECIPIENT(S)	**29,900**	**0**	**29,900**	**N/A**	**34,833.151**
DAYS OF OPERATION	**241**		**241**	**N/A**	**N/A**
DAYS OF ATTENDANCE	**29,900**		**29,900**	**N/A**	**N/A**

☒ NO MENTAL HEALTH CONSULTATION SERVICES RECIPIENT NON-CERTIFIED CHILDREN Check this box (omit pages 3 and 4) and continue to Certified Children Section on page 5.

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 3 - Days of Enrollment Certified Children

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time				0.6193	0
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.9537	0
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6193	0

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 3 - Days of Enrollment Certified Children (continued)

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.1952	0
TOTAL DAYS OF ENROLLMENT				**N/A**	**0**
DAYS OF OPERATION	**241**		**241**	**N/A**	**N/A**
DAYS OF ATTENDANCE				**N/A**	**N/A**

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 7 and 8) and continue to Revenue Section on page 9.

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 5 - Revenue

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	78,010	3,237	81,247
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	**78,010**	**3,237**	**81,247**
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	85,982		85,982
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other: Local Gov't Grants, Misc	59,005	20,402	79,407
TOTAL REVENUE	**222,997**	**23,639**	**246,636**

Comments:

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 6 - Reimbursable Expenses

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	914,436	28,563	942,999
2000 Classified Salaries	164,082	-25,705	138,377
3000 Employee Benefits	232,900	11,853	244,753
4000 Books and Supplies	113,367	21,390	134,757
5000 Services and Other Operating Expenses	334,062	-115,969	218,093
6100/6200 Other Approved Capital Outlay	24,198	13,680	37,878
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance		2,677	2,677
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	164,707	1,615	166,322
Non-Reimbursable (State use only)			
Total Reimbursable Expenses	**1,947,752**	**-61,896**	**1,885,856**
Total Administrative Cost (included in Section 6 above)	**266,481**	**1,670**	**268,151**
Total Staff Training Cost (included in Section 6 above)			

Approved Indirect Cost Rate: 10.0%

☐ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 11.

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 7 - Supplemental Revenue

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other: QRIS Santa Cruz County	46,400	15,000	61,400
Other:			
Total Supplemental Revenue	**46,400**	**15,000**	**61,400**

Section 8 - Supplemental Expenses

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries	19,930	19,207	39,137
2000 Classified Salaries			
3000 Employee Benefits		4,034	4,034
4000 Books and Supplies	26,470	-8,241	18,229
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses		1,057	1,057
Total Supplemental Expenses	**46,400**	**16,057**	**62,457**

Contract Number CSPP-9584

Full Name of Contractor Community Bridges

Section 9 - Summary

	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	29,900	0	29,900
Days of Operation	241		241
Days of Attendance (including MHCS)	29,900		29,900
Restricted Program Income	78,010	3,237	81,247
Transfer from Reserve			
Family Fees for Certified Children	85,982		85,982
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	1,947,752	-61,896	1,885,856
Total Administrative Cost	266,481	1,670	268,151
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment 34,833.151 Total Non-Certified Adjusted Days of Enrollment 0

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Learning and Care Division:

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box): Yes

Reimbursable expenses claimed on page 10 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box): Yes

Include any comments in the comments box on page 9. If necessary, attach additional sheets to explain adjustments.

California Department of Education
Audited Reserve Account Activity Report

Fiscal Year End	June 30, 2020
Reserve Account Type	Center-Based
Vendor Code	B671

A U D 9530A Page 1 of 1

Full Name of Contractor **Community Bridges**

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2018–19 AUD 9530A Ending Balance)	
2. Plus Transfers to Reserve Account:	Per 2018–19 Post-Audit CDNFS 9530
Contract No.0	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2018–19 Contracts to Reserve	
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2018–19 Post-Audit CDNFS 9530	

Section 2 - Current Year Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve			
6. Less Transfers to Contracts from Reserve:			
CSPP General-Contract No.			
CSPP General-Contract No.			
CSPP Professional Development-Contract No.			
CSPP Professional Development-Contract No.			
Subtotal CSPP Transfers			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Subtotal Other Contract Transfers			
Total Transferred to Contracts from Reserve Account			
7. Ending Balance on June 30, 2020			

COMMENTS - If necessary, attach additional sheets to explain adjustments.

COMMUNITY BRIDGES
STATEMENT OF FINANCIAL POSITION - MEASURE D FUNDING
JUNE 30, 2020

ASSETS	
Current Assets	
Cash	$ 146,264
Total Current Assets	146,264
TOTAL ASSETS	$ 146,264
LIABILITIES AND NET ASSETS	
Current Liabilities	
	$ -
Total Current Liabilities	-
Other Liabilities	
Reserve Fund	146,264
TOTAL LIABILITIES	146,264
Net Assets	
Net Assets without Donor Restrictions	-
TOTAL NET ASSETS	-
TOTAL LIABILITIES AND NET ASSETS	$ 146,264

COMMUNITY BRIDGES
STATEMENT OF ACTIVITIES - MEASURE D FUNDING
FOR THE YEAR ENDED JUNE 30, 2020

Changes in Net Asets Without Donor Restrictions

Revenue and Support		
Measure D Funding	$	808,862
Interest Income		321
Transfer from Measure D Reserve Fund		120,320
TOTAL REVENUES AND SUPPORT		929,502
Expenses		
Driver Personnel		282,653
Driver Training		48,231
Admin Assistant/Dispatch		47,300
Outreach/Publicity		8,301
Consultants/Project Management		96,687
Operations Facility		442,506
Vehicle & Office Equipment		3,824
TOTAL EXPENSES		929,502
INCREASE/(DECREASE) IN NET ASSETS		-
NET ASSETS AT BEGINNING OF YEAR		-
NET ASSETS AT END OF YEAR	$	-

Measure D Transportation for Seniors and People with Disabilities Program

Performance Measures

AGENCY: **Community Bridges Lift Line**

Direct Allocation recipients are to document the performance and benefits of the projects and programs funded with Measure D funds. The following performance measures are a selection of performance standards to be documented by the recipients, as applicable. Additional or alternate performance measures may be requested by the RTC or recipients.

Submittal date: 31-Dec-20

Performance Measure	Performance Metric and Standard	Baseline - FY18/19	Current Numbers	(Notes or) Corrective Action (If applicable)
Ridership/Service Utilization	Change in annual ridership and passenger trips per revenue vehicle hour and mile and qualitative explanation for possible reasons.			*Provide information on why numbers went down*
▪ Annual Ridership		59,460	46,409	The biggest contributing factor in the reduction of rides is COVID-19 and congregate sites greatly reduced or completely shutting down. In mid-March Elderday rides dropped fom approximately 136 rides per day to approximately 8 rides per day, this reduced ridership was maintained through the remainder of FY1920. Meals on Wheels congregate sites shut down in mid-March and remained closed the reminder of FY1920.
▪ Passenger trips per vehicle service hour		3.39	2.58	This ties into the drop in rides.
▪ Passenger trips per revenue vehicle service miles		0.18	0.15	*Any agency with significant increase in costs must provide an explanation*
Cost Effectiveness	Maintain operating cost per passenger, per revenue vehicle hour, or per revenue mile; percentage increase less than or equal to inflation as measured by CPI			
▪ Operating Cost per Passenger Trip		$16.07	$26.36	Cost per passenger trip went up as congregate sites closed during the pandemic, which affected the number of passengers being served at the same time.
▪ Operating Cost per Vehicle Service Hour		$51.63	$58.14	Cost per passenger trip went up as congregate sites closed during the pandemic, which affected number of passengers being served at the same time.
State of Good Repair				*Provide information on plan to keep bus and paratransit vehicles in state of good repair.*

▪ Average age of bus and paratransit vehicles	Reduce average age of fleet/number of vehicles beyond useful life	6.75 Years	5.10 Years	All vehicles are serviced every 4,000 miles and safety inspections performed every 90 days. Also we have annual CHP safety and compliance inspections.
▪ Number of vehicles beyond useful life		4, as defined by FTA 5310 Program.	12, as defined by FTA 5310 Program.	All fleet vehicles are in good and safe operating condition, even those past their usefully life as defined by FTA.
Service Provision				*Any agency not meeting expected performance must provide an explanation and a description of how service provision will be met in the future.*
▪ Frequency on major corridors or trunk lines	▪ Maintain or increase frequencies	Lift Line operated up to 12 paratransit vehicles on major corridors daily M-F and 1 vehicle on weekends.	Lift Line operated up to 8 paratransit vehicles on major corridors daily M-F and 1 vehicle on weekends.	In mid-March the number of drivers was reduced due to COVID-19 causing the congregate sites to be greatly reduced or completely shut down. Once congregate sites fully reopen it is expected drivers will be added as rides increase.
▪ Service hours/span	▪ Increase service span - goal is 7 days/week, 20 hours per day	7 days per week. Added 14 additional hours daily five days per week.	7 days per week. 14 additional hours daily five days per week.	LL is maintaining its expanded hours.
▪ Revenue hours	▪ Maintain or increase revenue hours	18,535	19,165	Drivers had less standby time and drove more miles FY1920 compared to previous years. This is a good sign of productivity.
▪ Revenue miles	▪ Number of routes	284,056	282,010	Lift Line doesn't operate fixed routes. A full schedule would be 12 drivers per day M-F and 1 driver on weekends.
▪ Service areas	▪ Total service hours	Lift Line provides transportation to Santa Cruz County Residence to the following counties, Santa Cruz, and selected areas of Santa Clara, Monterey, San Benito, San Mateo, and San Francisco.	19,165	Service areas and hours of operations have seen an increaase FY1920 due to higher demand one-to-one service amid the pandemic.
Service Operations and Provisions	Track number of seniors or people with disabilities served by program.		**Santa Cruz, and selected areas of Santa Clara, Monterey, San Benito, San Mateo, and San Francisco.**	*Santa Cruz, and selected areas of Santa Clara, Monterey, San Benito, Sab Mateo, and San Francisco.*

Number of people served or trips provided to seniors or people with disabilities	▪ Service types such as ADA mandated paratransit, door-to-door service, taxi programs, accessible van service, shuttle service, group trips, travel training, meal delivery, and fixed-route transit	59,460 Paratransit Trips	46,409 Paratransit Trips	Total of one way trips went down due to COVID-19, causing congregate sites to be greatly reduced or completely shut down.
Percent of fixed route service used by seniors and people with disabilities		N/A	N/A	Lift Line Doesn't operate fixed route.
Cost Effectiveness	Maintain cost per trip or per passengers			*Any agency with significant increase in costs must provide an explanation*
Cost per Trip		$94.00	$85.07	Lift Line collects data to determine cost of "Trip per Passenger" therefore "Cost per Trip" and "Cost per Passenger" have the same outcome.
Cost per Passenger				Lift Line is using the "Cost per Trip" option above.
Total Measure D program cost per one-way passenger trip divided by total trips or total passengers during period.		5,939	5,680	Rides dropped a little due the County's shelter in place order in mid-March and maintained in place through the remainder of the FY.
METRO: Split of Budget for ParaCruz and fixed routes service	Maintain paratransit operating budget and service.			*If other funds shifted from one program to another, provide explanation*
Paracruz budget				
Fixed-route budget				
Leveraged Funds (List amount and sources)	Report total grants and other funding secured **using Measure D revenues as a match.**			*Explain if Measure D funds fully funding projects.*
				Please see Expenditure Report

Attachment A4

Measure D: 5-Year Plan (FY19/20-FY24/25)

Agency: ***Community Bridges - Lift Line*** ***19/20 - 24/25***

Project name	Description	Cost estimate 19/20	Cost estimate 20/21	Cost estimate 21/22	Cost estimate 23/24	Cost estimate 24/25	Cost estimate 5 year total	Total Measure D funds used since inception***	Other funds	Schedule (year)	Major project? * (yes/no)
Driver 1 (see note below**)	Additional driver to provide expanded hours of paratransit service	$ 119,025	$ 123,191	$ 127,503	$ 131,965	$ 136,584	$ 638,268	$ 878,541		2019-2020	No
Driver 2 (see note below**)	Additional driver to provide expanded hours of paratransit service	$ 119,025	$ 123,191	$ 127,503	$ 131,965	$ 136,584	$ 638,268	$ 878,541		2019-2020	No
Driver 3 (see note below**)	Part-time Additional driver to provide expanded hours of paratransit service				$ 47,132	$ 53,931	$ 101,063	$ 101,063		2019-2020	No
Driver Trainer	To support safety and service training for paratransit drivers	$ 69,504	$ 73,080	$ 77,011	$ 79,706	$ 82,496	$ 381,798	$ 482,507		2019-2020	No
Executive Assistant/Dispatcher	To suppost additional paratransit rides	$ 60,373	$ 63,661	$ 67,274	$ 69,628	$ 72,065	$ 333,001	$ 433,380		2019-2020	No
Outreach/Publicity	Materials and videos to promote paratransit ride availability	$ 5,848	$ 5,848	$ 5,848	$ 6,023	$ 6,023	$ 29,591	$ 38,844		2019-2020	No
Consultants / Project Managers	Facility project management-architects, environ review, design	$ 41,725	$ 45,354	$ 45,163			$ 132,242	$ 132,242		2019-2020	No
Operations Facility	Reserve for projected Acquisition, contruction and/or renovation expenses	$ 382,990	$ 375,000	$ 370,000	$ 365,000	$ 355,000	$ 5,799,450	$ 2,619,335	Bank/additional financing for 55% remaining	2019	Yes
Vehicle Equipment Reserve	Vehicle replacement, matching funds, project procurement and implimentation	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 175,000	$ 235,000		2019	No
		$ 833,490	$ 844,325	$ 855,301	$ 866,420	$ 877,684	$ 8,228,680	$ 5,799,452			

**Operating costs include driver support (Mechanic, IT Support, Fleet manager, Program Supervisor) salaries and fringes, vechicle operations such as vehicle maintenance and repair, fuel, vehicle Insurance, communications expenses, as well as

Attachment A5

Measure D: 5-Year Plan (FY19/20-FY24/25)

Project name:	**Community Bridges - Lift Line Operations Facility**
Location:	**To be determined**
Description:	**Lift Line Administrative offices, maintenance facility,fleet parking**
Purpose/Need/Benefits:	**Purchase of property and construction/renovation of a operations facility that will house the entire CTSA Lift Line operations in one location. We had originally planned on purchasing land after year 5 and building out a new facility. Our current ammended plan includes the purchase of a very suitable $3M property that we are currently under contract to purchase, with an estimated additional $2.8M of renovations and other expenses. We will utilize current Measure D facility reserve funds for the down payment, along with owner and bank financing. Measure D funds will be utilized in the renovation costs and other associated expenses.** **New Facility to include the following but not limited to;** **1) Operational offices** **2) Dispatch & Intake station** **3) Driver holding area (extra board) and lockers.** **4) Breakroom** **5) Maintenance shop** **6) Proper Vehicle Hoists (Large Bus & Mini Vans)** **7) Electric Charging / Fuel Station (time and money)** **8) Wash Station** **9) Shop Ventilation System** **10) Hazardous Waste storage** **11) Solar Bus Ports**

