AGENDA

Thursday, October 20, 2016
9:00 a.m.

NOTE LOCATION THIS MONTH
SCCRTC Conference Room
1523 Pacific Ave
Santa Cruz, CA

NOTE
See the last page for details about access for people with disabilities and meeting broadcasts.

En Español
Para información sobre servicios de traducción al español, diríjase a la última página.

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City of Capitola                              Dennis Norton
City of Santa Cruz                           Don Lane
City of Scotts Valley                        Randy Johnson
City of Watsonville                          Jimmy Dutra
County of Santa Cruz                         Greg Caput
County of Santa Cruz                         Ryan Coonerty
County of Santa Cruz                         Zach Friend
County of Santa Cruz                         John Leopold
County of Santa Cruz                         Bruce McPherson
Santa Cruz Metropolitan Transit District     Karina Cervantes
Santa Cruz Metropolitan Transit District     Cynthia Chase
Santa Cruz Metropolitan Transit District     Ed Bottorff

The majority of the Commission constitutes a quorum for the transaction of business.
1. Introductions

2. Oral communications

   Any member of the public may address the Commission for a period not to exceed three minutes on any item within the jurisdiction of the Commission that is not already on the agenda. The Commission will listen to all communication, but in compliance with State law, may not take action on items that are not on the agenda.

   Speakers are requested to sign the sign-in sheet so that their names can be accurately recorded in the minutes of the meeting.

3. Additions or deletions 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 RTC or public wishes an item be removed and discussed on the regular agenda. Members of the Commission 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 Commissioner objects to the change.

   **REGULAR AGENDA**

4. Great Santa Cruz Trail Report – oral report for information only
   (George Dondero, Executive Director)

   a. Staff report

   b. The Great Santa Cruz Trail Report (included separately for Commissioners and available on the RTC website)

5. Transportation Development Act (TDA) Fiscal Years 2013-2015 Triennial Performance Audit
   (Luis Mendez, Deputy Director)

   a. Staff report

   b. Triennial Performance Audit (included separately for Commissioners and available on the RTC website)

6. Next meetings

   The next SCCRTC meeting is scheduled for Thursday, November 3, 2016 at 9:00 a.m. at the Watsonville City Council Chambers, 275 Main St., Ste 450, Watsonville, CA.

   The next Transportation Policy Workshop is scheduled for Thursday, November 17, 2016 at 9:00 a.m. at the RTC Offices, 1523 Pacific Ave., Santa Cruz, CA.
**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

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phone: (831) 460-3205  
email: info@sccrtc.org / website: www.sccrtc.org

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- Branciforte Library  
- Capitola Library  
- Felton Library  
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- La Selva Beach Library  
- Live Oak Library  
- Santa Cruz Downtown Library  
- Scotts Valley Library  
- Watsonville Main Library

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TO: Regional Transportation Commission (RTC)

FROM: George Dondero, Executive Director

RE: Great Santa Cruz Trail Report

RECOMMENDATIONS

Staff recommends that the RTC receive a presentation on the Great Santa Cruz Trail Report. This item is for information only.

BACKGROUND

In August 2016 a report was published by a community organization, The Great Santa Cruz Trail Group, promoting use of the Santa Cruz Branch line corridor for the creation of a bike and pedestrian trail and the removal of the existing railroad tracks. The report was written with assistance from a transportation consulting firm, Nelson/Nygaard and was privately funded. The Great Santa Cruz Trail Group has asked to present the report and its conclusions to the RTC.

DISCUSSION

The RTC may wish to more thoroughly consider the report during the fully public and transparent evaluation of options for future use of the corridor, which has been previously committed to by the RTC. That evaluation process will be funded by revenue from Measure D, if approved by 2/3 of the voters on November 8.

SUMMARY

The Great Santa Cruz Trail Group will present a report promoting use of the Santa Cruz Branch line corridor for the creation of a bike and pedestrian trail and the removal of the existing railroad tracks.

Attachments:
1. The Great Santa Cruz Trail Report (included separately for Commissioners and available on the RTC website)
ATTACHMENT 1

THE GREAT SANTA CRUZ TRAIL

2016
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This report studies a “Trail-Only” option for the Santa Cruz Branch Line. A “Trail-Only” option entertains the idea of a trail without rail, or Rail-to-Trail. Trails running adjacent to operating train lines are called Rail-with-Trail.
INTRODUCTION

California voters approved Proposition 116 in 1990, providing new funding for passenger rail statewide. In 2012, the Santa Cruz County Regional Transportation Commission (SCCRTC) used $10.2 million of this funding to purchase the Santa Cruz Branch Rail Line. The current direction for Rail-with-Trail was prescribed as a result of Prop 116 funding requirements and the extent it constrained the examination of alternatives both before and after. However, options exist for alternative approaches—such as a Trail-Only design—if these funds are repaid.

SCCRTC’s Santa Cruz Branch Rail Line Rail Transit Feasibility Study and Monterey Bay Sanctuary Scenic Trail Master Plan (MBSST) both include a 32-mile multi-use trail, parallel to rail. Unfortunately, no study has considered the option for a Trail-Only scenario. We appreciate that this plan would be incomplete without consideration of the vast amount of time, cost, and effort that has already been expended on policy decisions, community building, and contractual obligations related to the corridor. As such, this plan has at its core a desire to assist the SCCRTC in achieving its bold, aspirational health, safety, and sustainability goals for transportation over the next 20 years and beyond.

So in this plan we ask, “Is there a better use for this corridor?”

To facilitate a regional, public discussion regarding the option to convert up to 32 miles of existing lightly used rail corridor to a highest quality trail between Santa Cruz and Watsonville, this report presents a vision for implementation of a Trail-Only option.
This Plan supports the County’s regional transportation goals for growth in the use of bicycling, walking, and transit.
HISTORY AND BACKGROUND OF THE SANTA CRUZ BRANCH LINE

The Santa Cruz Branch Rail Line began operations in 1876, when the Santa Cruz Railroad opened freight and passenger service between Santa Cruz and Watsonville. Freight service north of Watsonville largely stopped with the closing of the Cemex plant in Davenport. Santa Cruz Big Trees and Pacific Railroad seasonal tourist trains serve the Santa Cruz Beach Boardwalk, but no regular passenger service has existed since the last run of the Suntan Special in 1959.

No shortage of studies have debated the feasibility of recommencing passenger, recreation, or freight rail between Davenport and Watsonville compared to railbanking or abandonment. Items under debate include the potential for any train service to improve congestion on Highway 1, draw Watsonville riders, or generate sufficient capital and operational funding.

The Rail Transit Feasibility and the SCCRTC’s Monterey Bay Sanctuary Scenic Trail Network Master Plan (MBSST) currently guide SCCRTC’s decisions regarding the 32-mile right-of-way. The SCCRTC has selected Iowa Pacific Holdings to operate railway service on the Branch Line through September 2022. Although all planning efforts to date have agreed that, where feasible, a trail should parallel the tracks, no planning efforts have studied a Trail-Only scenario. Yet it is just this scenario that holds promise to be fully constructible and operational within a reasonable time frame using discrete and attainable funding.

A Trail-Only alternative must be studied to determine how it could support the County’s ambitious goals:

1. "To increase bicycle use to 20% of all work trips and to increase general bicycle trips to 5% of all trips by the year 2035."

2. [Links to relevant documents provided]

BIRTH OF THE GREAT SANTA CRUZ TRAIL GROUP

SCCRTC’s acquisition of and focus on the rail right-of-way, coupled with its ambitious policy goals related to multimodal transportation in the county, have spurred impassioned debate around how best to use the Santa Cruz Branch Rail Line right-of-way for the public good. Local agencies have generally been supportive of rail along the corridor and have financed several of the studies concluding the viability of a Rail-with-Trail option. When the Rail Transit Feasibility Study was presented in 2015, local advocacy groups, business leaders, and individuals took a closer look at the design constraints, cost, funding sources, and projected ridership in implementing rail alongside a pedestrian and bicycle path.
LOCAL CONTEXT

In this chapter the demographic characteristics of the corridor are explored in order to understand the level of activity that can be anticipated along different reaches of the trail. Furthermore, the natural and built environments are discussed to come to a richer understanding of potential constraints to the Rail-with-Trail scenario.
WHERE WILL THE HIGHEST RESIDENTIAL ACTIVITY COME FROM?

NEARBY POPULATION
The 32-mile corridor is within one mile of 92 parks, 42 school populations, and over half of the county’s population.

Residents Per Acre

Data Sources: US Census 2010
Employment in Santa Cruz County is concentrated in Santa Cruz, Capitola, and Watsonville. Much of this employment is located along the existing bike network in each of these cities, and a viable levee trail in Santa Cruz already provides good access to major employers.

Data Sources: US Census Longitudinal Employer Household Dynamics 2013
“Walksheds” are areas within a 15 minute walk to corridor access points, and are a common way to measure accessibility of recreational amenities. Walksheds are important to consider as they indicate how far people would have to walk to use the trail facility. Despite limited connectivity in the northern, and portions of the southern segments, the overall convenience of access for people walking and biking would be higher in a Trail-Only scenario, because it would not be constrained by designated rail crossings.
TRAIL BIKEZHEDS

“Bikezheds” are areas within 2 miles biking-distance to corridor access points. The 2 mile on street biking distance is about a ten minute ride. Bikezheds are smaller on hilly sections of road to account for the additional energy required for biking uphill (25,000 joules is the energy required to bike 2 miles on flat ground). Bikezheds are important to consider as they indicate who is likely to bike to and use a trail facility, and where they will be traveling from.

The cities of Santa Cruz, Capitola, and Watsonville have the most bike accessibility to and from the trail corridor. Bikezshed analysis provides an excellent opportunity to leverage the highest quality Santa Cruz Trail with as high quality on-street routes in the region.
The construction of an attractive continuous trail without on-street detours depends on securing sufficient width to maintain two way bicycle and pedestrian traffic. Constraints posed by width limitations may influence both a Rail-with-Trail and Trail-Only option, but with the Trail-Only option, the solution might simply be to reduce the trail width. The Rail-with-Trail depends upon potentially expensive design solutions such as bridges, retaining walls, and safety structures to achieve the SCCRTC policy level preferred design cross section of a 12’ minimum trail with a 20’ envelope for train operations. Right-of-way purchase or dedication may also be required in some places.

**CONSTRAINTS ALONG THE SANTA CRUZ BRANCH LINE RIGHT-OF-WAY**

The SCCRTC identified locations where underlying legal property boundaries constrain the corridor to less than 25 feet in the MBSST Study. That 25-foot threshold is based on SCCRTC’s policy of retaining a minimum setback from the centerline between the two rails of 8.5 feet on both sides, plus an 8-foot two-way path, in constrained conditions. These are illustrated on the constraints maps on pages 10-12.

Although property lines may extend beyond this width, in many cases steep slopes, property encroachment, narrow crossing structures, or sensitive habitats limit the apparent available width to less than 25 feet. **Fifty-one such constrained areas related to topography, adjacent land uses, built environment, and bridges were identified through field observations in February 2016.**

**Topographic constraints** include segments along cliff sides, steep embankments, and old growth trees. **Natural constraints** include adjacent farmland, public beaches, possible wetlands, and protected wildlife areas. **Built environment constraints** include narrow city streets, private properties, building structures and private driveways. **Bridge-based constraints** include four bridges as narrow as 15 feet wide that could be repurposed for a Trail-Only scenario. According to the MBSST, the Rail-with-Trail scenario will require 22 bridge accommodations including the use of cantilevers or parallel bridges.