	Envir. Review	Design	Acquisition	Renovation	Contingency/ Fees	Total
Schedule	2019-2021	2019-2021	2019-2020	2019-2024	2019-2024	
Total Cost by Phase	**$ 124,297**	**$ 202,903**	**$ 3,000,000**	**$ 2,200,000**	**$ 272,250**	**$ 5,799,450**
Measure D Funds	$ 124,297	$ 202,903	$ 750,000	$ 1,542,135		$ 2,619,335
Fund - Capital Campaign/ Donations					$ 272,250	$ 272,250
Fund - Commercial Loan/Owner Financing			$ 2,250,000	$ 657,865		$ 2,907,865

Other Info:

Personnel/Consultants:	
Personnel	76,810
Legal	7,500
Bidding Expense	6,500
Pre-Development:	
Architecture Design	202,903
Survey / Engineering	43,200
Permits, Inspections and Fees	16,524
Acquisition:	
Purchase of Property	3,000,000
Construction/Renovation:	
Construction / Renovation	2,200,000
Permits, Inspections and Fees	64,573
Equipment / Furnishings	75,000
Contingency / Utility Fees	106,440
Total Preliminary Cost	**5,799,450**

Attachment A6

Measure D: 5-Year Plan (FY19/20-FY24/25)

Project name:	**Community Bridges - Lift Line Vehicle and Equipment Acquisition**
Location:	**N/A**
Description:	**Lift Line Paratransit Vechicles & Equipment**
Purpose/Need/Benefits:	**Fund reserves that can be used vehicle procurement projects, including fleet vehicles that cannot be funded through 5310, replace ageing and or worn shop equipment, improvements and or upgrades to maintenance/operations facility. Provide project matchign funds to leverage state funding.** **1) CARB Project. Procurement of 2 Electric Busses and the installation of 2 lever II charging stations. Measure D to provide matching funding to a CARB grant.** **2) LCTOP Electric vehicle and 2 level III charging stations, CTSA to experiment going green, alternative fuels, environmentally friendly vehicle program.** **3) Vehicle Reserve Fund for addtional grant funded matching funds.** **4) Replace old and worn shop equipment such as vehicle hoist, rolling bridge jacks, tire mounting equipment. (Shop equipment is no longer funded through 5310).** ***5) Maintenance of current leased facility, with improvements such as install better lighting, new hot water heater, fix leaking roof, and make upgrades to building, bathrooms and offices.***

	CARB Project	LCTOP	Vehicle Reserve		Total
Schedule (estimated)	2019-2020	2019-2020			
Total Cost by Phase	**$ 360,592**	**$ 448,721**			**$ 809,313**
Measure D Funds	$ 62,000	$ 41,166	$ 71,834		$ 175,000
Matching Funds					
	2 16 pass E-buss, 2 lvl II chargers	10 pass E-bus, 2 lvl III chargers	future projects and matching funds		

Other Info ***(e.g. map, photos, etc)***

Attachment B1

COMMUNITY BRIDGES
PUENTES DE LA COMUNIDAD

BOARD OF DIRECTORS

Wednesday, September 18, 2019

5:00 PM to 7:30 PM

Sutter/PAMF Education and Support Center, 2200 Soquel Avenue, Santa Cruz

Approved Minutes

Members: Amy McEntee, Lee Slaff, Martin Bernal, Richard Vasquez, Jack Jacobson, Stephanie Connor Kent, Nicolette Lee,
Staff: Ray Cancino, Seth McGibben, Julie Gilbertson, Lois Sones, Lisa Berkovitz, Anna Vaage, Lisa Hindman Holbert,
Notes: Tonje Switzer

4:30 Dinner

5:00 1. CLOSED SESSION

5:57 2. Adjourn Closed Session

5:57 3. Call to Order/Establish Quorum

5:57 4. Agenda Review

5:58 5. Announcements/Program Updates

CEO noted that Elderly & Disabled Transportation Advisory Committee (E&D TAC) is looking for members which offers an opportunity for BOD members to get involved in senior advocacy. Lisa HH noted the Early Care and Education master plan is adopted by CDD centers. Contracted programs are now allowed professional development days. The Fairgrounds facility is being reroofed and the work will be done in a few weeks.

6:01 6. *CONSENT AGENDA – *Action Items* *(5 min)*

In approving the consent agenda, the Board is approving recommendations within each committee's minutes listed below.

6.1 Draft Minutes of the June 19, 2019 Board Meeting*

a) Richard/Jack moved to approve the self-evaluation report as presented. MSP

b) Richard/Jack moved to approve Resolution 2019-06-01 CDE as presented. MSP

c) Nicolette/Pam moved to approve the 19/20 Development Plan as presented. MSP

d) Nicolette/Stephanie moved to approve the 19/20 Budgets as presented. MSP

6.2 Draft Minutes of the July 11, 2019 Finance Committee Meeting*

6.3 Draft Minutes of the July 11, 2019 Governance Committee Meeting*

6.4 Draft Notes of the July 24 Development Committee Meeting*

Attachment B2

6.5 Draft Minutes of the August 8, 2019 Finance Committee Meeting*

6.6 Draft Minutes of the August 8, 2019 Governance Committee Meeting*

a. Lee /Pam moved to approve Resolution 2019-08-01_CA Department of Transportation. MSP.

6.7 Draft Notes of the September 11 Development Committee*

6.8 Draft Minutes of the September 12, 2019 Governance Committee Meeting*

Lee/Jack moved to approve Motion to approve signing of Resolution 2019-09-01. MSP.

6.9 Draft Minutes of the September 12, 2019 Finance Committee Meeting*

Jack /Lee moved to recommend approval of the 19/20 FY Budget. MSP.

Due to lack of quorum, the motion to pass the consent agenda will be added to an e-vote to be sent out by Tonje following the meeting.

6:02 7. Receive comments from members of the public on "Items not on the Agenda"

None

6:02 8. Agency Business – Ray Cancino

8.1 HCA Nonprofit Wage and Benefit Survey – Report out/Discussion

The final Report was distributed to all participating agencies last week. We are scheduling a forum on November 18 to discuss findings where stakeholders, funders, and potential stakeholders are invited. BOD is encouraged to attend. Major findings include that nonprofit workers are twice as likely to utilize social services than the average county resident, and that 62% are working a second job to make ends meet. A second forum will include experts from other areas that have been successful in similar endeavors.

8.2 ***Action Item*** *- Resolution #2019-09-01, Senior Council/Area Agency on Aging Funding Contract 1920-02**

Due to lack of quorum, the motion to approve Resolution #2019-09-01 will be added to an e-vote to be sent out by Tonje following the meeting.

8.3 Senior Strategy Session – Ray Cancino

a) Recap of June discussion

Questions were raised about how to strategize pointed efforts to achieve the greatest impact. We received more feedback from GC and reviewed at MT.

b) Senior Communication Plan

Management team discussed clarity around the issue, potential partners, and tools. Suggestions include focusing on a Phase 1 and a Phase 2 with a total cost of $66K. We need BOD representation on commission meetings, and we would like BOD Members to sign up by next meeting. This would support requests for increasing state and federal funding.

8.4 2019 EE Survey Comparative Analysis

The survey results pointed to three major opportunities;

- Advocacy

  While many employees report that they know that advocacy is important for program financial health they also report that they don't know that advocacy is part of their job. We are working to realize an Advocacy Response Team with 5 employees on it.

Attachment B3

- Engagement
  One CB employee of the month will be recognized for exemplifying agency values.
- Performance and Feedback.
  We are working on standardizing an MT approach for receiving and giving feedback.

Report back to employees about founding and how we will respond will keep the feedback loop alive.

6:23 9. Development Report– Anna Vaage

9.1 Development Report

The Development Committee is meeting regularly and is recruiting members.

a) Progress Report for August 2019

We raised almost exactly the same amount in 18/19 as the prior year even with a projected 5% decrease due to changes in federal tax law. There has been an increase in BOD contributions and solicitations.

9.2 Farm to Fork – Update

Anna presented on F2F revenues and expenses, showing there is room to grow in sponsorships. We will be looking for a larger space for next years' event. The F2F Fund-a-Need grew from $15K-$21K. We saw $5K less in expenses by not renting the tent. A record $29K is allocated to the programs. The 10/25 Mountain Affair is up on the events page of the CB website, and Anna will also email information to BOD members.

6: 34 10. Finance Committee Update – Doug Underhill (15 min)

10.1 ****Action Item** - 19/20 Agency Roll-up Budget review**

Doug noted that the current year end budget has more detail than what was presented in June. Represented are program services including WIC vouchers and CACFP pass-through funding. WIC vouchers are dropping from $400K-$500K due to a reduction in birth rate coupled with the political climate. CFO noted the state augmentation for MOW and the RTC funding for LL. Reclassification is in process as we prepare for the $15/hour wage mandates. Several employees waived healthcare. We are seeing increased expenditures in professional consultants, especially within contracts related to properties. MOW, LL, MCR, NVCR, and CDD is seeing growth. WIC has traditionally been the largest CB program and is now overtaken by LL. CDD is using a new multiplier on child reimbursement claim. As agency we hit the 1% reserve goal. We saw a combined $700k gain in fixed assets from LL vehicles and property. Budget Summary: There was little movement in the first month with a $17K overall gain besides the reserve contributions that carry over.

Due to lack of quorum, the motion to approve the 19/20 Agency Roll-up Budget will be added to an e-vote to be sent out by Tonje following the meeting.

6:57 11. Written Reports

11.1 Development

11.2 Financial Report from the September 12, 2019 Finance Committee Meeting

Attachment B4

11.3 Program Reports from MOW

6:58 12. Newspaper Articles

6:58 13. Items for Next Agenda

6:58 14. Adjourn Regular Meeting

Next Meeting:

Wednesday, November 13, 2019

5:00 PM to 7:30 PM

Location: Sutter/PAMF Education and Support Center, 2200 Soquel Avenue, Santa Cruz

Attachment B5

COMMUNITY BRIDGES
PUENTES DE LA COMUNIDAD

BOARD OF DIRECTORS

Wednesday, November 20, 2019

5:00 PM to 7:30 PM

Sutter/PAMF Education and Support Center, 2200 Soquel Avenue, Santa Cruz

Draft Notes

Members Present: Shannon Brady, Stephanie Connor Kent, Sarah Siegel, Pam Fields, Jack Jacobson, Richard Vasquez, Lee Slaff, Nicolette Lee, Martin Bernal, Amy McEntee
Staff Present: Ray Cancino, Seth McGibben, Doug Underhill, Julie Gilbertson, Anna Vaage, Lois Sones, Lisa Berkowitz, Roxanne Moore, Amy Hanley, Lisa Hindman Holbert
Excused Absences: Steve McKay, Katy King
Minutes: Tonje Switzer

4:30 Dinner

5:00 1. CLOSED SESSION

6:20 2. Adjourn Closed Session

6:23 3. Call to Order/Establish Quorum (1 min)

6:16 4. Agenda Review (4 min)

6:24 5. Announcements/Program Updates (5 min)

Members are needed for the Elderly & Disabled Transportation Advisory Committee (E&D TAC) that meets at 1:30 pm on the second Tuesday of even numbered months. Roxanne noted that there a FRC-wide economic literacy program with support from Santa Cruz Community Credit Union is underway. We are hiring a counseling coordinator and two interns for the counseling program. The facility updates are moving along. We are advertising for a new Program Manager at LOCR and a half-time program coordinator while laying off one staff member. Lois noted that the Veterans Affair administration is now reimbursing at the same rate as the alliance, which makes a big difference in program income. ELD has hired two RNs after a 15-month search. LL saw a $21K increase in TDA funding this year. STA funding was $100K last year and next year. LCTOP will fund one more vehicle each year for the next three years making total investment over $1MM.

6:31 6. *CONSENT AGENDA – *Action Items* *(5 min)*

In approving the consent agenda, the Board is approving recommendations within each committee's minutes listed below.

Attachment B6

7.1 Draft Minutes of the September 18, 2019 Board Meeting*

a. *Motion to approve 9/18/19 Regular Session Consent Agenda as presented, including approval of all notes and motions passed within those notes. This motion was passed unanimously through e-vote with a 100% participation.*

b. *Motion to approve Resolution #2019-09-01, Senior Council/Area Agency on Aging Funding Contract 1920-02. This motion was passed unanimously through e-vote with a 100% participation as required by Robert's Rules. This motion was passed unanimously through e-vote with a 100% participation.*

c. *Motion to accept the updated Community Bridges 19/20 FY Budget as recommended by the Finance Committee. This motion was passed unanimously through e-vote with a 100% participation.*

7.2 Draft Notes of the October 9, 2019 Development Committee Meeting*

7.3 Draft Minutes of the October 17, 2019 Finance Committee Meeting*

7.4 Draft Minutes of the October 17, 2019 Governance Committee Meeting*

7.5 Draft Notes of the November 13, 2019 Development Committee Meeting*

7.6 Draft Minutes of the November 14, 2019 Finance Committee Meeting*

7.7 Draft Minutes of the November 14, 2019 Governance Committee Meeting*

Lee and Nicolette moved to approve the minutes as presented. MSP

6:30 8. Receive comments from members of the public on "Items not on the Agenda"

6:35 9. Agency Business – Ray Cancino (35 min)

9.1 Lift Line Move - Update

LL is 95% moved into Ohlone Parkway. The last and final project is repaving. The City of Watsonville is questioning the business license due to land use issue even though they have signed off on land use. We are in conversations with the City, awaiting approval.

CB is also completely out of 236 Santa Cruz Avenue and has completed the work at the location.

9.2 Senior Communication Plan – Amy Hanley

Amy gave an update on the progress, noting that the team met with the Senior Services Advocacy Committee to everyone are onboard with the plan on how to increase awareness about senior issues.

a. Next Steps

Development will build a draft toolkit and present it to the committee for their next meeting in December. The final communication plan will be further influenced by survey results in February for a late March launch.