Although the exact design solutions for the Rail-with-Trail design are unknown at this time, potential solutions include relocating tracks, significant retaining walls, on-street detours, and new bridges. **The figures on the following three pages show apparent design or right-of-way availability constraints, many of which have not been identified in planning efforts to date.**
FARMLAND AND ENVIRONMENTAL DESIGN CONSTRAINTS ARE PREDOMINANT IN THE NORTH REACH
COSTLY OR OUT OF DIRECTION SOLUTIONS TO DESIGN CONSTRAINTS IN THE DENSLEY POPULATED CENTRAL SECTION CAN BE AVOIDED IN A TRAIL-ONLY SCENARIO
A SURPRISING NUMBER AND A VARIETY OF DESIGN CONSTRAINTS IN THE SOUTH REACH SUPPORT A TRAIL-ONLY SOLUTION

Potential Technical Constraints

- Constraints identified by Monterey Bay Sanctuary Scenic Trail [MBBSS] project
- Topographic/Environmental
- Farmland
- Built Environment
- Bridge

This constraints analysis is not comprehensive, but is intended to highlight potential constrained areas that were observed along the trail.

- Study Corridor
- City Limits
- County Line
Rail-with-Trails in very steep or rugged terrain or with numerous bridges and trestles simply may not be feasible given the need to keep a minimal setback from the tracks, meet ADA requirements, allow railroad maintenance access, and still have a reasonable construction budget.


### SANTA CRUZ RAIL-WITH-TRAIL APPARENT CONSTRAINTS

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<th>NORTHERN</th>
<th>CENTRAL</th>
<th>SOUTH</th>
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<tbody>
<tr>
<td>Bridges</td>
<td>0</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Environmental</td>
<td>1</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Man-made</td>
<td>0</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Farmland</td>
<td>14</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>MBSST-Identified</td>
<td>0</td>
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<td>1</td>
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Bridge, environmental, man-made, and farmland constraints identified in a corridor walk far outnumber the constraints identified through preliminary analysis for the MBSST Plan.
LEVEL OF TRAFFIC STRESS (LTS) ANALYSIS

Should the design challenges prove insurmountable with the Rail-with-Trail option, those segments without sufficient available right-of-way will be bridged with on-street detours. Available data related to speed limits and roadway design were used to estimate the level of traffic stress along a selection of shortest path out-of-direction travel segments on the existing or planned on-street network. At this point in the development of the MBSST trail plan, it is unclear how many detours off the trail will be required.

This illustration of known potential detours shows what the user experience will be should design challenges to a continuous path be insurmountable. A higher level stress experience with significant out-of-direction travel is unlikely to attract the interested users who are concerned about safety. In the Trail-Only scenario, we believe these on-street experiences can be eliminated.

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BICYCLE LEVEL OF TRAFFIC STRESS

Bicycle Level of Traffic Stress

<table>
<thead>
<tr>
<th>Segment</th>
<th>Intersection</th>
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<tbody>
<tr>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>High</td>
<td>High</td>
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<tr>
<td>Extreme</td>
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Legend:
- **Study Corridor**
- **City Limits**
- **County Line**
A VISION FOR THE GREAT SANTA CRUZ TRAIL

“A wide, beautifully landscaped, and completely off-street multi-use trail running from Davenport to Watsonville, through Santa Cruz.”

A WORLD-CLASS TRAIL FOR SANTA CRUZ COUNTY

The Great Santa Cruz Trail builds on the excellent work done with the award-winning Monterey Bay Sanctuary Scenic Trail Network Master Plan, and furthers the policy goals of Santa Cruz County. The difference is the opportunity presented by considering a Trail-Only scenario.

A wide, beautifully landscaped, and completely off-street multi-use path running from Davenport to Watsonville, through Santa Cruz, will help the county achieve its ambitious goal of 20% bicycle mode share by 2035. The Great Santa Cruz Trail can be the primary trunk route for pedestrian, bike and electric bike commuters throughout the region, and a beautiful recreational resource for locals and visitors.

A premier trail honors all residents with a high quality experience, including the 10% of Santa Cruz County’s residents who do not own a car, and the 16% below the poverty line. It will be comfortable and safe for people of all ages.

Finally, the Great Santa Cruz Trail will act as a beautiful linear park showcasing the natural beauty of the Santa Cruz County coastline without the interruption of train activity in close proximity. With room for native flora landscaping and calming spaces, users can spend afternoons strolling along the ocean and getting lost in thought. This peaceful oasis will serve as a sanctuary for Santa Cruz County residents, an amenity for creative businesses and a world-class visitor attraction.

THE GREAT SANTA CRUZ TRAIL

• Serves the transportation needs of the Santa Cruz community today and into the future
• Becomes a regional trail resource for people of all ages and abilities, from our community and beyond
• Increases access to jobs and destinations, sustainability, and public health
• Becomes a world-class resource for Santa Cruz County
• Ensures the highest and best use of public resources
• Advances health, economic, environmental and equity outcomes
The vision at this constrained section in the northern stretch of the trail shows how beautifully the trail fits into the rural portions of the existing rail line without scarring the bluffs with grading or retaining walls. In other less constrained locations, an expansive design that permits separation of pedestrian and equine users would be possible. However, in this lower volume section, a shared use trail without separation would be suitable.

The Santa Cruz Trail Group’s Vision includes maintaining the rock formations of the beach cliffs and preserving the view of the surprisingly rolling terrain without significant fill, grading and retaining walls.
Where the trail crosses Seabright Avenue, a “two-can” crossing treatment allows crossings for people walking and bicycling separate from vehicle movements. Along this stretch, the on-street bike lanes are maintained on Murray Street. The trail’s bikeway is 12-feet here with 2.5-foot buffers between the roadway, bikeway, and walkway. Where the Seabright Avenue sidewalk crosses the bikeway, “watch for bikes” and “yield to peds” paint markings reinforce safe user interactions. The Santa Cruz Trail Group’s Vision includes maintaining access to local destinations along the corridor using safe and established street crossing methods. Clearly, a train through this area would dramatically change the environment and utility for pedestrians, people on bicycles and residents.
In Aptos Village, the trail parallels Soquel Drive. Near the intersection of Trout Gulch Drive, the trail becomes especially constrained between the roadway and the adjacent parking lot. Thus, this section of trail would borrow the 10-foot width of the existing bike lanes to create a 12-foot bikeway with 1.5-foot edges and separation between modes. We have chosen this approach because of the importance of enhancing the village environment for pedestrians in this small shopping, restaurant area. Because the right-of-way opens up just west of here, all on-street parking can be sustained. As on Seabright Avenue, and other constrained locations, a train through this area would dramatically change the environment and utility for pedestrians, people on bicycles and residents.
41ST AVE, CAPITOLA (CENTRAL REACH)

Even in this relatively-constrained area near the intersection with 41st Ave, a separate use configuration can be employed to mitigate conflict in an area of high density. Here, a 16-foot total width on the bikeway allows for anticipated high ridership, comfortable passing, and conversational side-by-side riding. A 7-foot walkway is buffered from people bicycling, by plants and lighting. The Santa Cruz Trail Group's Vision includes maintaining separation between people bicycling and walking wherever possible to make the trail suitable for both lingering and commuting. This would not be possible in the Rail-with-Trail scenario without affecting existing built edges.
The trail along La Selva Beach enhances the extraordinary sense of place provided by the efficient and beautiful trestles. At the iconic La Selva bridge, the trail connects residential areas with nearby beach recreation opportunities. On the trestle, the trail becomes constrained to only 12-feet. An 8-foot shared-use trail is flanked by 2-foot edges of a different material, encouraging slower foot traffic to use the edges with wheeled traffic closer to the centerline. Signage encourages kind yielding behavior between users. **There is insufficient space on the 22 bridges of the corridor to accommodate a train and path; thus the trail will need to go off-corridor, a new bridge will need to be built, or the trail will need to be cantilevered off the existing bridge (assuming the bridge can support it).** The Santa Cruz Trail Group’s Vision includes using existing infrastructure at a fraction of the cost of the Rail Plan.
CASE STUDIES OF SIGNATURE TRAILS

Since the mid-1980s, the number of bicycle and pedestrian trails along existing or former rail rights-of-way has grown from less than 200 to more than 1,800.

MONTEREY BAY COASTAL RECREATION TRAIL
The Monterey Bay Coastal Recreation Trail is an 18-mile long Rail-to-Trail path that stretches from Castroville to Pacific Grove, in California. The trail follows the area’s former Southern Pacific railroad line and uses former Fort Ord trails. The Monterey Peninsula Regional Park District (MPRPD) initially proposed the idea to transform the abandoned rail line into a public trail in the early 1970s. Starting in 1976, the MPRPD and other cities along the former rail line began construction on the trail that was opened to the public in 1984.6


RAZORBACK REGIONAL GREENWAY TRAIL
The Razorback Regional Greenway—opened in May 2015—is a 36-mile Rail-to-Trail that was constructed in phases to link six Northwest Arkansas communities, from Bentonville to Fayetteville. Importantly, it provides direct access to popular community destinations including downtowns, schools, retail centers, historic sites, major employers, recreational opportunities and the University of Arkansas.7 Most sections of the trail mix people bicycling and walking on the same path, using design cues to encourage safe passage.

COACHELLA VALLEY LINK

Once constructed, the Coachella Valley Link (CV Link) will be a 50-mile multi-use transportation corridor along the Whitewater River, connecting eight cities in Coachella Valley and two federally recognized tribal areas. The Trail-Only pathway was never a rail corridor. It is intended as a safe, healthy off-street alternative to Highway 111. Where space permits, cyclists, pedestrians, golf carts, and neighborhood electric vehicles will also be separated from each other on the CV Link. For the most part, the corridor is separated from the surface street system by overpasses and underpasses. The planning and implementation of CV Link has been led by the Coachella Valley Association of Governments (CVAG), with construction anticipated between 2017 and 2020.

EASTSIDE CORRIDOR REGIONAL TRAIL

The Eastside Corridor Regional Trail is 16.7-miles long, connecting some of the largest and fastest growing communities and employment centers in King County, Washington within the Eastside Rail Corridor (ERC)—a 42-mile rail corridor that provided freight rail service for over 100 years. The corridor was brought into public ownership and has been railbanked. Freight rail currently operates on an approximately 12-mile segment between Woodinville and Snohomish. A multi-use trail is in the planning stages. It is envisioned to be the most heavily used trail corridor in the eastern suburbs of Seattle, serving everyday commute and recreation trips, and linking to several other regional trails to provide an integrated trail network.8

GREAT ALLEGHENY PASSAGE

The Great Allegheny Passage (GAP) is a 150-mile long trail corridor that travels from Cumberland, Maryland to Pittsburgh, Pennsylvania. The eastern section of the trail connects to the C&O Canal Towpath, which spans from Cumberland to Washington, DC, making the total length of the non-motorized path 335 miles.9 While the majority of the GAP is a Trail-Only corridor, there is a 16-mile stretch between Cumberland and Frostburg, Maryland that shares the right-of-way with the Western Maryland Scenic Railroad (WMSR), which offers both freight and passenger services on a limited basis at travel speeds of no more than 15 miles per hour.10 The GAP opened in 2013.11

SUMMARY

The review of signature trails in concert with a review of the Rails-to-Trails Conservancy study of 88 trails entitled ‘America’s Rails-with-Trails” (September 2013) illustrates that:

- The average setbacks between rail and trail is 20 - 30 ft in Rail-with- Trails corridors, with higher speed trains yielding larger setbacks or safety separations
- Most trails along rail corridors are Trail-Only
- Rails to Trails conversions provide broad economic, environmental, health and transportation benefits

Among these 1,800 trails, around 90% are Trail-Only corridors, where people walk and bicycle where train passage has ceased.