6:38 10. Development Report– Anna Vaage / Amy Hanley (20 min)

10.1 Development Report

The October program report represents 29% of the annual goal reached with 33% of the year lapsed. Last year we received a large gift early in the year and we are expecting to catch up to last year's numbers. Mountain Affair revenue is slightly lower than prior years. We have seen an 11% growth on grant proposals with over $830K in new funds secured. Year-end fundraising

Attachment B7

is underway with the calendar in the mail this week. Giving Tuesday is on Tuesday 12/3. The MOW Lautman mailer received $30K within the first two weeks. Food From the Heart, Community Champions, and the Coin Drive are all in the Spring. The Friend of MOW committee needs members. Lisa B. noted that MOW was selected to receive proceeds from Aptos Rotary again. Last year the event brought in $29K in donations.

10.2 Giving Tuesday Ambassador Guide – Amy Hanley

Giving Tuesday is a large opportunity to raise funds for the whole agency. Amy asked BOD to be an ambassador for CB, and shared the guide for how anyone can start their own campaign. The guide has instructions for sharing and retweeting, for posting pre-written posts and images, for adding a Giving Tuesday frame, and for adding a donation sticker to an Instagram story. Anna noted that we are still looking for a match donor up to $2K.

6:48 11. Finance Committee Update – Doug Underhill

We ended the 1st quarter with Program gains of $118K, which does include projected reserve contributions approved in the 19-20 budget. 37K of new Census funding is being operated in the Admin budget. CDD saw a sizable month to month gain. We received an additional 21K in FY 18-19 TDA funding and the TDA funding for FY 19-20 has been increased to 777K, an increase of 43K. Compared to our BOD approved budgets we have seen nearly 200K in additional funding. On the Balance Sheet and Income Statement ending Sept 30, 2019, we are seeing a net positive of $75 K. Our financial ratios have seen some stress since the Ohlone acquisition, but have seen slight improvements since year fiscal year end. There is a need to reassess how the appropriate ratios utilized to measure acceptability, as they were initially based on operations, prior to ownership of properties. CFO will bring recommendations for ratios calculations to FC. Operationally and financially it was a solid first quarter of fiscal year 19-20.

6:53 12. Written Reports

12.1 Development Progress Report for October 2019

12.2 Financial Report from the November 14, 2019 Finance Committee Meeting

12.3 Financial Report from the October 17, 2019 Finance Committee Meeting

12.4 Program Reports from Elderday, FRCs

6:54 13. Newspaper Articles

6:54 14. Items for Next Agenda

6:54 15. Adjourn Regular Meeting

Next Meeting:

Wednesday, January 15, 2020

5:00 PM to 7:30 PM

Location: Sutter/PAMF Education and Support Center, 2200 Soquel Avenue, Santa Cruz

Attachment C1

Santa Cruz County Regional Transportation Commission's
Elderly & Disabled Transportation Advisory Committee
(Also serves as the Social Service Transportation Advisory Council)

AGENDA

1:30pm - 3:30pm

Tuesday, April 9, 2019

Regional Transportation Commission Santa Cruz Office
1523 Pacific Avenue, Santa Cruz, CA, 95060 (2nd Floor)

1. **1:30pm — Call to Order**
2. **1:30pm — Introductions**
3. **1:35pm — Oral communications**
4. **1:40pm — Additions or deletions to the consent or regular agenda**

1:42pm- CONSENT AGENDA

All items appearing on the consent agenda are considered to be minor or non-controversial and will be acted upon in one motion if no member of the E&D TAC or public wishes an item be removed and discussed on the regular agenda. Members of the E&D TAC may raise questions, seek clarification or add directions to Consent Agenda items without removing the item from the Consent Agenda as long as no other E&D TAC member objects to the change.

5. **Approve Minutes from February 12, 2019 — pg. 4**
6. **Receive Transportation Development Act Revenues Report — pg. 11**
7. **Receive RTC Meeting Highlights — pg. 12**
8. **Receive Information Items — pg. 14**
    a. RTC/Cruz511 Social Media Posts, March 2019. – pg. 14
    b. *Shared Mobility and the Transformation of Public Transit.* Shared Use Mobility Center & American Public Transportation Association, 2016, www.apta.com/resources/reportsandpublications/Documents/APTA-Shared-Mobility.pdf. – pg. 15
    c. Jay Walljasper, "Focusing on Rural Livability," *AARP Livable Communities,* March 2019. – pg. 22
    d. Patrick J. Kliger and Melissa Stanton, "Providing Rides Along Rural Roadways," *AARP Livable Communities,* March 2019. – pg. 34

Attachment C2

e. Jeff Speck, "Why Walkable Communities Are the Best Communities for Older Adults," *AARP Livable Communities,* October 2018. - pg. 38
f. Ariel Gans, "Vision Zero Spurs Action Across the Bay," *The Bay City Beacon,* March 26, 2019. - pg. 41

9. **Receive Pedestrian Hazard Report Summary — pg. 47**

10. **Recommend that the Regional Transportation Commission approve reappointment to the E&D TAC Committee — pg. 51**

11. **Accept correspondence from the public — None**

REGULAR AGENDA

12. **1:55 pm — Receive Program Updates — pg. 54**
    a. Volunteer Center — pg. 54
    b. Community Bridges
    c. Santa Cruz Metro — Santa Cruz Metro Modified Title VI Policy System-Wide Service Standards (2/22/19 Metro Board Agenda 16.1 pg. 339)
    d. SCCRTC
    e. Pedestrian Safety Workgroup — pg. 55
    f. Other

13. **2:05 pm — Appointment of Chair and Vice Chair — pg. 57**

14. **2:10 pm — Metro FY19/20 & 20/21 Budget Presentation - pg. 58**

15. **2:25 pm — 2019 Unmet Paratransit and Transit Needs List — pg. 143**

16. **2:35 pm — City of Capitola - Brommer St. Complete Streets Improvements — pg. 154**

17. **2:50 pm — Transportation Development Act Claim for Volunteer Center — pg. 173**

18. **2:55 pm — Transportation Act Claim for Community Bridges — pg. 185**

19. **3:00 pm — Transportation Act Claim for Santa Cruz Metropolitan Transit District — pg. 204**

20. **3:10 pm — Measure D: Direct Allocation to Community Bridges Lift Line Five-Year Plan — pg. 229**

21. **3:20 pm- Measure D: Regional Five-Year Plan — pg. 236**

Attachment c3

22. 3:30 pm — Adjourn
Next meeting: 1:30 pm, June 11, 2019 @ City of Watsonville Community Room B, 275 Main Street, Suite 400, 4th Floor.

HOW TO REACH US

Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue, Santa Cruz, CA 95060
Phone: (831) 460-3200 / fax (831) 460-3215
Email: info@sccrtc.org / website: www.sccrtc.org

ACCOMMODATIONS FOR PEOPLE WITH DISABILITIES

The Santa Cruz County Regional Transportation Commission does not discriminate on the basis of disability and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. This meeting location is an accessible facility. If you wish to attend this meeting and require special assistance in order to participate, please contact RTC staff at 460-3200 (CRS 800/735-2929) at least three working days in advance of this meeting to make arrangements. People with disabilities may request a copy of the agenda in an alternative format. As a courtesy to those person affected, please attend the meeting smoke and scent-free.

SERVICIOS DE TRADUCCIÓN/TRANSLATION SERVICES

Si gusta estar presente o participar en esta junta de la Comisión Regional de Transporte del condado de Santa Cruz y necesita información o servicios de traducción al español por favor llame por lo menos con tres días laborables de anticipo al (831) 460-3200 para hacer los arreglos necesarios. (Spanish language translation is available on an as needed basis. Please make advance arrangements (at least three days in advance by calling (831) 460-3200.

TILE VI NOTICE

The RTC operates its programs and services without regard to race, color and national origin in accordance with Title VI of the Civil Rights Act. Any person believing to have been aggrieved by the RTC under Title VI may file a complaint with RTC by contacting the RTC at (831) 460-3212 or 1523 Pacific Avenue, Santa Cruz, CA, 95060 or online at www.sccrtc.org. A complaint may also be filed directly with the Federal Transit Administration to the Office of Civil Rights, Attention: Title VI Program Coordinator, East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE, Washington, DC 20590.

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Attachment D1

AGENDA: April 9, 2019

TO: Elderly and Disabled Transportation Advisory Committees

FROM: Grace Blakeslee, Transportation Planner

RE: Measure D: Community Bridges/Lift Line Five-Year Plan

RECOMMENDATIONS

Staff recommends that the Elderly and Disabled Transportation Advisory Committee (E&D TAC) review the Five-Year Plan for the Measure D: Transit Seniors and People Living with Disabilities investment category direct allocation to Community Bridges Lift-Line paratransit service.

BACKGROUND

Measure D, the transportation ballot measure passed by more than a 2/3 majority of Santa Cruz County voters on November 8, 2016, provides funding for five categories of projects: neighborhood projects (30% of net measure revenues), highway corridors (25%), transportation for seniors and people with disabilities (20%), active transportation (17%), and preservation and analysis of the rail corridor (8%).

Each agency receiving Measure D revenue is required to annually develop, update, and hold a public hearing to adopt a five-year program of projects, identifying how they will deliver Measure D projects in the upcoming five years. After the close of each fiscal year, agencies must submit an annual report describing actual expenditures, progress made to improve the transportation system, how maintenance of effort requirements have been met to ensure Measure D revenues are supplementing (not supplanting) other revenues, and the degree that Measure D funds were used to secure additional funding from other sources (leveraging other funds).

DISCUSSION

Twenty percent of net Measure D revenues are designated for the Transit for Seniors and People Living with Disabilities category. Four percent of revenues are allocated to the Consolidated Transportation Services Agency (CTSA) for Santa Cruz County for paratransit service. Community Bridges-Lift Line serves as the CTSA for Santa Cruz County. The remaining 16% of net Measure D revenues under the Transit for Seniors and People Living with Disabilities investment category are allocated to the Santa Cruz Metropolitan Transit District. As noted in the Expenditure Plan, paratransit services work with social service agencies to increase

transportation options for seniors, individuals with disabilities, and persons with low incomes.

The Measure D five-year funding projection (FY19-FY29) for direct allocation to Community Bridges-Lift Line is estimated to be $4,277,220 for the five-year period with an average annual distribution of $855,444 (Attachment 1). The draft five-year plan covering the period FY19-20 through FY24-25 for the direct allocation of Measure D to Community Bridges-Lift Line paratransit services is attached (Attachments 2-3). The draft five-year plan distributes the direct allocation as follows:

- 32% for two driver positions to provide door-to-door service for elderly and/or physically or mentally limited and/or ill passengers. Drivers operate the vehicles, keep simple records, and maintain the van in a clean, safe, and orderly condition and perform other related work as required;
- 9% for a new van driver trainer who will supervise van drivers and provide all phases of training for drivers, including preparing van driver trainees for promotion to van driver and ongoing retraining;
- 8% for an administrative assistant and dispatcher to provide administrative support including clerical support, receiving and screening telephone calls, maintaining records, preparing statistics reports, correspondence and coordination of tasks and scheduling when needed to provide support to the van drivers;
- 1% for outreach and publicity to provide materials and videos to promote paratransit ride availability;
- 46% for operations and facility reserve to purchase property and construct an operations facility that will house the entire Lift Line operations in one location or for increases in facility leases, including relocation if needed (Attachment 3); and,
- 4% for vehicle and equipment reserve to purchase two new fleet vehicles, and replace aging and worn shop improvement or upgrades to the maintenance and operations facility (Attachment 3).

Community Bridges-Lift Line is the only agency receiving a direct allocation of Measure D fund that is not a public agency. Review and approval of Community Bridges Lift Line Measure D five-year plan will be overseen by the Regional Transportation Commission (RTC) and included in the RTC's public review process.

RTC staff recommends that the Elderly and Disabled Transportation Advisory Committee review and provide input on this plan. The RTC board is scheduled to review Community Bridges-Lift Line Measure D five-year plan at the May 2, 2019 RTC meeting and then considered approval following a public hearing at its June 6, 2019 meeting. This plan will be adjusted annually based on updated project schedule and cost information, as well as information on any grants and other funds agencies are able to secure for the projects. Since annual revenues are sometimes insufficient for larger projects, agencies sometimes need to carry over or "bank" revenues to future years.

Attachment D3

SUMMARY

Measure D requires recipient agencies to annually prepare and update a five-year program of projects, identifying how agencies plan to spend Measure D funds. Staff recommends that the Elderly and Disabled Transportation Advisory Committee (E&D TAC) review and provide input on the Five-Year Plan for the Measure D: Transit Seniors and People Living with Disabilities investment category direct allocation to Community Bridges Lift-Line paratransit service.

Attachments:

1. Measure D Transactions & Use Tax 30-year Revenue Projections for 2019
2. Community Bridges Lift Line Paratransit Service 5-year program of projects
3. Community Bridges Lift Line Major Project: Lift Line Operations Facility and Lift Line Vehicle and Equipment Acquisition 5-year plans

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Attachment D4

E&D TAC April 9, 2019 - Item 20 Attachment 1

Measure D Transactions & Use Tax - Possible 30-year Revenue Projections for 2019

					Distribution of Neighborhood Projects Bucket										
Fiscal Year	Annual Estimate	Implemt, Mgmt & Admin	Net for Allocation	Neighborhood Projects 30%	Highways 9 & 17 $15Mtotal	Capitola	Santa Cruz	Scotts Valley	Watsonville	County Unincorp	Highway 25%	SC METRO 16%	Comm Bridges 4%	Trail 17%	Rail 8%
2016-17	***1,152,905***	***346,687***	***806,219***	***241,866***	***41,667***	***11,254***	***45,453***	***9,808***	***30,413***	***103,271***	***201,555***	***128,995***	***32,249***	***137,057***	***64,497***
2017-18	***20,736,450***	***550,282***	***20,186,168***	***6,055,851***	***500,000***	***312,311***	***1,261,406***	***272,192***	***844,000***	***2,865,941***	***5,046,542***	***3,229,787***	***807,447***	***3,431,649***	***1,614,893***
2018-19	20,100,705	684,024	19,416,681	5,825,004	500,000	299,260	1,210,523	260,824	808,873	2,745,524	4,854,170	3,106,669	776,667	3,300,836	1,553,334
2019-20	21,613,974	776,732	20,837,242	6,251,173	500,000	318,760	1,308,997	267,599	879,820	2,975,997	5,209,311	3,333,959	833,490	3,542,331	1,666,979
2020-21	21,894,956	786,830	21,108,126	6,332,438	500,000	326,300	1,325,858	280,934	888,074	3,011,272	5,277,032	3,377,300	844,325	3,588,381	1,688,650
2021-22	22,179,590	797,058	21,382,532	6,414,760	500,000	330,905	1,344,571	284,899	900,609	3,053,775	5,345,633	3,421,205	855,301	3,635,030	1,710,603
2022-23	22,467,925	807,420	21,660,505	6,498,151	500,000	335,571	1,363,528	288,916	913,307	3,096,830	5,415,126	3,465,681	866,420	3,682,286	1,732,840
2023-24	22,760,008	817,917	21,942,091	6,582,627	500,000	340,297	1,382,732	292,985	926,169	3,140,445	5,485,523	3,510,735	877,684	3,730,156	1,755,367
2024-25	23,055,888	828,549	22,227,338	6,668,202	500,000	345,084	1,402,185	297,107	939,199	3,184,626	5,556,835	3,556,374	889,094	3,778,648	1,778,187
2025-26	23,355,614	839,321	22,516,294	6,754,888	500,000	349,934	1,421,891	301,282	952,398	3,229,382	5,629,073	3,602,607	900,652	3,827,770	1,801,304
2026-27	23,659,237	850,232	22,809,006	6,842,702	500,000	354,847	1,441,853	305,512	965,769	3,274,720	5,702,251	3,649,441	912,360	3,877,531	1,824,720
2027-28	23,966,807	861,285	23,105,523	6,931,657	500,000	359,824	1,462,075	309,797	979,314	3,320,648	5,776,381	3,696,884	924,221	3,927,939	1,848,442
2028-29	24,278,376	872,481	23,405,895	7,021,768	500,000	364,865	1,482,559	314,137	993,035	3,367,172	5,851,474	3,744,943	936,236	3,979,002	1,872,472
2029-30	24,593,995	883,824	23,710,171	7,113,051	500,000	369,972	1,503,310	318,534	1,006,934	3,414,301	5,927,543	3,793,627	948,407	4,030,729	1,896,814
2030-31	24,913,717	895,313	24,018,403	7,205,521	500,000	375,145	1,524,331	322,988	1,021,014	3,462,043	6,004,601	3,842,945	960,736	4,083,129	1,921,472
2031-32	25,237,595	906,952	24,330,643	7,299,193	500,000	380,386	1,545,625	327,500	1,035,277	3,510,405	6,082,661	3,892,903	973,226	4,136,209	1,946,451
2032-33	25,565,684	918,743	24,646,941	7,394,082	500,000	385,694	1,567,196	332,071	1,049,725	3,559,397	6,161,735	3,943,511	985,878	4,189,980	1,971,755
2033-34	25,898,038	930,687	24,967,351	7,490,205	500,000	391,072	1,589,047	336,701	1,064,361	3,609,025	6,241,838	3,994,776	998,694	4,244,450	1,997,388
2034-35	26,234,712	942,785	25,291,927	7,587,578	500,000	396,520	1,611,182	341,391	1,079,188	3,659,298	6,322,982	4,046,708	1,011,677	4,299,628	2,023,354
2035-36	26,575,764	955,042	25,620,722	7,686,217	500,000	402,038	1,633,605	346,142	1,094,207	3,710,225	6,405,180	4,099,315	1,024,829	4,355,523	2,049,658
2036-37	26,921,248	967,457	25,953,791	7,786,137	500,000	407,628	1,656,319	350,955	1,109,421	3,761,814	6,488,448	4,152,607	1,038,152	4,412,145	2,076,303
2037-38	27,271,225	980,034	26,291,191	7,887,357	500,000	413,291	1,679,329	355,830	1,124,834	3,814,073	6,572,798	4,206,590	1,051,648	4,469,502	2,103,295
2038-39	27,625,751	992,775	26,632,976	7,989,893	500,000	419,027	1,702,638	360,769	1,140,446	3,867,012	6,658,244	4,261,276	1,065,319	4,527,606	2,130,638
2039-40	27,984,885	1,005,681	26,979,205	8,093,761	500,000	424,838	1,726,250	365,772	1,156,262	3,920,639	6,744,801	4,316,673	1,079,168	4,586,465	2,158,336
2040-41	28,348,689	1,018,755	27,329,934	8,198,980	500,000	430,725	1,750,169	370,840	1,172,283	3,974,963	6,832,484	4,372,789	1,093,197	4,646,089	2,186,395
2041-42	28,717,222	1,031,998	27,685,223	8,305,567	500,000	436,688	1,774,399	375,974	1,188,512	4,029,994	6,921,306	4,429,636	1,107,409	4,706,488	2,214,818
2042-43	29,090,546	1,045,414	28,045,131	8,413,539	500,000	442,729	1,798,943	381,175	1,204,952	4,085,740	7,011,283	4,487,221	1,121,805	4,767,672	2,243,611
2043-44	29,468,723	1,059,005	28,409,718	8,522,915	500,000	448,848	1,823,807	386,444	1,221,607	4,142,210	7,102,430	4,545,555	1,136,389	4,829,652	2,272,777
2044-45	29,851,816	1,072,772	28,779,044	8,633,713	500,000	455,046	1,848,994	391,780	1,238,477	4,199,415	7,194,761	4,604,647	1,151,162	4,892,438	2,302,324
2045-46	30,239,890	1,086,718	29,153,172	8,745,952	500,000	461,326	1,874,509	397,187	1,255,567	4,257,363	7,288,293	4,664,508	1,166,127	4,956,039	2,332,254
2046-47	28,080,258	1,100,845	26,979,413	8,093,824	458,333	427,173	1,735,736	367,782	1,162,615	3,942,184	6,744,853	4,316,706	1,079,177	4,586,500	2,158,353
Total	763,842,192	27,613,617	736,228,576	220,868,573	15,000,000	11,517,358	46,799,022	9,915,826	31,346,664	106,289,703	184,057,144	117,796,572	29,449,143	125,158,858	58,898,286

Notes

1. Initial estimate is based on Auditor Controller's estimate of TDA revenues after applying a historical comparison of TDA revenues to SC METRO's transactions and use tax. Beginning in FY 2019-20, the estimate is based on the forecast provided by HDL Services, RTC Measure D analysis, auditing and forecasting consultant.
2. A long-term growth of 1.3% is estimated based on the average historical growth of TDA revenues over a 17-year period, which have varied from -8.61% to 7.02%.
3. Implementation, management and administration costs are escalated by the assumed growth of the revenue of 1.3%.
4. The return to source variable is based on the existing transactions and use taxes for each of the cities as compared to the overall Measure D revenues generated to derive an estimate for the unincorporated area.
5. Actual funds received and distributed and actual costs are shown in bolded italic text.
6. FY 2046-47 reduced to 11 revenue payments from the state since one payment was received in FY 2016-17.

Attachment D5

E&D TAC April 9, 2019 - Item 20 Attachment 1

Measure D: 5-Year Plan (FY19/20-FY24/25)

Agency: ***Community Bridges - Lift Line*** ***19/20 - 24/25***

Project name	Description	Cost estimate 19/20	Cost estimate 20/21	Cost estimate 21/22	Cost estimate 23/24	Cost estimate 24/25	Cost estimate 5 year total	Total Measure D funds used since inception***	Other funds	Schedule (year)	Major project? * (yes/no)
Driver 1 (see note below**)	Additional driver to provide expanded hours of paratransit service	$ 119,025	$ 123,191	$ 127,503	$ 131,965	$ 136,584	$ 638,268	$ 878,541		2019-2020	No
Driver 2 (see note below**)	Additional driver to provide expanded hours of paratransit service	$ 119,025	$ 123,191	$ 127,503	$ 131,965	$ 136,584	$ 638,268	$ 878,541		2019-2020	No
Driver 3 (see note below**)	Part-time Additional driver to provide expanded hours of paratransit service				$ 47,132	$ 53,931	$ 101,063	$ 101,063		2019-2020	No
Driver Trainer	To support safety and service training for paratransit drivers	$ 69,504	$ 73,080	$ 77,011	$ 79,706	$ 82,496	$ 381,798	$ 482,507		2019-2020	No
Executive Assistant/Dispatcher	To suppost additional paratransit rides	$ 60,373	$ 63,661	$ 67,274	$ 69,628	$ 72,065	$ 333,001	$ 433,380		2019-2020	No
Outreach/Publicity	Materials and videos to promote paratransit ride availability	$ 5,848	$ 5,848	$ 5,848	$ 6,023	$ 6,023	$ 29,591	$ 38,844		2019-2020	No
Consultants / Project Managers	Facility project management-architects, environ review, design	$ 41,725	$ 45,354	$ 45,163			$ 132,242	$ 132,242		2019-2020	No
Operations Facility	Reserve for projected Acquisition, contruction and/or renovation expenses	$ 382,990	$ 375,000	$ 370,000	$ 365,000	$ 355,000	$ 5,799,450	$ 2,619,335	Bank/additional financing for 55% remaining purchase/renov	2019	Yes
Vehicle Equipment Reserve	Vehicle replacement, matching funds, project procurement and implimentation	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 175,000	$ 235,000		2019	No
		$ 833,490	$ 844,325	$ 855,301	$ 866,420	$ 877,684	$ 8,228,680	$ 5,799,452			

**Operating costs include driver support (Mechanic, IT Support, Fleet manager, Program Supervisor) salaries and fringes, vecbicle operations such as vehicle maintenance and repair, fuel, vehicle Insurance, communications expenses, as well as

Attachment D6

Measure D: 5-Year Plan (FY19/20-FY24/25)

Project name:	**Community Bridges - Lift Line Vehicle and Equipment Acquisition**
Location:	**N/A**
Description:	**Lift Line Paratransit Vechicles & Equipment**
Purpose/Need/Benefits:	**Fund reserves that can be used vehicle procurement projects, including fleet vehicles that cannot be funded through 5310, replace ageing and or worn shop equipment, improvements and or upgrades to maintenance/operations facility. Provide project matchign funds to leverage state funding.** **1) CARB Project. Procurement of 2 Electric Busses and the installation of 2 lever II charging stations. Measure D to provide matching funding to a CARB grant.** **2) LCTOP Electric vehicle and 2 level III charging stations, CTSA to experiment going green, alternative fuels, environmentally friendly vehicle program.** **3) Vehicle Reserve Fund for addtional grant funded matching funds.** **4) Replace old and worn shop equipment such as vehicle hoist, rolling bridge jacks, tire mounting equipment. (Shop equipment is no longer funded through 5310).** ***5) Maintenance of current leased facility, with improvements such as install better lighting, new hot water heater, fix leaking roof, and make upgrades to building, bathrooms and offices.***

	CARB Project	LCTOP	Vehicle Reserve		Total
Schedule (estimated)	2019-2020	2019-2020			
Total Cost by Phase	**$ 360,592**	**$ 448,721**			**$ 809,313**
Measure D Funds	$ 62,000	$ 41,166	$ 71,834		$ 175,000
Matching Funds					
	2 16 pass E-buss, 2 lvl II chargers	10 pass E-bus, 2 lvl III chargers	future projects and matching funds		

Other Info ***(e.g. map, photos, etc)***

Attachment D7

E&D TAC April 9, 2019 - Item 20 Attachment 3

Measure D: 5-Year Plan (FY19/20-FY24/25)

Project name:	**Community Bridges - Lift Line Operations Facility**
Location:	**To be determined**
Description:	**Lift Line Administrative offices, maintenance facility,fleet parking**
Purpose/Need/Benefits:	**Purchase of property and construction/renovation of a operations facility that will house the entire CTSA Lift Line operations in one location. We had originally planned on purchasing land after year 5 and building out a new facility. Our current ammended plan includes the purchase of a very suitable $3M property that we are currently under contract to purchase, with an estimated additional $2.8M of renovations and other expenses. We will utilize current Measure D facility reserve funds for the down payment, along with owner and bank financing. Measure D funds will be utilized in the renovation costs and other associated expenses.** **New Facility to include the following but not limited to;** **1) Operational offices** **2) Dispatch & Intake station** **3) Driver holding area (extra board) and lockers.** **4) Breakroom** **5) Maintenance shop** **6) Proper Vehicle Hoists (Large Bus & Mini Vans)** **7) Electric Charging / Fuel Station (time and money)** **8) Wash Station** **9) Shop Ventilation System** **10) Hazardous Waste storage** **11) Solar Bus Ports**

	Envir. Review	Design	Acquisition	Renovation	Contingency/ Fees	Total
Schedule	2019-2021	2019-2021	2019-2020	2019-2024	2019-2024	
Total Cost by Phase	**$ 124,297**	**$ 202,903**	**$ 3,000,000**	**$ 2,200,000**	**$ 272,250**	**$ 5,799,450**
Measure D Funds	$ 124,297	$ 202,903	$ 750,000	$ 1,550,000		$ 2,627,200
Fund - Capital Campaign/ Donations					$ 272,240	$ 272,240
Fund - Commercial Loan/Owner Financing			$ 2,250,000			$ 2,250,000

Other Info:

Personnel/Consultants:	
Personnel	76,810
Legal	7,500
Bidding Expense	6,500
Pre-Development:	
Architecture Design	202,903
Survey / Engineering	43,200
Permits, Inspections and Fees	16,524
Acquisition:	
Purchase of Property	3,000,000
Construction/Renovation:	
Construction / Renovation	2,200,000
Permits, Inspections and Fees	64,573
Equipment / Furnishings	75,000
Contingency / Utility Fees	106,440
Total Preliminary Cost	**5,799,450**

Attachment E1

Press Contact:
Amy Hanley, Marketing and Communications Manager
831-688-8840 x285 | amyh@cbridges.org

COMMUNITY BRIDGES
PUENTES DE LA COMUNIDAD

FOR IMMEDIATE RELEASE: August 23, 2019

Community Bridges Purchases Property to House Lift Line Fleet

Watsonville, Calif. — Community Bridges, one of the largest nonprofit agencies in Santa Cruz County, has purchased property on Ohlone Parkway in Watsonville, CA to serve as the hub for its Lift Line fleet. Lift Line provides over 60,000 door-to-door rides a year to seniors and people with disabilities in need of medical transportation throughout the region of Monterey, Santa Clara, Santa Cruz and San Francisco. Lift Line is also the first and only transit organization currently operating electric vehicles (EVs) in Santa Cruz County.

Previously Lift Line was renting property on Ford Street in Watsonville, but this new property will provide a permanent location for Lift Line's fleet of 17 vehicles. "Our purchase of the Ohlone Parkway property is exciting for both Community Bridges and the City of Watsonville," states Ray Cancino, Community Bridges CEO. "This purchase has ensured permanency to the transportation service and will allow us to continue to provide critically needed free transportation for low income seniors and people with disabilities. It will also allow us to be more environmentally responsible." Community Bridges' plans for the property include installing publicly available charging stations for EVs and building a solar canopy to power both the building and its vehicles. "We are in it for the long-term benefit to our community," explains Cancino, "Our purchase of the property, along with our conversion to electric vehicles, will contribute to reducing greenhouse gas emissions and have a positive impact on the environment in South County and within a California Air Resources Board (CARB) defined Disadvantaged Community and only as a result of Measure D investment."