---

8 http://kingcounty.gov/services/parks-recreation/parks/capital-improvements/erc.aspx
9 http://www.nps.gov/experiences/gap-connection.htm
10 https://gaptrail.org/
11 2013, June 16. “Celebration marks the completion of the Great Allegheny Passage Trail.” Examiner
## SIGNATURE TRAIL OVERVIEW

<table>
<thead>
<tr>
<th>PEER TRAIL</th>
<th>LOCATION</th>
<th>LENGTH (MILES)</th>
<th>BANKING</th>
<th>VISION</th>
<th>FUNDING</th>
<th>OUTCOMES/ BENEFITS</th>
<th>COST PER MILE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monterey Bay Coastal Recreation Trail</td>
<td>Monterey County, California</td>
<td>18</td>
<td>-</td>
<td>Maximize the economic and education benefits of the National Marine Sanctuary; address transportation impact issues such as parking and traffic circulation</td>
<td>The cost of this section of the coastal trail is unclear, due to the various mechanisms for making the trail corridor available. However, the 2007 Monterey Bay Sanctuary Scenic Trail Master Plan identifies a cost of $28.5 million for upgrades of existing sections and construction of new trail segments along the 34 miles between Pacific Grove to the Santa Cruz County line.*</td>
<td>Public connection to natural resources, economic development, non-motorized transportation alternative</td>
<td>$0.8 Million</td>
</tr>
<tr>
<td>Razorback Regional Greenway</td>
<td>Northwestern Arkansas</td>
<td>36</td>
<td>-</td>
<td>Create a “spine” trail and integrate existing trails into a regional trail network</td>
<td>$38 million, mostly funded through TIGER and private grant</td>
<td>Economic development, increased foot traffic to nearby businesses, education, mobility</td>
<td>$1.1 Million</td>
</tr>
<tr>
<td>CV Link</td>
<td>Riverside County, California</td>
<td>50</td>
<td>-</td>
<td>Create an alternative to Highway 111 for non-motorized and Neighborhood Electric Vehicle uses</td>
<td>$99.4 million, $75.6 million funded through various sources</td>
<td>Public health, safety, tourism, increased property values, reduced VMT, job creation</td>
<td>$2 Million</td>
</tr>
<tr>
<td>ERC Regional Trail</td>
<td>King County, Washington</td>
<td>42</td>
<td>Yes</td>
<td>Provide a regional non-motorized trail for everyday commuters and recreational users</td>
<td>$152–$183 million, funding not yet identified</td>
<td>Regional mobility, economic development, public health, non-motorized transportation, cultural preservation, art</td>
<td>$2.1–$3.6 Million</td>
</tr>
<tr>
<td>Great Allegheny Passage</td>
<td>West Pennsylvania/ Central Maryland</td>
<td>150</td>
<td>Yes</td>
<td>Provide a non-motorized, multipurpose trail</td>
<td>$80 million, various funding sources</td>
<td>Economic development, local business growth</td>
<td>$0.5 Million</td>
</tr>
<tr>
<td>Great Santa Cruz Trail</td>
<td>Santa Cruz</td>
<td>32</td>
<td>TBD</td>
<td>A highest quality trail to meet Santa Cruz County Transportation goals</td>
<td>TBD</td>
<td>Improved health, safety, and sustainability</td>
<td>Estimated $1.6 Million</td>
</tr>
</tbody>
</table>

*Source: [www.co.monterey.ca.us/planning/Long-range-planning/Moss_Landing_Community_Plan/Monterey_Bay_Sanctuary_Scenic_Trail_Master_Plan_July_2007.pdf](http://www.co.monterey.ca.us/planning/Long-range-planning/Moss_Landing_Community_Plan/Monterey_Bay_Sanctuary_Scenic_Trail_Master_Plan_July_2007.pdf)
ANTICIPATED USAGE

We used bicycle demand forecasting methods published by the National Cooperative Highway Research Program (NCHRP) in Report 552 to estimate the number of existing bicyclists who would shift their trips to the corridor and people who would begin cycling as a result of it (see Appendix B for description). The estimates of total daily usage on page 25 show that 6,105 cyclists will use the trail daily, which compares favorably to the 2,750 daily round-trip users for a train.\(^\text{12}\)

The numbers modeled on the following page do not include pedestrians. According to the City of Santa Cruz Active Transportation Plan (2016), the county ratio of cyclists to pedestrians for commuting to work is 45 to 55, respectively. Therefore, assuming a similar ratio, we can expect 13,567 daily bicycle and pedestrian users of the Great Santa Cruz Trail. The prospect of achieving these pedestrian numbers is enhanced by providing safe and convenient separation from cyclists.

We believe that a highest quality trail in our region will attract ridership exceeding that calculated by the standard predicted by the NCHRP model. The Trail-Only option capitalizes on available corridor width to provide additional separation between users and it also uses existing bridge structures to avoid on-street detours. This world-class trail facility will serve as the backbone of a countywide network, and as a catalyst for shifting bicycle and pedestrian commutes from 3.5% to 20% countywide.

In addition to congestion relief, bicycling, and walking combined with other attainable public transport options such as bus, ridesharing, network transportation, and paratransit offer many similar benefits that are not disputed by this analysis. These include shifting trips from single-occupancy vehicles onto transit, increasing transportation options for traveling between destinations, and providing low cost and reliable ways for people with limited abilities to travel more than 3 miles.

However, because it was excluded from the initial environmental review, the benefits and impacts of a Trail-Only option have never been duly studied.

\(^{12}\) Based on 5,500 boardings from Scenario G of the Santa Cruz Branch Rail Line Rail Transit Feasibility Study
Model estimates indicate that the Great Santa Cruz Trail has the potential to draw 6,105 daily cyclists (sum of all numbers in the chart below), including commuters, students, and those cycling for recreation. The numbers below represent the low estimates for each reach.

**Potential Total Daily Cyclist Usage**

**Legend**
- 51-100 common commute trips
- 101-200 common commute trips
- 201-2709 common commute trips
- = 100 bicyclists

**NORTHERN REACH**
- We could expect 319 existing recreational or utilitarian cyclists to shift to the trail.
- We could expect 147 new cyclists to shift from other modes.

**CENTRAL REACH**
- We could expect 2,247 existing recreational or utilitarian cyclists to shift to the trail.
- We could expect 1,614 new cyclists to shift from other modes.

**SOUTHERN REACH**
- We could expect 895 existing recreational or utilitarian cyclists to shift to the trail.
- We could expect 500 new cyclists to shift from other modes.

**THE NUMBERS ABOVE REPRESENT THE MODEL’S PREDICTED LOW ESTIMATES FOR EACH REACH.**
THE PEDESTRIAN AND BICYCLIST USER EXPERIENCE

As described, current estimating methods are insensitive to trail qualities. However, the user experience will vary depending upon trail width, the likelihood of encountering and passing other types of users from either direction, and the presence of a centerline.  

We used accepted Level of Service methods to describe the bicycle user experience (using low-end bike only activity) at the locations envisioned on pages 16-20. We compared the user experience assuming the trail dimensions for the easy to build Trail-Only scenario with the lowest impact Rail-with-Trail design scenario. The Rail-with-Trail cross-section was calculated by reducing the space available by 17’ for the train and setback.14 15

In general, grades of A-C are considered acceptable, with a B indicating a trail that has good bicycling conditions and retains significant room to absorb more users while maintaining an ability to provide a high-quality user experience. Research shows every additional foot of trail width has a positive impact on LOS, and the experience of bicycle users is significantly impacted when the amount of foot traffic surpasses 15% of all trail users. A grade of E (very poor) predicts a trail that has reached its functional capacity at construction, where users will experience crowding and may shift to other routes.16

In sum, the user experience in the Trail-Only scenario will be vastly superior and will help meet the 20% commuter goal.

---

### GRADING THE USER EXPERIENCE

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>TRAIL-ONLY (available width for bicyclists)***</th>
<th>RAIL-WITH-TRAIL (available width for entire trail)***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aptos Village</td>
<td>B (12’)</td>
<td>E (12’)</td>
</tr>
<tr>
<td>La Selva Beach</td>
<td>B (8’)</td>
<td>N/A (0’)***</td>
</tr>
<tr>
<td>41st Ave, Capitola</td>
<td>B (14’)</td>
<td>E (11’)</td>
</tr>
<tr>
<td>North Reach</td>
<td>A (12’)</td>
<td>B (8’)**</td>
</tr>
<tr>
<td>Seabright Ave, Santa Cruz</td>
<td>B (12’)</td>
<td>F (8’)</td>
</tr>
</tbody>
</table>

---

13 Level of Service Appendix. The Level of Service calculation is based on the method described in: Patten, Schneider, Toole, Hummer, and Rouphail. (July 2006) Shared-Use Path Level of Service Calculator – A User’s Guide.FHW-A-HRT-05-138

14 Minimum 8’ trail width is assumed where apparent available right of way does not accommodate Rail-with-Trail.

15 Where insufficient width remains for a standard Rail-with-Trail, we increase the total width available, assuming the SCCRTC will achieve a design solution through facility grading or retaining walls. Due to available width in these sections, in all Rail-with-Trail scenarios, we have assumed a shared-use path design with no separation between people walking and bicycling.

*Where no width remains available after accounting for rail right-of-way, either a new facility such as a bridge would have to be funded, designed, and constructed, or the trail would have to divert onto the street. The trail LOS methodology does not apply to on-street facilities, so no LOS was calculated for this scenario, in which it is assumed a new pedestrian bridge is not constructed.

**We have assumed grading, filling, or additional right-of-way could be identified to avail 8’ of right-of-way for the trail. The trail LOS methodology does not apply to on-street facilities, so no LOS was calculated for this scenario.

*** All widths exclusive of the shoulder, which is not considered a travelway for people on bicycles.

---

In general, grades of A-C are considered acceptable, with a B indicating a trail that has good bicycling conditions and retains significant room to absorb more users…
BRINGING THE VISION TO LIFE

PROJECT COST

The table to the right compares the estimated per-mile capital costs of the Trail-Only and Rail-with-Trail scenarios.

There are still many decisions to be made regarding either scenario’s design, vehicle type, alignment, amenities, access improvements, and other investments. These decisions will have significant impacts on the costs of either outcome. However, the table demonstrates the vast differences in per mile start-up capital needs. To put these numbers into context, we estimate the Trail-Only scenario to serve tens of thousands of people daily (including people who would start bicycling due to the comfort provided by the new off-street facility), whereas the SCCRTC estimates 2,750 daily round-trip users. A Trail-Only design will provide transportation, economic, recreation, and health benefits to Santa Cruz County residents and visitors at a fraction of the cost of passenger rail.

![Image]

<table>
<thead>
<tr>
<th>COSTS</th>
<th>TRAIL-ONLY</th>
<th>RAIL-WITH-TRAIL*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs (per mile)</td>
<td>$1.6 million**</td>
<td>$4 million***</td>
</tr>
</tbody>
</table>

* Represents costs for the trail portion
**Conservative estimate based on average cost of the five case study trails included in this report
***Appendix C, page C-8, Monterey Bay Sanctuary Scenic Trail Network Master Plan

Eight miles of the MBSST trail are currently in design and environmental review phases, with construction scheduled in 2017. The remainder of the trail will be built as funding becomes available. This study acknowledges that a change in direction would require a new public process. Even so, because of the high cost of likely bridge and environmental mitigations for the full 32-mile Rail-with-Trail solution, we believe a less costly Trail-Only option could be open for use by residents and visitors much sooner.