Lift Line plans to occupy the building starting in October 2019 after 300K of renovations have been completed. The renovation work is being done through local investment in local businesses. "Non- profits are driving big systems changes and improving our community faster than others sectors," said Cancino.

ABOUT LIFT LINE
Lift Line, a program of Community Bridges, provides over 60,000 door-to-door rides a year to seniors and people with disabilities, allowing these Santa Cruz County residents to maintain their independence. Lift Line services include medical transportation and rides to Meals on Wheels dining sites and Elderday. Lift Line services are also available for private events.

ABOUT COMMUNITY BRIDGES
Community Bridges envisions a thriving community where every person has the opportunity to unleash their full potential. Together, our family of programs delivers essential services,

Attachment E2

provides equitable access to resources, and advocates for health and dignity across every stage of life. To learn more, please visit www.communitybridges.org.

The Community Bridges family of programs includes the Child & Adult Care Food Program, Child Development Division, Women, Infants and Children (WIC), La Manzana Community Resources, Live Oak Community Resources, Mountain Community Resources, Nueva Vista Community Resources, Elderday Adult Day Health Care, Lift Line and Meals on Wheels for Santa Cruz County.

Att. F1

COMMUNITY BRIDGES
PUENTES DE LA COMUNIDAD

MAKING A DIFFERENCE TOGETHER

June 12, 2020

TEACHING LOVE TO THE NEXT GENERATION

Many of us have read the famous quote by Nelson Mandela, *"No one is born hating another person because of the color of his skin, or his background, or his religion. People must learn to hate, and if they can learn to hate, they can be taught to love, for love comes more naturally to the human heart than its opposite."* Now, more than ever, this fundamental truth requires us to actively and intentionally pass it on to the next generation.

Community Bridges is investing in the future generation. Children learn about racial bias from an early age and many children become set in their beliefs by age 12. The community is an important support for parents in teaching children how to deal with, and react to, racial differences. Our children and youth programs not only support children's physical health with access to nutritious food, but provide affordable access to education and experiential learning in inclusive environments the promote dialogue and cultural learning opportunities.

Summer Lunch: Children and youth aged 18 and under can get free lunches this summer at 12 sites throughout Santa Cruz County! Free meals will be provided to all children, without eligibility documentation. Sponsored by **La Manzana Community Resources.**

Dates: June 8 – early/mid August
Days and Times: Monday – Friday from 12:00PM-1:00PM
Locations: Text: **Lunches** to **1 (833) 421-0991** to find a location near you

Summer Fun!: **Nueva Vista Community Resources** in Santa Cruz hosts Summer Fun! for its 21st consecutive summer - a hands-on active learning day camp for 3rd - 5th graders. Kids will

Att F2

enjoy daily activities with mentor counselors that include arts and crafts, interactive games, biking and hiking. A few spots are still available and a maximum of 12 children are allowed for each session.

Dates: Session 1: June 22 – July 2, 2020; Session 2: July 6 – July 17, 2020
Days and Times: Monday - Friday (times 10AM -1:00PM)
Cost: $20 per child.
Call **(831) 426-2322** for more information and to enroll.

Child Development Division: Our six early education centers build a foundation for healthy development and school readiness. We are enrolling now at all of our six centers across Santa Cruz County. Eligible families qualify for free or affordable tuition. **Click here** to find a site near you and learn more about our Child Development Division.

Need a ride to the grocery store or bank?

You probably know that Lift Line provides free transportation to medical appointments for seniors and people with disabilities. But now they can get free rides to the bank or grocery store as well. No application is needed before getting a ride. Just give us a call and set up your ride today!

How to Schedule a Ride
Call Lift Line at **831-688-9663** during the following hours:
Monday – Friday 9:00AM to 5:00PM
Saturday – Sunday 8:00AM to 4:00PM

If possible, please call one or two days in advance. Lift Line will respond to same day scheduling according to availability. Transportation times will be scheduled according to availability between 8:30AM and 3:30PM seven days a week.

Client Stories

"I chose Nuevo Dia Early Childhood Development Center because I wanted [my son] to be exposed to more culture, specifically Spanish ...[He has benefitted from the program by] being exposed to groups, seeing other boys and girls speaking Spanish, he's more open to that. ...I notice that when we go to the park and speak Spanish all the other kids kind of look and here it's just out there - it normalizes it." Kelly, parent.

Ray's Corner

LET'S TALK EQUITY, SOCIAL JUSTICE AND

Att F3

Donate Now

ACTION

It is not hard to be bombarded by messages about how businesses and nonprofits from all sectors support #blacklivesmatter in light of the public outcry and troubling news nationwide. This outpouring of solidarity is a welcome sight, an evolution of sorts, but on occasion these messages seem disingenuous and empty when the current practices of these well-meaning organizations remain the same and old practiced pedagogy still exist. The messages coming from these organizations seem to be created to capitalize on the movement, or isolate themselves from what is commonly referred to as consumerist activism and its ramifications that have real financial consequences and repercussions.

Here at Community Bridges, we have consistently been driven by our agency value of commitment to make intentional actions to strengthen our resolve for social and economic justice for all. This can be seen by our implementation of a wage equity ratio of less than 1 to 5 differential of the lowest paid employee to the highest paid, ensuring we all rise together.

Second, we have strategically searched for, and invited, community members of color, as well as people from South County, to enter our boardroom to increase our diversity. In the last six years our board has gone from 13% people of color- 87% white -47% female to 36% people of color- 64% white- 66% female in 2020. We have made tremendous progress, but we must continue to intentionally add more diversity to strengthen our work together and enable the advancement of social justice and equity. Will you consider joining us? No prior board experience is required and time commitment is just a few hours a month. If you see yourself in this role and want to make a difference in the lives of thousands, reach out to me and let's chat via Zoom.

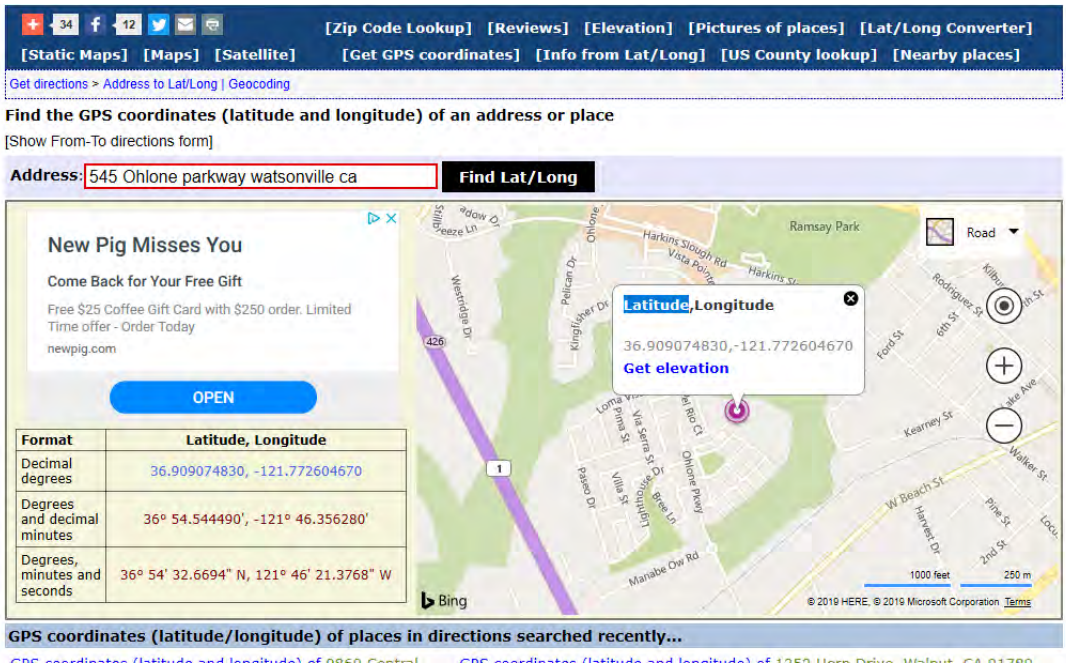
Community Bridges Family of Programs

Child & Adult Care Food Program | Child Development Division | WIC | La Manzana Community Resources | Live Oak Community Resources | Mountain Community Resources | Nueva Vista Community Resources | Elderday | Lift Line | Meals on Wheels

Community Bridges is an exempt organization as described in section 501(c)(3) of the Internal Revenue Code; EIN #94-2460211. Donations are tax deductible in excess of the value of any goods or services provided in exchange for your contribution.

Attachment: G

Map Location of Community Bridges Lift Line Operations Facility, 545 Ohlone Parkway, Watsonville, CA 95076



Attachment: H

SANTA CRUZ COUNTY

Lift Line provides transportation to qualified Santa Cruz residentes within Santa Cruz County with Measure D funds.

Attachment: I

New Lift Line Operations Facility Before and After Awning.

Before: old blue awning with draft drawing for logo placement.

After: new green awning with new signage.

Attachment: K1

New Lift Line Operations Facility Site, before and after clearing lot, removing trees along the fence, replacing the fence, relocating the EV charging station to a new facility, and replacing the awning above the front door.

Before

After

After

After

Attachment: K2

Before and after improvements to and sealing of shop flooring.

Before improvements to shop floor.

After improvements to shop floor.

Attachment: L

Operations facility with Measure D signage

LIFT LINE
COMMUNITY BRIDGES
PUENTES DE LA COMUNIDAD
VISITORS PARKING ONLY

Attachment: M

Charging stations with Measured D signage partially funded with Measure D funding and located at 545 Ohlone Parkway, Watsonville

Attachment: N

New Lift Line electric vehicles (EV) with Measured D signage. Three Lift Line EV's were partially funded by leveraging Measure D funds.

EV
EV
802
801
CA 39499
15
800
CA 39499
MEASURE D

Attachment: O1

LIFT LINE | COMMUNITY BRIDGES PUENTES DE LA COMUNIDAD

Lift Line Outreach FY1920

August 17, 2019

Ecology Action Fun Festival (Table Setup)

September 3, 2019

Jacob's Heart – Fatima Alabbad and Kymberly Lacrosse

September 5, 2019

MAH – Senior Companion Coffee (Table Setup)

September 12, 2019

Sutter Health – Joy Goor: Manager Dermatology, ENT, Plastic Surgery

Dignity Health – Allison Brooks: Oncology Social Worker

The Katz Cancer Resource Center – Jenna Norvell: Patient Navigator

Sutter Health – Carla Gomez: Oncology Social Worker

Dientes Community Dental (Commercial Way) – Paul Acosta: Clinic Manager

September 19, 2019

Clínica del Valle – Darlene Torres: Outreach coordinator

Satellite Dialysis (Watsonville) – Helen Sesser: Social Worker

Pajaro Valley Medical Clinic – Christopher O'Grandy, M.D.

Watsonville Community Hospital – Lori Mcniel: Case Manager

Coastal Health Partners – Omid Bakhtar: Internal Medicine/Nephrology

Clínica Familiar Costa Central – Ariel Martínez – Family Doctor

Coastal Health Partners – Stanley Hwang: MD, Cardiologist

Lift Line Outreach FY1920 Continued

Attachment: O2

Lift Line Outreach FY1920 Continued

September 25, 2019

U.S Department of Veterans Affairs – Robert P. Livingston: Office Manager - Carolyn M. Carpenter LCSW: Center Director

SC Veterans Memorial Building – Chris Cottingham: Director of Services & Operations

September 26, 2019

Twin Lakes Church – Rene & 12 pastors from the church

October 9, 2019

North Coast Orthodontics – Brian J. Schabel, DDS, MS and Vivian H. Chan, DDS, MS

Dignity Heal Medical Group Dominican (41st Ave) – Michael Dunn D.O.

October 16, 2019

Kaiser Permanent (Watsonville) – Brianna SW.

October 23, 2019

Palo Alto Medical Foundation (Aptos) – Marisela Martinez FM.

Work Well Medical Group – Marcella Baker (Front desk)

Clínica Medica Santa Maria – Roberto F. Letamendi FM.

Brennan Medical Clinic – Evelin (Front Desk)

December 13, 2019

Senior Network – Elizabeth Hutton

February 5, 2020

Veterans Services – Lorena Vazquez (Human Services Department Watsonville)

February 19, 2020

La Placita Medical – Olivia Guzman (Medical Assistant)

Salud Para la Gente (E. Beach St.) - Rosalba Contreras Social Worker

Attachment: O3

Lift Line Outreach FY1920 Continued

March 9, 2020

Caring Community Summit – Twin Lake Church

March 23, 2020

Lift Line started calling all clients to let them know we were continuing with our services during the shelter in place Due to COVID-19.

April 4, 2020

Lift Line calls clients to let them know we had started providing essential rides to the bank, grocery stores and restaurants to pick up food until the shelter in place expired.

May 6, 2020

Lift Line created a flyer released to the public that announced applications were going to be waived until the shelter in place order expired, along with our new essential rides.

May 15, 2020

Lift Line mailed out 200 surveys to our Taxi Script Program users along with the Lift Line Essential Services Flyer.

Lift Line mailed out about 600 applications throughout the fiscal year 2019-2020

End of outreach for FY1920.

Attachment P

Attachment Q

Santa Cruz Metropolitan Transit District

SANTA CRUZ METRO

Santa Cruz Regional Transportation Commission (SCCRTC)
1523 Pacific Avenue
Santa Cruz, CA 95060-3911

FY20 Measure D – Expenditure Reports and Annual Audit

Rachel,

Attached please find Santa Cruz METRO's FY20 Measure D Annual Expenditure and Audit Report.

Measure D Annual Expenditure Report
Santa Cruz METRO uses cash basis accounting to produce the Measure D Expenditure Reports for Fiscal Year 19/20, while the District's financial statements are prepared using the full accrual basis of accounting.

Measure D funding in the amount of **$3,235,449** was received by METRO in FY19/20. Interest earned was **$79,948** for total available funding of **$3,315,397**. These funds were used to support operations by sustaining Fixed-Route service, sustaining ParaCruz service, and maintaining service reliability. Funds were also used to leverage grant opportunities to fund capital vehicle replacements along with bus mid-life overhauls, bus repaints and a renewed capitalized lease.

Details include:

- Measure D revenues in the amount of **$1,312,258** were used in FY19/20 to fund the nine Fixed-route Bus Operator positions and the one Paracruz operator position detailed below:
    - As part of the annual budget for FY19/20 (adopted in June 2019) METRO funded 4 Fixed-route Bus Operator positions using Measure D funds. These Operator positions maintained frequency and span of service across 10 routes.
    - Measure D funds were used to maintain funding for one Fixed-route Bus Operator position and the associated operating costs to maintain 30 minute frequency bi-directionally for an 8 hour daily span.
    - Measure D funds also maintained 4 Fixed-route Bus Operators for the Extra Board to ensure service reliability across the system.
    - Sustaining adequate Operator staffing has been difficult since the staffing reduction that resulted from the cost savings measures implemented with the FY16/17 budget. As METRO continued to struggle to attract new operators in FY19/20, the agency was unable to add new service in the San Lorenzo Valley/Scotts Valley area. The level of Operator staffing in FY19/20 was only sufficient to maintain the reliability of present service levels.
    - In addition to maintaining Fixed-route services, Measure D funds allowed METRO to fund one Paracruz operator to sustain its current level of service, which actually exceeds the service level required by the Americans with Disabilities Act (ADA).

- The Measure D funds also allowed METRO to contribute to the "Bus Replacement Fund", which is an established fund that receives consistent annual transfers of Measure D and other funds from the Operating budget to the Capital budget. This fund allows METRO to provide local match to pursue grant opportunities for Fixed-Route buses and ParaCruz van replacements along with bus

mid-life overhauls, bus repaints, and lease-to-own Fixed-Route buses. The new vehicles increase service reliability while the mid-life overhauls and bus repaints decrease maintenance costs.

- In FY19/20, the Measure D funds helped leverage a variety of capital grants by providing the local match. METRO was able to commit funds to **$23.0 million** in bus and van related capital projects and spent **$1,751,458.** The remainder of the funds received but not spent in FY19/20 were "rolled forward" to FY20/21 to complete the vehicle capital projects in progress, and provide the local match and funding to new grant opportunities.

Transit Performance Measures (PM)

A Transit PM baseline from FY16/17 and current numbers from FY19/20 are provided. METRO details the status of applicable performance measures following the implementation of Measure D funds. The Performance Measures contain metrics and standards that METRO worked to achieve in FY19/20. Performance Measures include:

- Ridership/Service Utilization
- Cost Effectiveness
- State of Good Repair
- Service Provision
- Service Operations and Provisions
- Budget Apportionment

Measure D Maintenance of Effort

The Maintenance of Effort (MOE) Baseline calculation contains actual budget numbers and to continue to exclude the following revenues to the MOE Exclusions section:

- Formula federal fund sources (FTA 5307*, 5311*)
- Fuel Tax Credits
- STIC
- STA

*FTA 5307 & 5311 CARES Act funding received and expended in FY19/20 is excluded and reported as special one-time grants.

Audited Financial Statements

The FY20 Annual Measure D Financial Statements prepared by Brown, Armstrong, Certified Public Accountants will be submitted by 12/31/20.

Sincerely,

John Urgo,
Director, Planning & Development

Attached

General Compliance Reporting:

Confirm completion of the following Measure D Agreement requirements during the reporting year. The RTC shall utilize information from Recipient on expenditures to prepare a comprehensive report to the public on the expenditure of Measure D revenues.

Recipient - Update all highlighted fields on 3 tabs. Reporting Requirements (Articles from the Master Fund Agreement are referenced as comments)

REPORTING YEAR: **FY19/20**

Recipient Agency ***Santa Cruz Metropolitan Transit District***

Public Information/ Outreach	**Date**	**Documentation (ex. copy of resolution, minutes, notices, articles, webpage, signage, etc.) - *please attach.***	**Comments, additional info. If applicable, briefly explain why publicity requirement was not completed**
Date Initial 5-Year Plan Adopted	6/23/2017	Resolution	part of overall annual budget adoption
Date of 5-Year Plan Public Hearing	6/28/2019	Staff report	part of overall annual budget adoption
Date of annual audit of Measure D Expenditures	12/31/2020	audit	attached
News Article	6/28/2019	Public Hearing Notice	Notice of public hearing held on 6/28/2019 for the adoption of FY20 and FY21 budget, including Measure D funds.
Website with info on Meas. D projects	ongoing	Annual budget details use of Measure D funds	https://www.scmtd.com/images/department/finance/financials/finaloperatingbudgetfy20fy21.pdf
Map of Measure D-funded Projects	NA		Projects and drivers funded by Measure D cover entire service area
Photos (before/after)	NA		
Signage	ongoing	Stickers have been placed on buses and vans	
Describe any other public outreach conducted during the reporting year about Measure D	*Measure D budget outreach was conducted as part of the annual budget public comment period, concluding with a public hearing on 6/28/19.*		

Maintenance of Effort

FY19/20 LOCAL funds spent on multimodal local road repairs & maintenance *(excludesformula state & fed funds, special grants)*	$ 39,025,146	*Locally-generated funds*
Maintenance of Effort BASELINE *(should match MOE report submitted to RTC in 2017)*	$ 45,648,421	*Pre-Measure D Baseline of average of locally-generated revenues and expenditures for transportation purposes in the three fiscal years prior to the start of Measure D allocations to recipient agencies (FY16/17, FY15/16, FY14/15.*
FY19/20 LOCAL (exclude HUTA, formula state & fed funds) funds BUDGETED on multimodal local road repairs & maintenance	$ 39,635,002	*Locally-generated funds beyond HUTA or Measure D (ex. general funds, city tax, developer fees, etc.)*
If FY19/20 local expenditures were lower than the baseline amount, explain why. *(e.g. emergencies, extraordinary event - fires, etc.) Recipient agencies have up to three fiscal years to meet the adjusted minimum local revenue expenditure requirement.*	FY15-17 were used to establish the baseline amount. FY17 was the first year operating after a substantial cut to service. Additionally,service expenditures were reduced in FY20 due to reduced ridership as a result of COVID-19.	
Does your agency have an indirect cost allocation plan?	No	*If "no", Measure D funds cannot be used for indirect costs.*
Cities/County Only: **Does your agency have an adopted Complete Streets policy?**	NA	

Contacts

Administrative officer or designated staff available to report on or answer any and all inquiries in regard to Recipient's receipt, usage, and/or compliance audit findings regarding Measure D funds before the RTC and/or the Independent Oversight Committee or RTC advisory committees, as applicable.

Name	**Title/Measure D tasks**	**Phone/email**
John Urgo	Projects	jurgo@scmtd.com
Kristina Mihaylova	Revenue/Expenditures	kmihaylova@scmtd.com

MEASURE D EXPENDITURE REPORT

Agency	*Beginning of Year Fund Balance*	FY 16/17-18/19 Measure D Received (4/1/17-6/30/19)	FY 19/20 Measure D Received (7/1/19-6/30/20)	Interest Earned on Measure D funds (4/1/17-6/30/20)	Measure D Expended (7/1/17-6/30/20)	End of Year Fund Balance/ Carryover to be Spent in Future Years
Santa Cruz Metropolitan Transit District		$ 6,758,578.22	$ 3,235,449.00	$ 160,634.39	$ 5,743,868.97	$ 4,410,792.64

DETAILED SUMMARY OF EXPENDITURES AND ACCOMPLISHMENTS.						*(expenditures FY16/17-19/20)*		
#	Project Name	Total Project Cost	Past year(s) Measure D Expenditures on this project	FY19/20 Measure D Expenditures	(Est) Future Year(s) Measure D Expenditures	*Measure D-funded Capital Costs*	*Measure D-funded Non-capital* (non-infrastructure, outreach, admin, etc)	*Measure D-funded indirect costs*
1	Fixed route - 9 operators (average cost of Operator with benefits plus cost of mileage driven in year)	$ 136,533,518	$ 2,989,152	$ 1,235,871	$ 1,268,019	*see below*	*$ 4,225,023*	*N/A*
1	Sustaining of Paracruz service levels - 1 operator minus farebox recovery	$ 10,692,189	$ 180,051	$ 76,387	$ 80,047	*see below*	*$ 256,438*	*N/A*
2	Capital - New and replacement vehicles-can be used for equipment	$ 3,013,866	$ -	$ 1,751,458	Approx. $2M/yr	$ 1,751,458	*$* -	*$* -

EASURE D EXPENDITURE

Agency
Santa Cruz Metropolitan Transit District

'AILED SUMMARY OF EXPENDITURES AN			stency with 5-year	Project Information Continued			
Project Name	**Leveraged Funds** *(grants & other funds secured, which used Meas. D as match)*	**Leveraged Fund Source Name(s)**	**Project in approved 5-year plan?**	**Location/Limts**	**Description** *(may include additional project components, ex. complete streets, traffic calming, crossing improvements, drainage upgrades, etc.)*	**Project Category** (*Drop-down Menu)*	**Primary Project Type** *(Drop-down Menu)*
Fixed route - 9 operators (average cost of Operator with benefits plus cost of mileage driven in year)	$ -	See MOE for all other Local Funds received	Yes	Countywide	Fixed Route-frequency, span of service - Routes 35, 40, 41, 68, 69A, 71, 72, 75, 79, 91X, Route 71 weekend-17 addt'l. trips to provide 30 minute frequency in/outbound for 8 hrs during the days	Public Transit	Staffing
Sustaining of Paracruz service levels - 1 operator minus farebox recovery	$ -	See MOE for all other Local Funds received	Yes	Countywide	Paracruz - sustain service levels	Public Transit	Staffing
Capital - New and replacement vehicles-can be used for equipment	$ 23,478,176	FTA 5339(a), PTMISEA, STIP, LCTOP, LPP, STA-SGR	Yes	Countywide	Capital - Vehicles new and replacements. FY19/20 funds reimbursed METRO for Measure D Program capital expenditures initially paid for with SC METRO unrestricted monies during the fiscal year.	Public Transit	Equipment and New Vehicles

EASURE D EXPENDITURE

Agency
Santa Cruz Metropolitan Transit District

TAILED SUMMARY OF EXPENDITURES AN	Project Status/Timeline				Costs by Mode		Other
Project Name	**Project Status**	**CEQA compliance** *(List type of document & certification date - e.x. CE, 5/1/18)*	**Construction schedule**	**Completion Date** *(actual or estimate)*	**% Transit**	**% Paratransit**	**Other Notes or Information** *(optional)*
Fixed route - 9 operators (average cost of Operator with benefits plus cost of mileage driven in year)	Complete	N/A	N/A	6/30/2019	100%	0%	See separate schedule for breakdown of average labor & fringe costs
Sustaining of Paracruz service levels - 1 operator minus farebox recovery	Complete	N/A	N/A	6/30/2019	0%	100%	See separate schedule for breakdown of average labor & fringe costs
Capital - New and replacement vehicles-can be used for equipment	In-progress	N/A	N/A	6/30/2018-and ongoing	100%		Measure D capital - as per the 5 Year Expenditure Plan is allocated to METRO's Bus Replacement Fund ($3M annual contribution)

Document online at:

https://sccrtc.org/wp-content/uploads/2021/03/FY20-SCMTD-Measure-D-Audited-Financial-Statements-FINAL.pdf

SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT
MEASURE D PROGRAM

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
JUNE 30, 2020

Measure D: 5-Year Program of Projects (FY19/20-FY23/24)

Agency: ***Santa Cruz METRO***

Expenditure Plan Category: Transportation for E&D

Measure D Revenues

	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24
Estimated Annual Measure D Allocations	**$3,358,289**	**$3,492,621**	**$3,632,326**	**$3,777,619**	**$3,928,724**

(update for your agency per RTC notice)

			Amount of Measure funds to be used									
Name/Road/ limits	**Description, complete streets components**	**Total Measure D**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**Total cost estimate**	**Other Funds $**	**Other fund sources**	**Est. Construction start date**	**Major project? * (yes/no)**
Fixed route - 4 operators (average cost of Operator with beneifts plus cost of mileage driven in year)	frequency, span of service - Routes 35, 40, 41, 68, 69A, 71, 72, 75, 79, 91X		549,276	563,564	577,320	586,624	601,376					
Fixed route - 4 operators (average cost of Operator with beneifts plus cost of mileage driven in year)	Extra Board staffing to ensure reliability/deliveryof all service		549,276	563,564	577,320	586,624	601,376					
Fixed route - 1 operator (average cost of Operator with beneifts plus cost of mileage driven in year)	Route 71 weekend - 17 additional trips to provide 30 minute frequency in/outbound for 8 hours during the days		137,319	140,891	144,330	147,656	150,344					
Sustaining of ParaCruz service levels	1 operator minus farebox recovery		76,387	80,047	83,453	86,652	89,701					
Total Operations support			1,312,258	1,348,066	1,382,423	1,407,556	1,442,797					
Capital - vehicle replacment			2,046,031	2,144,555	2,249,903	2,370,063	2,485,926					
Fixed-route bus and ParaCruz operations (assumes 2.5% annual increase in funding)	Measure D funding received by METRO will be used to increase Fixed-route service, sustain ParaCruz service, maintain service reliability, and to allow for the purchase of new Fixed-route buses and ParaCruz vans.	18,189,579	**$3,358,289**	**$3,492,621**	**$3,632,326**	**$3,777,619**	**$3,928,724**	263,702,301	245,512,722	*Fares, 1979 Sales Tax, TDA, FTA 5307, STA, STIC, Fuel Tax Credits*	*Non-applicable*	*Non-applicable*
	Estimated Annual Measure D Expenditures		**$3,358,289**	**$3,492,621**	**$3,632,326**	**$3,777,619**	**$3,928,724**					
	Carry over to next fiscal year		**$0**	**$0**	**$0**	**$0**	**$0**					
	Annual Interest Earnings on Measure D Revenues			**$0**	**$0**	**$0**	**$0**					

Measure D Transportation for Seniors and People with Disabilities Program

Performance Measures

AGENCY: Santa Cruz Metropolitan Transit District

Submittal date 12/31/2020

Performance Measure	Performance Metric and Standard	Fixed Route - FY16/17 (Baseline)	Fixed Route Current Numbers - FY19/20	Corrective Action (If applicable)	Paratransit Baseline-FY16/17	Paratransit Current Numbers - FY19/20	Corrective Action (If applicable)
Ridership/Service Utilization							
▪ Annual Ridership	Change in annual ridership and passenger trips per revenue vehicle hour and mile and qualitative explanation for possible reasons.	5,091,394	3,544,457	COVID-19 negatively impaced ridershit	75,116	61,631	COVID-19 negatively impaced ridershit
▪ Passenger trips per revenue vehicle service hour (Pax/VRH)		24.38	19.9	COVID-19 negatively impaced ridership	1.90	1.75	COVID-19 negatively impaced ridership
▪ Passenger trips per revenue vehicle service miles (Pax/VRM)		1.76	1.44	COVID-19 negatively impaced ridership	0.16	0.17	N/A
Cost Effectiveness							
▪ Operating Cost per Passenger ($/Pax)	Maintain operating cost per passenger, per revenue vehicle hour, per revenue mile, or trip; percentage increase less than or equal to inflation as measured by CPI	$7.90	$13.00	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease	$65.29	$87.22	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease
▪Operating Cost per Revenue Vehicle Hour ($/VRH)		$192.56	$258.60	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease	$124.25	$152.79	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease
▪ Operating Cost per Revenue Vehicle Mile ($/VRM)		$13.89	$18.67	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease	$10.75	$15.07	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease
Cost per Trip ($/Trip)		$226.16	$308.88	Payroll increases in FY20 combined with reduced service due to COVID-19 related ridership decrease	N/A	N/A	N/A
State of Good Repair							
▪ Average age of bus and paratransit vehicles	Reduce average age of fleet/number of vehicles beyond useful life	12.46	13.92	Transit Asset Management Performance Measure Targets, submitted to NTD in RY20 Report Package	7.25	6.59	Transit Asset Management Performance Measure Targets, submitted to NTD in RY20 Report Package
▪ Number of vehicles beyond useful life		49	59	Transit Asset Management Performance Measure Targets, submitted to NTD in RY20 Report Package	33	13	Transit Asset Management Performance Measure Targets, submitted to NTD in RY20 Report Package