17 SCCRTC Rail Transit Feasibility Study, Table 6-11

Santa Cruz County’s 2011 Bicycle Plan aspires to shift the commute mode share for bicycling from 2% to 20%
FUNDING OPPORTUNITIES

Federal, state, regional, local, and private funds are being tapped throughout the country to improve active transportation. Funding sources include the Transportation Alternatives Program (TAP), Recreational Trails Program, Congestion Mitigation and Air Quality Improvement (CMAQ) Program, Surface Transportation Program, TIGER Grants, Community Prevention Grants, and the Transportation Infrastructure Financing and Innovation Act (TIFIA) funding.

Philanthropic donations for completing trail networks are increasingly common. The Walton Family Foundation supported much of the Razorback. In Philadelphia, the William Penn Foundation supported construction of a trail network as a platform for building a constituency for water quality.

Philanthropic donations for completing trail networks are increasingly common.

Through crowdsourcing in Denver, substantial funds were received for protected bike lanes from the Gates Family Foundation, in alliance with business leaders, property owners, and young professionals. Throughout the country, the Knight Foundation is supporting a variety of bicycle projects in the interest of improving economic strength in communities. A diverse coalition, supporting a project with a wide range of positive outcomes in Santa Cruz County is likely to generate substantial public and private support.

While the Proposition 116 Funding was specifically allocated for a rail project, a 2015 letter from the California Transportation Commission (CTC) clarifies that Santa Cruz County can return this money to the CTC and re-purchase the right-of-way without jeopardizing the future of a Trail-Only project.

"Investments in trails, bike lanes, and bicycle-sharing systems have high levels of return on investment. Regions and cities have found that relatively small investments in active transportation can have outsized economic returns due to improved health and environmental outcomes and reduced negative externalities, such as automobile traffic congestion and poor air quality."

— Urban Land Institute, “Active Transportation and Real Estate”
THE BENEFITS OF A HIGHEST QUALITY TRAIL

Santa Cruz County’s 2011 Bicycle Plan aspires to shift the commute mode share for bicycling from 2% to 20%.

This outcome requires a vision of bicycle facilities that accommodate large numbers of people with a variety of abilities. The Rail-with-Trail design option faces substantial funding obstacles and offers limited transportation benefits.

A Trail-Only project is inclusive, scalable, and dynamic. Santa Cruz County residents will have many access points to the corridor. Due to its role as a piece of a broader bicycle and pedestrian network, a trail can be partially implemented and still provide benefit, and the cost of doing so permits a pilot-and-test approach to achieving a full-scale active transportation system. And, a trail-only design provides option value—it could accommodate innovative mobility devices yet to be invented or tried in Santa Cruz County. Another key benefit of a Trail-Only option is that it is substantially less expensive to build and operate over time.

Beyond these strategic investment benefits, a growing body of research suggests that high quality active transportation infrastructure will result in improved local economies and quality of life:

- **Economic Development.** An economic analysis of the recently opened Northwest Arkansas Razorback Regional Greenway trail projects that the region will see a three to one return on investment. Recent studies of trail facilities in Indiana, Texas, Pennsylvania, Georgia, and Minnesota demonstrate real estate values increase with proximity to bicycle paths and walking trails.

- **Health.** In Lincoln, Nebraska, every $1 invested in bicycle trails resulted in medical cost savings of about $3. Copenhagen’s local government recently estimated that the physical activity generated by new bicycle paths will lead to a $60 million reduction in healthcare costs citywide.

---


27 Urban Land Institute Building Healthy Places Initiative, (March 2016) “Active Transportation and Real Estate: The Next Frontier”, p. 44.
• **Quality of Life.** A Sydney, Australia study found that bicycle commuters have an overall higher quality of life than users of all other modes of transportation including driving, walking, and public transportation. A 2015 national survey found that 52% of Americans and 63% of millennials would like to live in a place where they do not need to rely on a car.

• **Connectivity and Comfort.** Separated and protected facilities that connect people to local businesses, schools, municipal services, and other important neighborhood destinations will support increased ridership citywide.

The Great Santa Cruz Trail would serve as the spine of a world-class network of bicycle and pedestrian facilities that permeates neighborhoods and job centers. With safe and comfortable facilities citywide, including secure bike parking and wayfinding, the area can anticipate seeing more people on bikes, like other cities have seen. In Washington, DC, bicycling increased 200% on Pennsylvania Avenue after the city installed a protected bicycle lane.

---

28 [http://www.sydneycycleways.net/the-happiness-cycle/](http://www.sydneycycleways.net/the-happiness-cycle/)
Santa Cruz County officials and the Great Santa Cruz Trail Group have a shared vision of increasing bicycling and walking tenfold in the next 20 years. We must commit to world-class investments to make this a reality. The time is right to capitalize on the opportunities presented by a Trail-Only scenario that increases sustainable transportation choices for the county because:

- **A Trail-Only scenario has the potential to move more people quicker than any other scenario examined by the SCCRTC at a fraction of the cost.** It also presents the opportunity to increase the return on other pedestrian and bike investments countywide by creating a north-south backbone that increases safety and acts as the major artery for a pedestrian and bicyclist transportation system.

- **There are numerous and costly design constraints for any rail option, particularly in the central and southern reaches of the 32-mile corridor.** These design constraints require substantial workarounds or off-trail detours, the costs of which are unknown at this time and will only add to what is already an expensive trail plan when compared to others nationwide. Further, a Rail-with-Trail scenario constrains trail capacity, and dampens its ability to provide for a 20% bicycle mode share.

- **There is a substantial difference in the user experience between walking and bicycling adjacent to an active train versus the Trail-Only approach.** The user experience grade, as calculated by an objective Level of Service methodology, is very high for Trail-Only and very low for Rail-with-Trail. Higher train speeds and frequencies—to ensure transit service is attractive to current drivers—require larger setbacks or costly safety structures for trails. Without evidence that the proposed train will serve the needs of commuters, improve regional congestion, and connect to other high quality public transit, we reject the idea that the train will relieve congestion and that construction measures will satisfy our concerns about trail safety and use. Rail-with-Trail also forgoes forever the beauty, tranquility, and emission-free outcomes of a Trail-Only approach.

Source: http://www.railstotrails.org/resourcehandler.ashx?id=2982
• Countless examples from other communities nationwide show the popularity and wisdom of public investments in more pedestrian and bike friendly infrastructure. Of the 1,800 trails in the U.S., over 90% are Trail-Only conversions from rail. Major bicycle and pedestrian infrastructure investments are being made across the U.S. and Europe. Why? Health, quality of life, and economic development benefits and community connectivity.

• Rapid changes in technology and the availability of other less costly public transit services, such as battery-powered trains, hyperloop, or bus rapid transit, provide useful alternatives for the future. Railbanking preserves the county’s options for future transit service on the corridor. Further, the county can start providing real transit solutions that move substantial numbers of people some 10 to 20 years earlier.

Ultimately, the GSCTG and the SCCRTC have the same goal: to increase the pedestrian and bike share of trips to 20% as quickly as possible. This Trail-Only option gives the county the highest and quickest likelihood to achieve this stated objective. We have a choice to include the Trail-Only scenario in the county’s decision-making process. It is our best chance at achieving the most benefits for our taxpayers’ dollars.

CONSIDER RAILBANKING

Railbanking is an agreement between a railroad company and a trail management agency to convert an inactive rail right-of-way into a multi-use trail until the railroad decides to sell the land or reinstate rail service along the corridor.

This agreement benefits both parties. SCCRTC can create a continuous trail along the right-of-way, while the railroad operator can safeguard its land from being relinquished to adjacent landowners due to abandonment.

The federal railbanking program was established in 1983. Between then and 2004, only nine of the 229 railbanked corridors were converted back to train service.*

Railbanking is a popular and successful strategy for preserving transit options that has legal and historic context. It should be considered by Iowa Pacific at the request of SCCRTC to support interim Trail-Only use.

*http://www.americantrails.org/resources/railtrails/rerail04.html
APPENDIX A:
LEVEL OF TRAFFIC STRESS METHODS


The report is available at the link below:

APPENDIX B: USAGE ESTIMATION METHOD

Trip forecasting was completed using a demand model developed by the National Cooperative Highway Research Program (NCHRP). The model was developed for use by planners and decision-makers in assessing the effects of bicycle infrastructure on future demand in an area. Demand estimates are determined using model inputs such as bicycle facility type, facility length, residential density, and bicycle mode share around the facility. Using these inputs, the model evaluates approximate use on the bicycle facility—in this case, an off-road, multi-use trail. No such model yet exists for pedestrians.

The study corridor was divided into four segments based on existing commute travel patterns (common trip start and end points). Corridor-adjacent areas with higher residential and employment density—Santa Cruz and Watsonville—generate more activity than the more rural and agricultural segments because of the trip patterns they exhibit, and is the reason that this part of the study's reaches were determined independently from trail segments that are represented as northern, central, and southern in other sections of this report.

Bicycle demand forecasting was modeled using the methodology put forth in Report 552: Guidelines for Analysis of Investments in Bicycle Facilities, published by the National Cooperative Highway Research Program (NCHRP). The inputs to the model include mode share and population density within .5, 1, and 1.5 miles of the facility. We used the county’s current bicycle mode share—3.5%—to estimate a low end of predicted demand, and the bicycle mode share within 1.5 miles of the corridor—5.5%—to estimate a high end. The equation to evaluate bicycle demand is based on the commute mode share and residential population in each buffer:

\[
\text{New adult cyclists} = \sum (L_i \times (R_i \times C \times 0.8))
\]

Where:
- \(L_i\) = multipliers found by NCHRP research
- \(R_i\) = residential population in each buffer distance
- \(C\) = commuter mode share

Based on variations in recreational bicycle usage, the NCHRP model provides low- and high-end estimates of existing and new users.

Fuller details about the method are available in the report, linked below:


* 2010-2014 American Community Survey, 5-Year Estimates
APPENDIX C: LEVEL OF SERVICE

The Level of Service calculation is based on the method described in: Patten, Schneider, Toole, Hummer, and Rouphail. (July 2006) Shared-Use Path Level of Service Calculator – A User’s Guide. FHWA-HRT-05-138, available at the link below:

ACKNOWLEDGMENTS

Great Santa Cruz Trail Study Group*

Robert Stevens, Trust for Public Land Advisory Board
Claire Conklin, Cabrillo College
Miles Reiter, Driscoll’s
Dominique Hollister, Dominican Hospital
Ryan Whitelaw, Pacific Appraisers

Nancy Connelly, Save Our Shores
Will Menchine, SCCRTC Bicycle Committee Member (3rd District Alternate)
John Leckrone, Mountain Bikers of Santa Cruz
Bud Colligan, South Swell Ventures

* Organizations listed do not imply endorsement by the organization.

Nelson\Nygaard Consulting Associates, Inc. is an internationally recognized firm committed to developing transportation systems that promote vibrant, sustainable, and accessible communities. Founded by two women in 1987, Nelson\Nygaard has grown from its roots in transit planning to a 135-person, full-service transportation firm with offices across the United States.

In keeping with the values set by the firm’s founders, Nelson\Nygaard puts people first. They recognize that transportation is not an end by itself but a platform for achieving broader community goals of mobility, equity, economic development, and healthy living. The firm’s hands-on, national experience informs but doesn’t dictate local solutions.
TO: Regional Transportation Commission (RTC)  
FROM: Luis Pavel Mendez, Deputy Director  
RE: Transportation Development Act (TDA) Fiscal Years 2013-2015 Triennial Performance Audit

RECOMMENDATIONS

Staff recommends that the Regional Transportation Commission (RTC) accept the fiscal years (FY) 2012-13 to 2014-15 triennial performance audit report of the RTC (Attachment 1, enclosed separately for Commissioners and available on the RTC website); and direct staff to implement the recommendations of the audit.

BACKGROUND

State law requires triennial performance audits of local transportation planning agencies and transit operators who receive Transportation Development Act (TDA) funds. The audit determines compliance with state requirements and evaluates the efficiency, effectiveness and economy of operations. The performance audit guidebook produced by Caltrans states:

“While meeting the legal requirements for conducting a performance audit is important, a performance audit also provides an opportunity for an independent, objective and comprehensive review of the economy, efficiency, and effectiveness of the entity being audited. The audit has other benefits, including:

- Provides management with useful information to assess past activities and provides insight for future planning efforts;
- Provides management with a review and evaluation of an agency’s organization and operations;
- Presents an opportunity to utilize auditor expertise which can supplement staff work; and
- Assures public accountability for the use of public funds.”

The FY 2013-2015 triennial performance audits of the RTC and the transit operators were conducted by Michael Baker International in accordance with Section 99246 of California’s Public Utilities Code (PUC). The final audit report for the audit of the RTC has been completed and will be submitted to the State Controller as required by state law.
DISCUSSION

To conduct the triennial performance audit and prepare the audit reports, Derek Wong of Michael Baker International interviewed board members and staff, and visited facilities of the entities being audited. Although not required by state law, the triennial performance audit of the Santa Cruz County operators includes Community Bridges and the Volunteer Center.

RTC Triennial Performance Audit

The RTC FY 2013-2015 triennial performance audit (Attachment 1) finds that the RTC is in compliance with TDA requirements and in some cases exceeds those requirements. The RTC triennial performance audit also finds that the four recommendations of the previous audit have been implemented. The RTC 2013-2015 triennial performance audit includes the following two recommendations:

1. Include standard assurances form in TDA claims for transit.

   TDA claims for transit funding must ensure compliance with a series of provisions in the TDA statute. These standard assurances are typically listed in a checklist format in the TDA claims and should be reviewed and signed off by the transit claimant prior to submittal of the claim. The SCCRTC, in turn, would verify compliance for each applicable measure prior to approving the claim for funding. Many of these standard assurances are featured in the compliance matrix section of the performance audit of the transit operators. In addition, a sample standard assurance checklist from another RTPA is shown for reference in the appendix to this performance audit.

2. Update the SCCRTC rules and regulations for new TDA legislation.

   The SCCRTC updated its rules and regulations in 2014 in meeting a prior audit recommendation. Because of recent changes to the TDA statutes through Senate Bill (SB) 508, a number of new TDA requirements should be reflected in the rules and regulations. These include simplification of fare recovery requirements, authorization of funding for pedestrian safety education programs, and modifying State Transit Assistance qualifying criteria for operations.

As in the past, RTC staff will work with the Budget and Administration/Personnel (B&A/P) Committee to implement the triennial performance audit recommendations. Recommendations for implementation will be brought to the RTC for consideration.

Derek Wong of Michael Baker International will be at the RTC’s October 20, 2016 meeting to present the triennial performance audit of the RTC. Mr. Wong will also address questions or comments expressed at the meeting.
Staff recommends that the RTC accept the FY 2013-2015 triennial performance audit of the RTC produced by Michael Baker International, and direct staff to implement the recommendations of the audit.

FY 2013-2015 Triennial Performance Audit of Operators

The draft report for the FY 2013-2015 triennial performance audit of Santa Cruz County operators has been provided to the operators and to RTC staff. The final report is not included with this staff report because it has not been completed but will be completed prior to the end of October and submitted to the State Controller. The draft report finds that the operators are in compliance with the TDA requirements. When the final report is completed it will be provided to the operators and the RTC.

SUMMARY

The required FY 2013-2015 triennial performance audit of the RTC has been completed. The audit includes findings of compliance and recommendations. Staff recommends that the RTC accept the audit, and direct staff to implement the recommendations of the audit.

Attachments:
1. FY 2013-2015 Triennial Performance Audit of the RTC (enclosed separately for Commissioners and available on the RTC website)
FY 2013-2015
Triennial Performance Audit of
Santa Cruz County
Regional Transportation Commission

Submitted to
Santa Cruz County
Regional Transportation Commission

October 2016
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Executive Summary

The Santa Cruz County Regional Transportation Commission (SCCRTC) retained Michael Baker International to conduct its Transportation Development Act (TDA) performance audit for fiscal years (FY) 2012–13 through 2014–15. As a Regional Transportation Planning Agency (RTPA), the SCCRTC is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) to continue receiving TDA funding. TDA funds are used for the SCCRTC administration and planning of public transportation, and distribution for public transit services and non-motorized projects.

This performance audit is intended to describe how well the SCCRTC is meeting its administrative and planning obligations under TDA, as well as its organizational management and efficiency. The Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, September 2008 (third edition) published by Caltrans was used to guide the development and conduct of the audit. To gather information for the TDA performance audit, Michael Baker conducted interviews with agency staff and Commissioners as well as with the public transit operators, reviewed various documents, and evaluated the SCCRTC’s responsibilities, functions, and performance of the TDA guidelines and regulations.

The audit comprises several sections, including compliance with TDA requirements, status of implementing prior audit recommendations, and review of functional areas. Findings from each section are summarized below, followed by recommendations based on our audit procedures.

Compliance with TDA Requirements

The SCCRTC has satisfactorily complied with applicable state legislative mandates for Regional Transportation Planning Agencies. One compliance measure that did not apply to the SCCRTC pertains to adopting rules and regulations for TDA claims under Article 4.5. The SCCRTC does not use this article section to disburse TDA funds.

Status of Prior Audit Recommendations

The SCCRTC has implemented each of the four prior performance audit recommendations. The recommendations pertained to filling vacancies on the Elderly & Disabled Transportation Advisory Committee (E&D TAC), receiving a transit report prepared by Santa Cruz METRO for the State, updating the Commission’s rules and regulations, and developing an annual report for Commute Solutions (now under Cruz511).
Functional Review

1. Longevity of SCCRTC staff brings remarkable stability to the agency to address the various technical and policy issues.

2. Several large projects were accomplished during the audit period including the completion of auxiliary lanes to Highway 1 between Soquel Avenue and Morrissey Boulevard, and purchase of and bridge rehabilitation work on the Santa Cruz Branch Rail Line. Designations as a Rail/Trail Authority and construction management authority place the SCCRTC in a unique role of evolving from a purely transportation planning agency to inclusion as a project implementation agency offering multimodal transportation options.

3. Interviews with SCCRTC Commissioners provided overall high ratings for staff and activities undertaken during the audit period. Management and staff are viewed as being solid, focused, and knowledgeable. The SCCRTC is working away from political decision-making to working on issues through technical and policy explanations in developing a balanced transportation system.

4. For programming of available transportation improvement program funds, the SCCRTC holds a call for projects and hosts a workshop for applicants. The scoring of project applications includes linking scoring criteria to the Regional Transportation Plan (RTP) performance measure targets to achieve a balanced transportation system by mode and by geography.

5. The 2014 RTP update was driven by the Sustainable Transportation Analysis and Rating System that shows the continued development of transportation policies and projects aimed at meeting sustainable performance measures. An expanded public outreach effort was also made for the 2014 RTP in following guidance established in the Monterey Bay Area Public Participation Plan, demonstrating the SCCRTC’s on-going commitment and efforts to involve the entire community and give ample opportunities for the public to participate in the work of the SCCRTC.

6. In spite of no TDA funds being allocated for streets and roads, the SCCRTC continues with an unmet transit needs process that involves obtaining public input and coordinating with the E&D TAC and Santa Cruz METRO to update the Unmet Specialized Transportation/Transit Needs List. The Commission also formally adopts the list in a sign of agreement. A public hearing is held annually in compliance with the law.

7. The Commission’s rules and regulations serve as an in-house TDA manual documenting the claims administration process by the SCCRTC. Most recently updated in August 2014, the document provides guidance for TDA submissions and also describes the operating procedures for the Commission and for other funding programs. The latest update included
modifications to areas recommended in the prior performance audit, clarification in terminology, membership and voting, and eligible funding programs.

8. In June 2015, Commute Solutions and 511 combined under the Cruz511 umbrella and one website to reach more people and streamline operations. Alternative modes of travel are promoted and marketed, and Cruz511 has grown both in size and in popularity. Growth in this program is consistent with the SCCRTC’s goals of planning for a multimodal transportation system.

Two recommendations are provided to improve the SCCRTC’s administration and management relating to TDA. Each recommendation is described in detail in the last chapter of this audit. These recommendations are summarized as follows:

1. **Include standard assurances form in TDA claims for transit.**

   TDA claims for transit funding must ensure compliance with a series of provisions in the TDA statute. These standard assurances are typically listed in a checklist format in the TDA claims and should be reviewed and signed off by the transit claimant prior to submittal of the claim. The SCCRTC, in turn, would verify compliance for each applicable measure prior to approving the claim for funding. Standard assurances include completion of the annual fiscal and compliance audit and State Controller’s Reports, and compliance with the farebox recovery ratio.

   Many of these standard assurances are featured in the compliance matrix section of the performance audit of the transit operators. In addition, a sample standard assurance checklist from another RTPA is shown for reference in the appendix to this performance audit.

2. **Update the SCCRTC rules and regulations for new TDA legislation.**

   The SCCRTC updated its rules and regulations in 2014 in meeting a prior audit recommendation. Because of additional changes to the TDA legislation following the update, a number of new measures should be reflected in the rules and regulations. Among them are new TDA requirements created through passage of State Senate Bill (SB) 508 in October 2015.

   The legislation has several objectives, including simplifying fare recovery requirements, authorizing funding of bicycle and pedestrian safety education programs, and modifying State Transit Assistance qualifying criteria for operations. The SCCRTC’s rules and regulations should be updated to reflect these changes and identify the responsible party for implementing the updates, such as the fiscal auditor or Santa Cruz METRO for the farebox recovery calculation. The SCCRTC should also communicate these changes to the transit systems and determine what implication, if any, the changes might have on their
respective transit operations. Further details of the changes from the legislation are described in the recommendations in the last section of this audit report.
Section I

Introduction – Initial Review of RTPA Functions

The Santa Cruz County Regional Transportation Commission (SCCRTC) retained the firm Michael Baker International to conduct its Transportation Development Act (TDA) performance audit covering the most recent triennial period, fiscal years (FY) 2012–13 through 2014–15. As a Regional Transportation Planning Agency (RTPA), the SCCRTC is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) in order to continue to receive TDA funding.

This performance audit, as required by TDA, is intended to describe how well the SCCRTC is meeting its administrative and planning obligations under TDA.

Overview of SCCRTC

The SCCRTC is responsible for delivering a full range of safe, convenient, reliable, and efficient transportation choices for the community. With a focus on long-term sustainability, the SCCRTC plans, funds, and implements transportation projects and services. Working together with transportation partners, the SCCRTC secures funding to maintain the existing transportation network as well as prepare for the transportation needs of the next generation. The SCCRTC keeps residents, visitors, and businesses moving wherever they want to go and however they choose to get there.

The SCCRTC was originally created in 1972 by statute establishing Regional Transportation Planning Agencies. The agency later became a State-designated transportation planning agency under State Government Code Sections 67940 and 67941. The SCCRTC comprises 12 voting members plus an ex officio member. Consistent with law, the governing body is composed of all five members of the Santa Cruz County Board of Supervisors, one member for each of the cities in the county (Capitola, Santa Cruz, Scotts Valley, and Watsonville), and three members appointed by the Santa Cruz Metropolitan Transit District (Santa Cruz METRO). An alternate member may serve in the place of the regular member when the regular member is absent or disqualified from participating in a meeting of the governing body. A representative from Caltrans serves as an ex officio, non-voting member of the Commission.