Measure D Transportation for Seniors and People with Disabilities Program

Performance Measures

AGENCY: Santa Cruz Metropolitan Transit District

Submittal date: 12/31/2020

Service Provision							
▪ Service hours/span	Maintain or increase service span - goal is 7 days/week, 20 hours per day	Weekday (5 days) : 21.08 hours	Weekday (5 days): 21.08 hours	N/A	Weekday (5 days): 21.08 hours	Weekday (5 days): 21.08 hours	N/A
		Weekend (2 days) : 18.67 hours	Weekend (2 days): 18.67 hours		Weekend (2 days): 18.67 hours	Weekend (2 days): 18.67 hours	
▪ Frequency on major corridors or trunk lines	Maintain or increase frequencies, revenue hours, miles, routes, and service areas.	0.25	0.25	UCSC	N/A	N/A	There is no scheduled frequency on paratranist servi as it is on-demand service.
		0.50	0.50	Cabrillo/South Count			
		0.50	0.50	Scotts Valley/San Lorenzo Valley			
▪ Revenue hours		208,797	178,136	Reduced service due to COVID-19 related ridership decreases	39,474	35,181	Reduced service due to COVID-19 related ridership decreases
▪ Revenue miles		2,895,295	2,467,836	Reduced service due to COVID-19 related ridership decreases	456,208	356,875	Reduced service due to COVID-19 related ridership decreases
▪ Service areas		UZA 204 (Santa Cruz)	UZA 204 (Santa Cruz)	N/A	UZA 204 (Santa Cruz)	UZA 204 (Santa Cruz)	N/A
		UZA 378 (Watsonville)	UZA 378 (Watsonville)		UZA 378 (Watsonville)	UZA 378 (Watsonville)	
					0-CA (Non-UZA within SC County)	0-CA (Non-UZA within Santa Cruz County)	
▪ Number of routes		26	24	Route 33/34 were eliminated due to consistenly low ridership. Trips were monitored for 2 years before elimination	N/A	N/A	Paratransit service is on demand and operates within 0.75 miles of any operating bus route.
Service Operations and Provisions	Track number of seniors or people with disabilities served by program. Service types: ADA mandated paratransit, door-to-door service, taxi programs, accessible van service, shuttle service, group trips, travel training, meal delivery, and fixed-route transit						
Number of people served or trips provided to seniors or people with disabiliti		659,799	452,146	COVID-19 negatively impaced ridership	75,116	61,631	COVID-19 negatively impaced ridership
Percent of fixed route service used by seniors and people with disabiliti		12.96%	12.76%	N/A	100.00%	100.00%	N/A

Measure D Transportation for Seniors and People with Disabilities Program

Performance Measures

AGENCY: **Santa Cruz Metropolitan Transit District**

Submittal date 12/31/2020

METRO: Budget Apportionmen							
Paratransit and Fixed Route % of Total Operating Expenses	Maintain paratransit operating budget and service.	89.12%	88.33%	N/A	10.87%	11.67%	N/A
Leveraged Funds	Report total grants and other funding secured **using Measure D revenues as a match.**	N/A	$22,614,834	N/A	N/A	$863,372	N/A
Total Measure D Leveraged Funds divided by total passengers during period.		N/A	$6.38	N/A	N/A	$14.01	N/A

Measure D Maintenance of Effort (MOE) Baseline Calculation Form

Original Baseline Calculation Due to RTC by August 1, 2017

Jurisdiction: Santa Cruz Metropolitan Transit District **FY20**

Calculation of Annual Average Transportation Expenditures/Baseline MOE:

Revenue Sources by Expenditure Category (update source names & categories as appropriate for your agency)
e.g. categories: Fixed-Route Service, paratransit service, streetsweeping, pavement, bike, ped, etc.

			BASELINE = pre-Measure D			
	Total Expenditure by Year					
REVENUES - Enter the total revenues expended in previous Fiscal Years (for transportation) from all local sources and state/fed formula programs. (update with actual source names)	**FY19/20 Actual**	**FY18/19 Actual**	**FY17/18 Actual**	**FY16/17 Actual**	**FY15/16 Actual**	**FY14/15 Actual**
Fares	$7,733,702	$10,238,962	$10,280,559	$9,720,869	$9,923,862	$9,796,024
TDA	$7,930,060	$7,288,209	$6,767,933	$6,804,838	$6,377,491	$6,444,515
1979 1/2 cent County Sales Tax	$21,587,491	$22,473,422	$21,526,675	$20,338,220	$19,712,551	$18,763,918
Formula federal fund sources (FTA 5307, 5311)	$23,134,605	$4,588,748	$4,197,074	$4,371,936	$4,302,399	$4,346,251
Fuel Tax Credits	$826,532	$0	$354,826	$284,419	$972,922	$638,208
State Transit Assistance	$4,346,687	$4,253,929	$3,196,463	$2,041,333	$1,795,529	$2,717,443
STIC	$2,619,113	$2,424,031	$2,542,610	$2,083,750	$1,323,588	$1,344,113
Other (Advertising, commsions, rent, etc.)	$1,041,108	$832,654	$621,069	$608,943	$531,649	$539,819
Transfers from Reserves	$0	$0	$0	$0	$2,650,380	$508,731
Misc Grant funding	$0	$111,284	$104,412	$9,749	$89,278	$29,488
Measure D	$3,376,695	$3,492,041	$3,362,419	$530,808	$0	$0
Transfer to Capital (negative)	-$2,277,191	-$2,329,321	-$2,326,003	-$370,000	-$972,922	$0
Transfer to Reserves	-$18,877,944	-$4,264,912	-$3,948,234	-$1,314,839	$0	$0
Average Annual MOE Revenues	**$51,440,857**	**$49,109,047**	**$46,679,803**	**$45,110,026**	**$46,706,727**	**$45,128,510**
Capital Revenues/Expenses	**$ 7,750,816**	**$ 3,146,852**	**$2,901,317**	**$3,876,023**	**$7,850,321**	**$9,592,752**
MOE Baseline (Avg 3 to 5 years prior to Measure D)			**$45,648,421**			
MOE Exclusions*	$12,415,711	$11,266,708	$10,290,973	$8,781,438	$8,394,438	$9,046,015
Excluded special one-time grants	*$18,511,226*	*$111,284*	*$104,412*	*$9,749*	*$89,278*	*$29,488*
Excluded funds carried over from prior years						
Total Average Annual Transportation Expenditures	***$39,025,146***	***$37,842,339***	***$36,388,830***	***$36,328,588***	***$38,312,289***	***$36,082,495***

Expenditures - Enter amount expended and amounts spent on varius transportation purposes in previous Fiscal Years. (update with applicable categories, based on your agency's budget/financial statements)	**FY19/20**	**FY18/19**	**FY17/18**	**FY16/17**	**FY15/16**	**FY14/15**
Total (Fixed Route and ParaCruz)						
Labor/Fringe	$42,334,662	$39,358,134	$38,175,179	$37,844,695	$38,488,362	$36,980,374
Purchased Transportation	$0	$0	$0	$100,760	$71,470	$170,746
Services	$4,021,857	$3,955,287	$3,230,876	$2,862,729	$2,690,099	$2,649,090
Materials, Supplies, Utilities	$2,519,540	$2,842,712	$3,716,227	$3,705,135	$3,933,410	$4,382,700
Casulty and Liability	$800,601	$1,067,132	$696,292	$107,929	$877,037	$491,907
Other (Taxes, Misc., Leases/Rentals	$1,764,197	$1,885,782	$861,229	$488,778	$646,348	$453,692
Total (Fixed Route and ParaCruz) Expenses	**$51,440,857**	**$49,109,047**	**$46,679,803**	**$45,110,026**	**$46,706,727**	**$45,128,510**
ParaCruz (Paratransit)						
Labor/Fringe	$4,897,826	$4,654,001	$4,487,291	$4,219,141	$4,770,376	$4,693,236
Purchased Transportation	$0	$0	$0	$100,760	$71,470	$170,746
Services	$54,702	$88,837	$152,817	$69,605	$78,634	$76,741
Materials, Supplies, Utilities	$289,876	$305,141	$269,929	$229,790	$304,406	$314,216
Casulty and Liability	$125,911	$105,188	$80,431	$68,569	$96,886	$91,826
Other (Taxes, Misc., Leases/Rentals	$188,649	$195,461	$227,870	$216,769	$173,246	$169,169
Total ParaCuz MOE Expenses	**$5,556,964**	**$5,348,629**	**$5,218,337**	**$4,904,633**	**$5,495,018**	**$5,515,934**
Capital Revenues/Expenses	**$7,750,816**	**$3,146,852**	**$2,901,317**	**$3,876,023**	**$7,850,321**	**$9,592,752**

Source/location of supporting budget or fiscal statement documentation.

E.g. Annual Financial Statements; Fiscal audit; adjusted annual budget; State Controller Road Report, etc.

Certification:

I hereby certify that the Santa Cruz METRO has budgeted and will meet the Maintenance of Effort requirement for Fiscal Year FY20

Kristina Mihaylova — Finance Director Signature

12/31/20 — Date

*Funding sources excluded from MOE calculation are listed for information purposes and will make it easier to reconcile this report against annual budgets. Excluded sources include special, non-formula, competitive grants, and/or past revenues carried over for special proejcts and/or emergencies. This includes one-time grants - such as RSTP/STBG, STIP, ATP, ARRA, FEMA, HSIP, FTA5310, No & Low Emission Bus program.

AGENDA: March 9, 2021

TO: Measure D Taxpayer Oversight Committee

FROM: Shannon Munz, Communications Specialist

RE: Oversight Committee Annual Report

RECOMMENDATIONS

Staff recommends that the Measure D Taxpayer Oversight Committee:

1. Prepare an Annual Report from the committee to the public and SCCRTC board regarding Fiscal Year 2019/2020 (FY19/20) Measure D expenditures and audits.

2. Discuss and agree on content for the FY19/20 report, authorize the chair to prepare a letter from the committee commenting on whether Measure D Ordinance provisions and requirements were met in FY19/20, and direct staff to assist in preparing and making the report available to the public.

BACKGROUND

In November 2016, Santa Cruz County voters approved the Measure D transportation sales tax. Each year, agencies receiving Measure D revenues provide an expenditure report and audited financial statements showing how they spent Measure D funds in the prior fiscal year *(see separate agenda item).*

Per Section 32C of the voter approved Measure D Ordinance, the oversight committee is tasked with the following responsibilities:

- Reviewing Expenditure Plan expenditures on an annual basis to ensure they conform to the Ordinance.
- Reviewing the annual audit and report prepared by an independent auditor, describing how funds were spent.
- **Producing a publicly available Annual Report of oversight activities.**

DISCUSSION

Based on review of the FY19/20 audits and expenditure reports from recipient agencies *(see separate agenda item)*, the Taxpayer Oversight Committee will prepare an annual report commenting on whether expenditures conform to the provisions and requirements of the Measure D Ordinance. Last year's report included a letter from the Chair, focused on the financials and findings of the audits, and highlighted some of the projects that were funded by Measure D funds in

FY19/20 (Attachment 1). **Staff recommends that the Oversight Committee discuss and agree on content for the FY19/20 annual report and authorize the chair to prepare a letter from the committee commenting on whether Measure D Ordinance provisions and requirements were met in FY19/20 and direct staff to assist in preparing and making the report available to the public.** The committee may want to use a similar format to last year's report, or identify any changes.

SUMMARY

The Measure D Ordinance requires the Oversight Committee to prepare an annual report regarding its oversight of Measure D expenditures and annual audits.

Attachments:

1. Taxpayer Oversight Committee FY18/19 Annual Report

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In November 2016, over 2/3rd of the voters of Santa Cruz County approved Measure D, a comprehensive and inclusive package of transportation improvements to be developed in the County, that would be funded by the imposition of a Retail Transactions and Use Tax of one-half of one percent (0.5%) for a period of 30 years. The tax became effective on April 1, 2017. The Santa Cruz County Regional Transportation Commission (RTC) allocates, administers and oversees the expenditure of all Measure D revenues which are not directly allocated by formula annually to other agencies, consistent with the Expenditure Plan. The RTC has been designated as the Local Transportation Authority (the Authority) to implement the provisions of Measure D.

Section 32 of the ordinance that governs the expenditure of Measure D funds specifies that a Taxpayer Oversight Committee be formed by the Commission's Board of Directors to review the annual independent fiscal audits of the expenditure of Transportation Tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the ordinance to the Authority Board of Directors. The Taxpayer Oversight Committee shall not exceed 5 members who will be residents of Santa Cruz County who are neither elected officials of any government nor employees from any agency or organization that oversees or implements projects funded from the proceeds of the sales tax.

The Oversight Committee members were appointed by the RTC Board of Directors in 2018 after an application process was concluded. The Oversight Committee members are as follows:

- Supervisorial District 1: Janet Edwards, Vice Chair
- Supervisorial District 2: Michael W. Machado CPA, Chair
- Supervisorial District 3: Philip Hodsdon
- Supervisorial District 4: Carmen Herrera Mansir
- Supervisorial District 5: Todd Guin

The Committee held its meeting via Zoom on May 28, 2020. Minutes of the meeting are available for review on the RTC Website.

At its meeting, the Committee reviewed the audited Measure D Financial Statements that were audited by independent CPA firms. Independent audits of the Measure D Funds of the following agencies were reviewed:

- Santa Cruz County Regional Transportation Commission
- County of Santa Cruz
- City of Capitola
- City of Santa Cruz
- City of Scotts Valley
- City of Watsonville
- Santa Cruz Metropolitan Transit District
- Community Bridges

None of the audits had any negative findings as to the expenditure of the Measure D funds nor were any incidents of non-compliance with the Ordinance noted. The Oversight Committee members and RTC staff noted several areas in which the annual reporting could be expanded to provide additional information and several suggestions were provided to the RTC and the Agencies.