State legislative approval of Senate Bill 465 in 2002 provided additional powers to the SCCRTC to act as a Rails/Trails Authority. Government Code Section 67941 added powers of eminent domain and the power to preserve, acquire, construct, improve, and oversee multimodal transportation projects and services on rail rights-of-ways within Santa Cruz County in any manner that facilitates recreational, commuter, intercity, and intercounty travel. It also provides authority to the SCCRTC to contract for any services to accomplish its purpose.
The SCCRTC is guided by its published rules and regulations, updated in August 2014, specifying its membership requirements and procedures for administering various funding sources. Among them are the procedures for establishing and processing Transportation Development Act apportionments, which are a major funding source for the SCCRTC’s operations. Funds are established to account for funds which are restricted for a specific project or use. Currently, the SCCRTC has 12 separate funds including those listed below plus three trust funds for employee pensions and other employment benefits.

1. Administration, Planning & Rideshare
2. Rail/Trail Authority
3. Highway 1 Project Approval/Environmental Documentation (PA/ED)
4. Service Authority for Freeway Emergency (SAFE)
5. Freeway Service Patrol (FSP)
6. Regional Surface Transportation Program (RSTP) Exchange
7. State Transit Assistance
8. TDA
9. Highway 1 Auxiliary Lanes Construction

Santa Cruz County is located in the Central Coast region of California and forms the northern portion of Monterey Bay. The county is bordered by Santa Clara County to the east and northeast, Monterey County to the south, San Benito County to the southeast, and San Mateo County to the north. Established in 1850, the county was one of the original counties in California; the county’s name means “holy cross” in Spanish. It has the second smallest geographic area of any county in California after the City and County of San Francisco. A demographic snapshot of key cities and the county is presented in Table I-1.

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<tbody>
<tr>
<td>Capitola</td>
<td>9,918</td>
<td>-0.6%</td>
<td>15.5%</td>
<td>1.59</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>59,946</td>
<td>+9.8%</td>
<td>8.8%</td>
<td>12.74</td>
</tr>
<tr>
<td>Scotts Valley</td>
<td>11,580</td>
<td>+1.7%</td>
<td>13.6%</td>
<td>4.60</td>
</tr>
<tr>
<td>Watsonville</td>
<td>51,199</td>
<td>+11.9%</td>
<td>8.3%</td>
<td>6.69</td>
</tr>
<tr>
<td>Total Santa Cruz County</td>
<td>262,382</td>
<td>+2.6%</td>
<td>11.1%</td>
<td>445.17</td>
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</table>

Source: 2010 US Census

The city of Santa Cruz is the county seat and the largest city in the county. The county and its four incorporated cities saw modest growth between 2000 and 2010, as recorded in the US
Census for each of those years. Watsonville had the highest percentage increase in population. The senior citizen population, comprising residents aged 65 and over, is 11.1 percent countywide. The 2016 population for Santa Cruz County is estimated to be 275,902, as reported by the California Department of Finance.

**Organizational Structure**

SCCRTC meetings are usually televised on Community TV and include a full agenda on a wide range of topics. Transportation Policy Workshop (TPW) meetings offer a forum for more informal and in-depth discussion on a limited set of agenda topics.

In addition to the governing board, there are four committees, one subcommittee, and one joint task force. Each is briefly described below:

- **Budget, Administration & Personnel Committee (BAP)**
- **Elderly & Disabled Transportation Advisory Committee (E&D TAC)**
- **Pedestrian Safety Work Group (PSWG, subcommittee of the E&D TAC)**
- **Bicycle Committee**
- **Interagency Technical Advisory Committee (ITAC)**
- **Traffic Operations System Oversight and Safe on 17 Task Force**

The Budget, Administration & Personnel Committee provides oversight with respect to Commission administration, budget, policy, finance, audit, and personnel issues and makes recommendations to the SCCRTC on these matters. The committee consists of six commissioners elected annually by the SCCRTC. The committee elects a chair each year.

The Elderly & Disabled Transportation Advisory Committee serves as the Paratransit Advisory Council and the Social Services Transportation Advisory Council (SSTAC) required by TDA statute. The E&D TAC advises the SCCRTC and other transportation agencies on the network of specialized transportation services for seniors and people with disabilities in Santa Cruz County, as well as about the transportation needs of these members of the community. In its capacity as the local SSTAC, the State-required entity seeks input from transit-dependent and transit-disadvantaged persons, including seniors, people with disabilities, low-income persons, and youth regarding transit needs in Santa Cruz County. The E&D TAC has 15 members comprising citizen, service provider, and agency representatives that meet state law. The minimum membership for the SSTAC is nine; however, the Commission exceeds this participatory amount by including individuals representing elderly and/or disabled interests from each of the five supervisory districts, a representative for a private for-profit transportation agency, and a representative from Santa Cruz METRO.

The Pedestrian Safety Work Group is a subcommittee of the Elderly & Disabled Transportation Advisory Committee. The mission of the PSWG is to ensure safe and accessible pedestrian...
travel and access throughout the county for the benefit of all residents. The PSWG has five members interested in pedestrian issues.

The Bicycle Committee serves in an advisory capacity to the SCCRTC and its member agencies on bicycle-related issues, policies, plans, programs, and projects. Its responsibilities include advising on bicycle-related issues; reviewing proposed bicycle-related policies, programs, projects, plans, funding applications, and legislation; providing input on existing roadway/bikeway conditions affecting cycling; reviewing and approving Bikes Secure (bike parking subsidy) applications; developing bike projects for future implementation; and coordinating with local jurisdictions and bicycle-related organizations to promote cycling projects and programs. The 11-member committee comprises volunteers representing each of the five supervisorial districts, each of the four cities, Bike to Work, and the Community Traffic Safety Coalition.

The Interagency Technical Advisory Committee comprises staff from a variety of jurisdictions and agencies. The ITAC reviews and provides technical advice on transportation projects and programs in the region; coordinates and provides recommendations to the SCCRTC on the use of transportation funds; and serves as a forum for sharing information on transportation projects and federal and state requirements for project implementation. There are 19 voting members and one ex officio member drawing from agencies including City and County Public Works staffs; City and County Planning staffs; Santa Cruz METRO; Caltrans District 5; the Association of Monterey Bay Area Governments; the Monterey Bay Air Resources District; Transportation Management Associations; the University of California, Santa Cruz; Cabrillo College; and the California Highway Patrol (ex officio member).

The Traffic Operations System Oversight and Safe on 17 Task Force meets jointly to share information about traffic operation systems in Santa Cruz County and about transportation projects and collisions on Highway 17. The Highway 17 corridor was identified as a high collision corridor in 1998 as a result of collision data analysis and recommendations of local, regional, county, and state agencies. A task force was formed to develop collision-reducing strategies. Also, Santa Cruz County’s transportation system runs more efficiently and safely due to several Traffic Operation System components that provide the public with important information. Members represent the SCCRTC, the San Francisco Bay Area’s Metropolitan Transportation Commission (MTC), the California Highway Patrol, Caltrans, local law enforcement and fire departments, legislators’ offices, and the media.

The SCCRTC serves as the Service Authority for Freeway Emergencies (SAFE) of Santa Cruz County, administering the call box program and the roving Freeway Service Patrol which assist motorists on State Highways 1 and 17. In addition, as a service of the SCCRTC since 1979, Commute Solutions is the regional rideshare agency for Santa Cruz County. Commute Solutions serves commuters, employers, schools, and other travelers by helping them successfully use the transportation system to access the things they want and need.
SCCRTC staff offer administrative, technical, and policy recommendations to the Commission on decisions affecting transportation. Figure 1-I shows the organization chart of staff.

**Figure 1-1 SCCRTC Organization Chart**

![SCCRTC Organization Chart](source: SCCRTC)
Audit Methodology

To gather information for this performance audit, Michael Baker accomplished the following activities:

- **Document Review:** Conducted an extensive review of documents including various SCCRTC files and internal reports, committee agendas, and public documents.

- **Interviews:** Conducted in-person interviews with SCCRTC staff and telephone interviews with Commissioners. In-person interviews were also held with the transit operators, including Santa Cruz METRO, to gain their perspective about the agency’s efficiency and economy.

- **Analysis:** Evaluated the responses from the interviews as well as the documents reviewed about the SCCRTC’s responsibilities, functions, and performance to TDA guidelines and regulations.

All of the activities described above were intended to provide information necessary to assess SCCRTC’s efficiency and effectiveness in two key areas:

- Compliance with State TDA Requirements
- Organizational Management and Efficiency

The remainder of this report is divided into four sections. In Section II, Michael Baker reviews the compliance requirements of the TDA administrative process. Section III describes the SCCRTC’s responses to the recommendations in the previous performance audit. In Section IV, Michael Baker reviews the SCCRTC’s functions in detail, while Section V summarizes our findings and recommendations.
Section II

Compliance Requirements

Fourteen key compliance requirements are suggested in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, which was developed by Caltrans to assess transit operators’ conformance with TDA. Our findings concerning the SCCRTC’s compliance with state legislative requirements are summarized in Table II-1.

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<thead>
<tr>
<th>SCCRTC Compliance Requirements</th>
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<th>Compliance Efforts</th>
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<tr>
<td>All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund (LTF) monies apportioned to that area.</td>
<td>Public Utilities Code, Section 99231</td>
<td>The SCCRTC rules and regulations specify the requirements for apportionments. The primary claimant of the funds is Santa Cruz METRO. Other transit allocations are made to the City of Santa Cruz acting on behalf of Community Bridges and the Volunteer Center for transit services. Allocations are also made to local jurisdictions for other uses including pedestrian and bicycle projects. Conclusion: Complied.</td>
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<tr>
<td>The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.</td>
<td>Public Utilities Code, Sections 99233.3 and 99234</td>
<td>The SCCRTC rules and regulations specify the requirements for uses of LTF for pedestrian and bicycle projects. According to the document, rather than allocating under Article 3 (PUC Section 99233.3) which has funding allocation limitations for these uses, the SCCRTC allocates funds under Article 8 of the TDA. An eligible claim for Article 8 includes planning and investment in pedestrian and bicycle facilities. Conclusion: Complied.</td>
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<td>The RTPA has established a social services transportation</td>
<td>Public Utilities Code, Sections 99238 and 99239</td>
<td>The SCCRTC has established a Social Services Transportation Advisory</td>
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<td>SCCRTC Compliance Requirements</td>
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<td>advisory council. The RTPA must ensure that there is a citizen participation process which includes at least an annual public hearing.</td>
<td>99238.5</td>
<td>Council (SSTAC) required under PUC Section 99238. The roles and responsibilities of the 16-member Elderly &amp; Disabled Transportation Advisory Committee, serving as the SSTAC, are based on TDA guidelines. Additional members beyond the required positions include a member from Santa Cruz METRO and a representative from each county supervisorial district. Based on the member list on the SCCRTC website, the committee has one vacancy (social service provider for the County-seniors) of the required positions. Two additional current vacancies represent supervisorial districts. This is an improvement from the prior audit period in which close to a third of the roster was vacant. The SCCRTC has an application form available on its website to help fill the vacancies. <strong>Conclusion: Complied.</strong></td>
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| The RTPA has annually identified, analyzed and recommended potential productivity improvements which could lower the operating costs of those operators which operate at least 50 percent of their vehicle service miles within the RTPA’s jurisdiction. Recommendations include, but are not limited to, those made in the performance audit.  
- A committee for the purpose of providing | Public Utilities Code, Section 99244 | The SCCRTC actively monitors the activities of the transit systems in the county through various methods including reviewing quarterly and annual performance reports that are submitted by the operators. While a committee for the purpose of providing advice on productivity improvements is not formed, the E&D TAC, which includes Santa Cruz METRO as a member, also provides a venue for SCCRTC discussion on transit activities and improvements.  
Through the commission of the triennial performance audit by the |
TABLE II-1  
SCCRTC Compliance Requirements Matrix

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<th>SCCRTC Compliance Requirements</th>
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<td>advice on productivity improvements may be formed.</td>
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<td>SCCRTC, recommendations are made to improve the efficiency and economy of the transit systems. Santa Cruz METRO’s Short Range Transit Plan and Comprehensive Operations Analysis provide further areas for productivity improvements. Also, the annual TDA claims administered by the SCCRTC present areas of improvement by transit including progress in meeting performance goals and measures. Further, based on a prior performance audit recommendation, Santa Cruz METRO began submitting its annual State Controller’s Reports to the SCCRTC in FY 2013–14 in compliance with the statute and to provide financial and operational data. Conclusion: Complied.</td>
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<td>The operator has made a reasonable effort to implement improvements recommended by the RTPA, as determined by the RTPA, or else the operator has not received an allocation which exceeds its prior year allocation.</td>
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<td>The RTPA has ensured that all claimants to whom it allocates Transportation Development Act (TDA) funds submits to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year (December 27). The RTPA may grant an extension of up to 90 days as it deems necessary (March 26).</td>
<td>Public Utilities Code, Section 99245</td>
<td>Annual certified fiscal and compliance audits were completed for the transit claimants including for Santa Cruz METRO and for City of Santa Cruz acting as the claimant for Community Bridges and the Volunteer Center. For FYs 2013, 2014, and 2015, the annual financial audits were submitted either within the 180-day period or within the extension period allowed by the statute. Conclusion: Complied.</td>
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<tr>
<td>The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennium). For operators, the audit was made and calculated</td>
<td>Public Utilities Code, Sections 99246 and 99248</td>
<td>For the current three-year period, the SCCRTC has retained Michael Baker International to conduct the audit of the RTPA and the Santa Cruz County transit operators. PMC (acquired by Michael Baker) was retained to conduct the previous audit for the three fiscal</td>
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Triennial Performance Audit  
SCCRTC
## TABLE II-1
### SCCRTC Compliance Requirements Matrix

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<th>Compliance Efforts</th>
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<td>the required performance indicators, and the audit report was transmitted to the entity that allocates the operator’s TDA monies and to the RTPA within 12 months after the end of the triennium. If an operator’s audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.</td>
<td></td>
<td>years that ended June 30, 2012. Caltrans has granted extensions for submittal of the audits. Conclusion: Complied.</td>
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<td>The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director, that the performance audits of the operators located in the area under its jurisdiction have been completed.</td>
<td>Public Utilities Code, Section 99246(c)</td>
<td>The SCCRTC submitted a written letter to Caltrans requesting an extension of the prior performance audit. The performance audit was submitted to Caltrans following its completion. Conclusion: Complied.</td>
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<td>The performance audit of the operator providing public transportation service shall include a verification of the operator’s operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include, but not be limited to, consideration of the needs and types of passengers being served and the employment of</td>
<td>Public Utilities Code, Section 99246(d)</td>
<td>The performance audit of the Santa Cruz County transit operators includes all required elements. Conclusion: Complied.</td>
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<tr>
<td>SCCRTC Compliance Requirements</td>
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<td>Compliance Efforts</td>
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<td>part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2</td>
<td>Public Utilities Code, Section 99270.1 and 99270.2</td>
<td>The SCCRTC rules and regulations specify an intermediate fare recovery ratio for Santa Cruz METRO. For public transportation claim funds under TDA Article 4, Santa Cruz METRO is required to meet a farebox recovery ratio of 15 percent as designated by the SCCRTC. The size and density of the service area, as well as the proportion of ridership that is transit-dependent, were considered prior to the adoption of this ratio. Conclusion: Complied.</td>
</tr>
<tr>
<td>The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.</td>
<td>Public Utilities Code, Section 99275.5</td>
<td>The SCCRTC has not adopted rules and regulations for Article 4.5 claims, as the agency does not disburse any TDA funds under this article section. The consolidated transportation service agency (CTSA) in the county is Community Bridges, which receives TDA Article 8 funds through the City of Santa Cruz acting as the claimant on behalf of the transit system. Likewise, the Volunteer Center also receives Article 8 transit funds through the City of Santa Cruz. Conclusion: Not applicable.</td>
</tr>
<tr>
<td>State transit assistance funds received by the RTPA are allocated only for transportation planning and</td>
<td>Public Utilities Code, Sections 99310.5 and 99313.3 and Proposition 116</td>
<td>The SCCRTC allocates State Transit Assistance (STA) funds to Santa Cruz METRO for transit purposes only.</td>
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### TABLE II-1
SCCRTC Compliance Requirements Matrix

<table>
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<th>SCCRTC Compliance Requirements</th>
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<th>Compliance Efforts</th>
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<td>mass transportation purposes.</td>
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<td>Conclusion: Complied.</td>
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</table>

(Note: Since the June 9, 1990 passage of Proposition 116, state transit assistance funds may no longer be used for street and road purposes, as had been permitted in certain cases under PUC Section 99313.3).

| The amount received pursuant to Public Utilities Code, Section 99314.3; by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller’s Office. | Public Utilities Code, Section 99314.3 | The SCCRTC allocates operator revenue-based STA funds to Santa Cruz METRO in accordance with the amounts published by the State Controller’s Office. Conclusion: Complied. |

<p>| If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually: | Public Utilities Code, Section 99401.5 | As no TDA is used for streets and roads, the SCCRTC is not required to hold a formal unmet transit needs process under PUC Section 99401.5. However, the SCCRTC continues to obtain input on potential transit needs from the community. The SCCRTC works through the E&amp;D TAC and cooperatively with Santa Cruz METRO for this process in which an Unmet Specialized Transportation/Transit Needs List is developed by staff. During the annual public hearing, staff reports that the unmet needs list helps determine projects for funding when funding becomes available. The list is organized under general needs, paratransit needs, and transit needs and is prioritized within those categories. The Commission annually adopts the Unmet Specialized Transportation/Transit Needs List each spring. |</p>
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<th>SCCRTC Compliance Requirements</th>
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<th>Compliance Efforts</th>
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<td>o Analysis of potential alternatives to provide transportation services;</td>
<td>California Administrative Code, Section 6662</td>
<td>Conclusion: Complied.</td>
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<tr>
<td>• Adopted or re-affirmed definitions of “unmet transit needs” and “reasonable to meet;”</td>
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<tr>
<td>• Identified the unmet transit needs and those needs that are reasonable to meet; Adopted a finding that there are no unmet transit needs that are reasonable to meet; or that there are unmet transit needs including needs that are reasonable to meet.</td>
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<tr>
<td>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.</td>
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The RTPA has caused an audit of its accounts and records to be performed for each fiscal year by the county auditor, or a certified public accountant. The RTPA must transmit the resulting audit report to the State Controller within 12 months of the end of each fiscal year, and must be performed in accordance with the Basic Audit Program and Report Guidelines for California Special Districts prescribed by the State Controller. The audit shall include a determination of compliance with the transportation development

The accounting firm of Moss, Levy & Hartzheim LLP conducted the financial audit of the SCCRTC for FYs 2013, 2014, and 2015. The Audited Financial Statements and Compliance Reports were submitted to the State Controller within 12 months of the end of each fiscal year.

The SCCRTC also maintains fiscal and accounting records and supporting papers for at least four years following the fiscal year close.

Conclusion: Complied.
TABLE II-1
SCCRTC Compliance Requirements Matrix

<table>
<thead>
<tr>
<th>SCCRTC Compliance Requirements</th>
<th>Reference</th>
<th>Compliance Efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td>act and accompanying rules and regulations. Financial statements may not commingle the state transit assistance fund, the local transportation fund, or other revenues or funds of any city, county or other agency. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following the fiscal year close.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Findings from RTPA Compliance Requirements Matrix

The SCCRTC has satisfactorily complied with applicable state legislative mandates for Regional Transportation Planning Agencies. One compliance measure that did not apply to the SCCRTC pertains to adopting rules and regulations for TDA claims under Article 4.5. The SCCRTC does not use this article section to disburse TDA funds. Rather, the CTSA (Community Bridges) receives TDA funds through the City of Santa Cruz as the claimant for Article 8.

In spite of no TDA funds being allocated for streets and roads, the SCCRTC continues with an unmet transit needs process that involves obtaining public input and coordinating with the E&D TAC and Santa Cruz METRO to update the Unmet Specialized Transportation/Transit Needs List. The Commission also formally adopts the list in a sign of agreement. Although the SCCRTC is not required to implement the full unmet transit needs process described in the TDA statute, the annual updating of the Unmet Specialized Transportation/Transit Needs List serves as a tool to identify and prioritize potential transit service and facility improvements throughout the county. Regular meetings of the E&D TAC comprising additional members above the minimum for a SSTAC also offer evidence of the Commission’s objectives to provide an inclusive environment for discussion of public transportation services.

The SCCRTC rules and regulations were updated in August 2014 and provide the documented guidance for TDA fund administration and distribution. The rules describe the processes undertaken to ensure the proper sequence of actions that are taken and the eligibility requirements for the claimants. The document contains language that helps to ensure compliance with several TDA measures including development of an intermediate farebox recovery ratio for Santa Cruz METRO, and directions for allocation of LTF for pedestrian and bicycle projects. Other components of the rules and regulations stipulate the flow of TDA apportionments that directly affect the budgeting for the SCCRTC and its members.
Section III

Prior Triennial Performance Audit Recommendations

This chapter describes the SCCRTC’s response to the recommendations included in the prior triennial performance audit. Each prior recommendation is described, followed by a discussion of the agency’s efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Enhance recruitment efforts to fill vacant positions on the Elderly & Disabled Transportation Advisory Committee.

Actions taken by the SCCRTC

As the E&D TAC serves as the SSTAC under the Transportation Development Act, it is good practice to have all committee positions filled to build diversity in membership. During the prior performance audit period, of the vacancies on this committee, two were part of the makeup of the SSTAC including representatives for a social service provider-seniors and a potential transit user (disabled). Some suggested methods for enhanced recruitment of open positions were made as well as incentives for attendance at meetings.

The E&D TAC/SSTAC roster on the SCCRTC website shows that in 2015, all required positions except one were filled, which is an improvement from the prior audit period. Alternates for the members were also largely filled. Current member terms run in a staggered manner in which a portion of member terms expire each year between 2017 and 2019. An application for membership is available on the SCCRTC website to help promote the committee.

During recruitment of members the past year, the SCCRTC circulated flyers to locations such as senior residences, social service agencies, and libraries, and advertised positions on the transit vehicles. The flyer is also posted on the SCCRTC website. Paid radio and public service announcements were also made. In a six-month period, the SCCRTC was able to fill six vacant positions, with selection of individuals based on meeting criteria such as geographic representation, attendance record, and type of position being filled.

Conclusion

This recommendation has been implemented. With some vacancies remaining, however, the SCCRTC should continue its outreach and recruitment efforts.
**Prior Recommendation 2**

Receive the Annual State Controller’s Reports from Santa Cruz METRO.

**Actions taken by the SCCRTC**

It was recommended that this report transfer be made from Santa Cruz METRO to the SCCRTC to meet compliance and as an additional method for monitoring transit performance. Santa Cruz METRO began submitting its annual State Controller’s Reports to the SCCRTC in FY 2013-14. Evidence of this transmission from Santa Cruz METRO, as well as the report transmission in FY 2014–15, was provided by the SCCRTC.

**Conclusion**

This recommendation has been implemented.

**Prior Recommendation 3**

Consider development of an annual report for Commute Solutions (now under Cruz511).