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A summary of Measure D Funds received and expended from July 1, 2018 through June 30, 2019 follows as reported in the audited financial statements of each agency:

Investment Category	FY18/19 Measure D Funds Allocated by RTC[1]	Expenditures FY18/19	Fund Balance 6/30/2019[2] (includes prior years & interest)
Highway Corridors - RTC	$5,360,487	$967,741	$10,585,769
Active Transportation-RTC	3,645,131	1,484,235	5,710,728
Rail Corridor-RTC	1,715,356	1,192,431	1,867,887
Neighborhood			
SLV SR9-RTC	333,333	35,000	727,711
Hwy 17 Wildlife-RTC	166,667	0	381,356
City of Capitola	332,722	345,355	211,115
City of Santa Cruz[3]	1,349,081	1,175,175	808,322
City of Scotts Valley	288,317	308,318	270,580
City of Watsonville	902,300	225,101	1,534,120
County of Santa Cruz	3,060,948	2,287,767	3,557,977
Transit/Paratransit -METRO	3,431,946	2,099,051	2,953,657
Paratransit - Lift Line	857,751	1,075,170	266,583
RTC Admin. salaries & benefits	191,753	191,753	629,457
RTC Implementation, Oversight and Overhead	547,173	304,527	
Total	**$22,180,875**	**$11,691,624**	**$29,518,599**

Notes: This table includes a combination of information from RTC and local agency audited financial information and project expenditure reports. For most agencies information represents cash, rather than accrural, basis. Audited financials are typically presented on a modified or full accrual basis which means revenues are recognized when earned, not when received. For example- While revenue earnings are based on transactions in May 2019, if the cash was received in July 2019, some agencies will show the funds in FY19/20 rather than FY18/19. Unexpended balances or reserved funds carryover to future years for use on Measure D eligible expenditures.

1- RTC apportionments reflect net Revenues, after state Board of Equalization fees and RTC administration and implementation, on a full accrural basis of revenues collected July 1, 2018-June 30, 2019, even though final payments received 2 months later. Figures are rounded.

2-Carryover balances, includes FY16/17-17/18 funds allocated to recipient agencies and interest to be expended in future years.

3- Additional $500,000 paid to City of Santa Cruz through Active Transportation category

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As noted in the previous table, total Measure D funds collected and allocated for the fiscal year ending June 30, 2019 by the RTC, net state fees, were $22,180,875. The RTC earned $320,836 interest income on Measure D Funds not expended. The RTC distributed $10,223,065 to other agencies by formula, as outlined in the Measure D Ordinance. The RTC expended $4,175,687 on Highway, Rail, and Active Transportation/Trail projects, administration and implementation. Recipient agencies expended $7,515,937 during FY18/19. Measure D funds, including interest, totaling $29,518,599 from FY16/17-18/19 are being carried over to future years for use on eligible projects, including RTC funds for implementation, Highway, Rail, and Trail of $19,916,245 and Agency funds of $9,602,355.

Measure D continues to serve as a crucial source of local transportation funding for the Santa Cruz County community. The Committee looks forward to continuing to work with the community to ensure the ongoing success of the Measure D program.

The Measure D Taxpayer Oversight Committee hereby finds that the Authority is proceeding in accordance with the Measure D Ordinance and the Expenditure Plan for the period from July 1, 2018 through June 30, 2019.

Michael W. Machado CPA, Chair

Measure D Taxpayer Oversight Committee
Santa Cruz County Regional Transportation Commission

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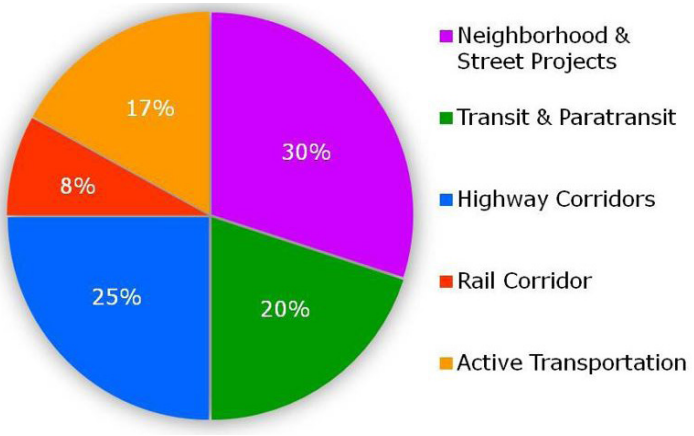
Measure D Overview

Measure D, a 1/2 cent sales tax measure to improve, operate and maintain Santa Cruz County's transportation network.

Projects provide safer routes to schools for local students; maintain mobility and independence for seniors and those with disabilities; invest in bicycle and pedestrian pathways and bridges on an unprecedented scale; repave roadways, repair potholes and improve safety on local streets; ease congestion; and invest in transportation projects that reduce the pollution that causes global warming.



Measure D Recipients

- Measure D revenues are distributed by voter-approved formulas to the cities of Capitola, Santa Cruz, Scotts Valley, Watsonville, the County, the RTC, METRO and Lift Line. Measure D recipients may also program funds (via 5-year plans) to projects implemented by other agencies, such as Caltrans and non-profit organizations.

Committed to Voters:

- Each recipient agency solicits public input and approves updated 5-year plans identifying specific projects annually.
- Annual audits of the expenditure of all funds generated by the measure are conducted by independent auditors and publicly available.
- The Measure D Taxpayer Oversight Committee reviews the independent annual audits and issues a report regarding compliance with the Expenditure Plan.
- Recipient agencies are required to use new Measure D funds to supplement, not replace, existing revenues used for transportation.

Summary of Transportation Projects
Estimated 30-year funding allocations
Neighborhood Projects - 30%
Local Funds for Cities and County: Direct percentage for local roadway pavement repair and operational improvements, school and neighborhood traffic safety projects, bicycle and pedestrian projects
San Lorenzo Valley Hwy 9 Corridor Improvements: $10 million to improve safety for SLV pedestrians, bicyclists, and motorists
Highway 17 Wildlife Crossing: $5 million to help build a wildlife crossing under Highway 17 at Laurel Curve
Highway Corridors - 25%
Highway 1 Corridor: Extend merge lanes that separate entering and exiting traffic from through lanes to improve traffic flow and safety at the 41st Ave-Soquel Dr, Bay/Porter Park, and State Park-Park exits
Bicycle and pedestrian over-crossings; $7 million for two car-free highway overcrossings at Chanticleer Ave and Mar Vista Drive
Traveler Information and Transportation Demand Management: Cruz511 traveler information, Carpool/Vanpool Programs
Highway Safety and Congestion Reduction Programs: Freeway Service Patrol and Safe on 17 Enforcement
Transit for Seniors and People with Disabilities Direct Allocation to Service Providers - 20%
Santa Cruz METRO (16%): $80 million to help stabilize fixed-route bus and ParaCruz service levels
Community Bridges Lift Line Paratransit Service (4%): $20 million to increase LiftLine's ability to provide service by 30%
Active Transportation - 17%
Monterey Bay Sanctuary Scenic Trail (Coastal Rail Trail): Bike and pedestrian trail construction; maintenance, management and drainage of rail and trail corridor; install conduit for internet and electrical services
Rail Corridor - 8%
Infrastructure Preservation and Analysis of Options: Analysis (including environmental and economic analysis) of both rail transit and non-rail options for the corridor; rail line maintenance and repairs

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Highlights of FY 18/19 Expenditures

Local Neighborhood Projects

In FY18/19, city and county public works departments used their apportionments of Measure D funds to repair local roads and improve bicycle and pedestrian facilities throughout the county. Additional information on expenditures in FY18/19 are included in each recipient agency's annual Expenditure Report, available online at: sccrtc.org/funding-planning/measured/taxpayer-oversight/ and/or on each recipient agency website.

Beach Drive repaving - before, County of Santa Cruz

Beach Drive repaving - after, County of Santa Cruz

County of Santa Cruz

- Roadway resurfacing took place on roads countywide, including in Bonny Doon, San Lorenzo Valley, Soquel, Rio Del Mar and Aptos.

Capitola

- Design work began for Brommer Street complete streets improvements to improve access for vehicles, bikes and pedestrians, including pavement reconstruction, installation of ADA driveways and sidewalks, and reconfiguring of the eastbound approach to 41st Avenue for vehicle access.
- Slurry seal of 10 roadways, including 46th Avenue, Wharf Rd, Capitola Avenue, Plum Street, and Pilgrim Drive.

Santa Cruz

- Citywide street reconstruction included repaving of 40 streets.
- Bicycle and pedestrian safety training conducted at citywide elementary schools.

Scotts Valley

- Design work began on the Glenwood Drive Rehabilitation and Bicycle Improvement Project.
- Construction of new sidewalks on Kings Village Road was completed.
- Pavement rehabilitation and bicycle paths completed on Glen Canyon Road, Green Hills Road and S. Navarra Drive.

Pavement rehabilitation, Green Hills Road, Scotts Valley

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Watsonville

- Construction of pedestrian safety and traffic calming measures, such as striping, signage, flashing beacons, curb extensions and speed humps.
- Construction of bicycle safety signage and traffic markings along bicycle corridors citywide.
- Contracted with Bike Santa Cruz County to provide the Earn A Bike Program in Watsonville schools, which provides students with safety training and opportunities to receive a bike and bike helmet.

Bike safety program, Watsonville

Lift Line – Paratransit Services

- Lift Line continued its expanded services seven days per week utilizing two additional drivers. For the first half of FY18/19, Lift Line provided 2,886 additional rides funded through Measure D.
- Two new fully electric 16-passenger paratransit buses were purchased and put into service, replacing two gas engine buses.
- Lift Line purchased a new operating facility/ site in Watsonville.
- Since July 2018 Lift Line, in partnership with the Santa Cruz Downtown Seniors Center, has expanded service to Louden Nelson Community Center for seniors to take classes and participate in activities.

New Lift Line electric paratransit bus

Santa Cruz METRO

- METRO used Measure D funds to fund bus operators for 10 bus routes, to sustain paratransit service levels, and to prevent service cuts.

METRO bus and paratransit vehicles

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Active Transportation - Monterey Bay Sanctuary Scenic Trail Network (MBSST) Rail Trail

During FY18/19 the RTC and the City of Santa Cruz used Measure D funds on environmental review, permitting, design, coordination and other actions required for the following rail trail projects:

- The City of Santa Cruz completed design work for Segment 7 Phase I from Natural Bridges Drive to Bay Street/California Avenue during FY18/19. Construction began in FY19/20.
- The City of Santa Cruz is completing design work and is pursuing grants for construction of Segment 7 Phase II from Bay Street/California Avenue to the Santa
- The City of Santa Cruz completed construction of a new bicycle and pedestrian bridge at the San Lorenzo River Trestle, improving access for bicycles and pedestrians traveling next to the railroad tracks near the Boardwalk in Santa Cruz.
- The RTC certified the Final Environmental Impact Report (EIR) on March 7, 2019 for the North Coast Segment 5 section, which goes from Davenport to Wilder Ranch State Park. In coordination with the RTC, Federal Highway Administration Central Federal Lands Highway Division (FHWA-CFLHD) is working on design of the 7.5-mile trail. The 5.4-mile section from Wilder Ranch to Panther/ Yellowbank Beach is scheduled for construction in 2021.

San Lorenzo River Trestle bicycle and pedestrian bridge, City of Santa Cruz

- Environmental review and design work were completed on Segment 18 in Watsonville on Lee Road from the railroad crossing to Pajaro Valley High School. Construction of the trail between Ohlone Drive and Watsonville Slough Trail is scheduled for Spring 2020.

Highway 9/SLV Corridor and Highway 17 Wildlife Crossing

- In June 2019 the RTC completed the Highway 9/San Lorenzo Valley (SLV) Complete Streets Corridor Plan. Measure D funds are expected to leverage other funds for priority projects identified in the plan.
- Caltrans prepared design plans for the wildlife crossing under Highway 17; $5 million from Measure D will be used for construction of the project and financing needed to accelerate delivery in 2021.

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Highway Corridors

- **Highway 1 Auxiliary Lanes:** Final design for auxiliary lanes between 41st Avenue and Soquel Drive began in September 2018, with construction scheduled for FY 20/21. The project includes a new bicycle/pedestrian overcrossing over Highway 1 at Chanticleer Avenue and will provide for buses to operate in auxiliary lanes and on shoulders. The RTC initiated the procurement process to hire a consultant team to conduct environmental review and preliminary engineering for the Highway 1 auxiliary lanes and bus-on-shoulder project between State Park Drive and Bay/Porter interchanges.
- **Cruz511 Program:** The RTC continued to provide rideshare, transit, bicycle, and traffic information to the public, primarily through the www.Cruz511.org website. Staff continued to provide traffic safety messaging and active transportation mapping resources to community members. Staff also worked with other entities to develop a more robust demand management program, including an online commute manager platform with dynamic ride matching, which is scheduled to launch in summer/fall 2020.
- **Safe on 17 and Freeway Service Patrol:** Measure D has provided critical funding to provide extra California Highway Patrol enforcement on Highway 17 through the Safe on 17 program. Measure D funds are also being used to provide tow truck patrols on Highway 1 and Highway 17 during peak travel times, which work in tandem with CHP to improve traffic flow and safety by removing debris, assisting motorists with broken down vehicles, clearing collisions, and other incidents.

Rail Corridor

- On January 17, 2019, the RTC approved the Unified Corridor Investment Study (UCS) preferred scenario and affirmed the RTC's commitment to include trail and transit, freight and recreational rail uses in the Santa Cruz Branch Rail Line corridor. The RTC is currenlty working with METRO on the Transit Corridor Alternatives Analysis, a detailed analysis of high-capacity public transit options for the rail corridor, which is expected to be completed in January 2021.
- Storm damage repairs and preventative maintenance, including vegetation and drainage work, continues in the rail corridor. Maintenance requests can be directed to maintenance@sccrtc.org.

Administrative and Implementation Activities in FY 18/19

- Policies and procedures were followed to safeguard taxpayer dollars and ensure they are expended per voter direction.
- Accounting and fiscal systems were used to manage each of the accounts and disburse funding to direct recipients per voter approved formulas.
- Five-year plans were prepared to delineate projects planned for the first five years of revenues.
- Ongoing outreach and community engagement was conducted via website updates (www.sccrtc.org/move), Facebook, eNews, and NextDoor.
- Taxpayer Oversight Committee met to review Measure D expenditures and create the annual report.