**Actions taken by the SCCRTC**

During the audit period, the SCCRTC produced a report on Commute Solutions and Cruz511 for the Board in November 2014. Another report was produced in 2015 while a report for 2016 is currently in the process of being finalized. The annual report for 2014 provided an update on activities of Commute Solutions as well as insight into new initiatives such as Cruz511 and the new User-Oriented Transit Travel Planning project that expands and allows greater access to the SCCRTC’s traveler information services. The report cited Commute Solutions’ successes backed by statistics of usage of its website and services. Commute Solutions activities in the report included the following:

- Carpool and vanpool matching
- Transportation help desk – personal trip planning
- Park and ride lot coordination and development
- Workplace programs, relocation, green business certification
- Rewards and incentives

Attachments show performance metrics and data for each commute activity, parking space occupancy at park and ride lots, and a fact sheet highlighting Commute Solutions and its partners. The 2014 report also discussed the revamping and revisioning of the SCCRTC’s transportation development management (TDM) services. Part of re-visioning the SCCRTC’s
TDM programs going forward is to establish more meaningful performance metrics for each of its programs. Also, the report discussed the progress that was made to implement a 511 service for Santa Cruz County travelers that would serve as a centralized online resource.

In May 2015, the Commute Solutions rideshare program transitioned into the new Cruz511 Traveler Information service. Cruz511 continues to serve Santa Cruz commuters, employers, organizations, and schools with personalized trip planning, commute program development, and transportation help desk assistance, with a new modern Web platform including live traffic maps and traffic cameras along with a wealth of resources for all modes of travel.

**Conclusion**

This recommendation has been implemented.

**Prior Recommendation 4**

Update the SCCRTC rules and regulations.

**Actions taken by the SCCRTC**

The prior performance audit found that a number of measures should be reflected in the SCCRTC rules and regulations including a description of Santa Cruz METRO farebox recovery ratios shown in the TDA claim, voting on Article 8 claims, and establishment of the operating reserve target.

The updated rules and regulations adopted in August 2014 by the Commission show the modifications to the recommended areas including farebox recovery ratios that are now consistent with TDA claims form, and further description of the operating reserve target. With new state TDA legislation passed after the approval of the document, further updates will be required and are described in the recommendations section of this audit.

**Conclusion**

This recommendation has been implemented.
Section IV

Detailed Review of RTPA Functions

This section assesses in detail the SCCRTC’s functions and performance as a Regional Transportation Planning Agency during this audit period. Adapted from Caltrans’ Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, the SCCRTC’s activities can be divided into the following activities:

- Administration and Management
- Transportation Planning and Regional Coordination
- TDA Claimant Relationships and Oversight
- Marketing and Transportation Alternatives
- Grant Applications and Management

Administration and Management

SCCRTC staff is led by the Executive Director responsible for reporting to the Commission and facilitating the coordination of the transportation system in Santa Cruz County. The longevity of personnel at both the executive and staff levels brings remarkable stability to the agency to address the various technical and policy issues. Santa Cruz County, much like other regions of the state, is emerging from the economic recession that has created a local environment of greater resourcefulness. TDA revenues in the county increased during the audit period with an improving economy but were met by higher operating costs faced by the largest claimant of the funds, which has limited growth. Other state and federal funds for overall transportation activity were also carefully monitored. SCCRTC management worked with the Commissioners to continue to fund programmed improvements.

The SCCRTC retains contracts with the County for certain functions like accounting system, legal, real estate, and treasury. Although the SCCRTC does not employ a human resources officer, personnel management and other administrative functions are the responsibility of the Administrative Services Officer. The agency contracts with vendors to offer health benefits and other coverage. Retirement benefits are provided through CalPERS including voluntary contribution to a 457 Deferred Compensation Plan. Also, the SCCRTC manages its own payroll using a web-based program. Staff evaluations are conducted for pay step increases until the employee reaches the maximum step.
Two employees unions are recognized: the RTC Association of Middle Managers representing three managers, and Service Employees International Union (SEIU) Local 521 representing planners, accounting technician, and administrative employees. The SEIU contract expired in March 2015 and was further extended to March 31, 2018, with provisions including cost of living increases and contributions to pensions. Effective April 2016, employees pay their full share of contributions to their retirement plans. As an equity offset, special provisions in the memorandum of understanding (MOU) provide that each step in the salary range for all employees is increased by a certain percentage in April 2015 and in April 2016. The MOU further includes that the SCCRTC and SEIU agree to postpone conducting a joint compensation study until the fall of 2017. The previous compensation study was conducted about 10 years ago, but the poor economy postponed earlier efforts.

Each year, the SCCRTC produces an annual work program in consultation with Caltrans along with the annual budget and makes amendments to the work program throughout the year as necessary. The work program guides the allocation of staff resources to meet mandated responsibilities as well as SCCRTC priorities for the coming year. Key information for each work element is described including financial data, project description, proposed federal expenditure, previous project accomplishments, and timelines and deliverables.

One of the larger accomplishments during the audit period was the management and completion of a project to add auxiliary lanes to Highway 1 between Soquel Avenue and Morrissey Boulevard, a distance of approximately 1 mile in each direction. The lane extends the weaving and merging distance between the ramps and improves traffic flow by providing greater separation between vehicles entering and exiting the freeway from mainline traffic. The SCCRTC was the construction manager for this project with the assistance of an engineering consultant and partnership with Caltrans. The benefits of the SCCRTC assuming construction management authority included direct involvement in critical decisions regarding the project, proactive construction management approach, development of locally beneficial and lasting ancillary transportation components, and local accountability and community relations. Construction of the auxiliary lanes was completed in November 2013 with the new lanes opened for use. A ribbon cutting ceremony was held in January 2014, with completion of landscaping in December 2014.

Another significant accomplishment was in October 2012, when the SCCRTC closed escrow for the acquisition of the Santa Cruz Branch Line from the Union Pacific Railroad. A community event was held in November 2012 at locations throughout the county to commemorate public ownership and demonstrate potential use of the corridor. In FY 2013–14, the SCCRTC completed engineering work to rehabilitate structures and awarded a contract for the construction work. In FY 2014–15, the bridge rehabilitation construction work was completed for four bridges, including complete reconstruction of the La Selva Beach trestle. Also, the Commission secured a Caltrans transit planning grant to analyze the feasibility of commuter and/or intercity passenger rail service in the corridor and completed a Passenger Rail Feasibility Study in December 2015 through extensive community engagement. The public comment period for the draft study was from May through July 2015.
Designations as a Rail/Trail Authority and construction management authority place the SCCRTC in a unique role of evolving from a purely transportation planning agency to inclusion as a project implementation agency offering multimodal transportation options. Internal goals and achievements must align with these multifaceted responsibilities, which the agency has exemplified through these large projects, among other functions. Challenges lie ahead, however, with regard to management of the rail corridor and its connectivity with the overall transportation network.

Highlights of additional multimodal transportation projects that the SCCRTC has facilitated through its committees and partnerships that are either completed or under way during the audit period include:

- Calabasas Road widening, bike lanes, and sidewalk
- Graham Hill road safety improvements
- South County community traffic safety coalition educational programs
- Bus stop improvements
- Corralitos Road left turn lane
- Soquel-San Jose Road overlay
- Soquel Road overlay
- Scott Valley Drive slurry seal, rehabilitation, and restriping
- Monterey Bay Sanctuary Scenic Trail Network
- Broadway-Brommer Bike/Pedestrian Path/Arana Gulch multiuse trail
- Soquel/Park Way intersection safety improvements
- Laurel Street pavement rehabilitation
- Vine Hill Elementary School bike lanes and sidewalks
- County roadway preservation
- Nelson Road storm damage repair
- Redwood Lodge storm damage repair
- Bus mainline routes runtime recalibration
- Paracruz van replacement
- Santa Cruz County open street community events
- South County youth bike safety training
- Bike/walk school incentive and tracking program
Progress by the SCCRTC is made through active support of the Commissioners. Regular monthly Commission meetings are held and are well attended by the Commissioners, based on the auditor’s review of meeting minutes during the audit period. This is an indication of the education, interest, and engagement by the Commissioners on transportation topics. Transportation Policy Workshops were also held as needed to focus on specific items. Meeting locations are alternated among each of the four cities to encourage participation by the communities and enhance the visibility of the SCCRTC to the community.

Telephone interviews with Commissioners provided overall high ratings for staff and activities undertaken during the audit period. Highlights from the interviews include:

- SCCRTC staff is solid, focused, and knowledgeable.
- The agency’s shift over time from being highway focused to emphasizing a multimodal approach has largely been successful given the range of projects and balancing of modal planning in the short and long term.
- The approach to the Regional Transportation Plan used performance-based planning based on the Sustainable Transportation Analysis and Rating System (STARS) that shows the continued development of transportation policies and projects aimed at meeting sustainable performance measures.
- While Commission votes are not always unanimous, the SCCRTC is working away from political decision-making to working on issues through technical and policy explanations.
- Good relations are maintained with close partners including AMBAG and Caltrans.

**Transportation Planning and Regional Coordination**

Projects approved for funding by the SCCRTC are included in the Santa Cruz County Regional Transportation Improvement Program (RTIP). The RTIP identifies projects programmed to receive various state and federal funds, amends information on previously programmed projects, and acts as Santa Cruz County’s proposal to the California Transportation Commission (CTC) for programming State Transportation Improvement Program (STIP) funds. Federally funded transportation projects, including those projects approved for funding by agencies other than the SCCRTC, are included in the Federal Transportation Improvement Program (FTIP) developed by AMBAG.

During the audit period, the Commission adopted the 2014 RTIP following a public hearing at its December 2013 meeting, selecting 26 projects to receive over $14 million in STIP, Regional Surface Transportation Program (RSTP), and Monterey Bay Sanctuary Scenic Trail funds. In March 2014, the CTC concurred with the Commission proposals for STIP funds and included all of these important projects in the 2014 State STIP, though the CTC moved some projects to later years than those originally proposed by project sponsors and the RTC. The SCCRTC amended the Regional Transportation Improvement Program in May 2014 to match California Transportation Commission actions on STIP-funded projects and update information on several...
other projects. Multimodal projects including roadway, transit, trail, pedestrian, and bridge and intersection projects are programmed in the RTIP for funding. The Santa Cruz County performance measure report reflects a system-level evaluation of the 2014 RTIP projects as part of the larger RTP program of projects. All projects programmed in the 2014 RTIP are also consistent with the goals and objectives of the 2014 RTP.

For programming of available transportation improvement program funds, the SCCRTC holds a call for projects and hosts a workshop for applicants. The scoring of project applications includes linking scoring criteria to the RTP performance measure targets to achieve a balanced transportation system by mode and by geography. Project sponsors must follow state rules for environmental clearance and local matches. TDA, as an example, is used as a local match for transit and bicycle projects, while state toll credits can be used for federally funded projects. SCCRTC staff maintain an Access database to track amendments submitted by project sponsors through letters to the Commission. A major amendment is required to go through the Commission’s committees for review and approval. Staff conduct check-ins on the project sponsors about three times a year.

For the audit period, the update to the RTP and corresponding environmental review was finalized in June 2014. The 2014 RTP covers the period through 2035 and represents a significant update of the last version completed in 2010 to meet new requirements from California’s Assembly Bill 32 and Senate Bill 375, which call for regions across California to reduce greenhouse gas emissions from cars and light trucks. Addressing all required elements, the RTP is a comprehensive planning document that identifies the goals, projects, and programs that will maintain and improve the transportation system over the next 20 years. The role of the RTP is to plan for a transportation system that, when incorporated into the Metropolitan Transportation Plan/Sustainable Communities Strategy (SCS) for the tri-county region (Santa Cruz, San Benito, and Monterey counties), will reduce the number of vehicle miles traveled through coordinated land use and transportation planning. The final plan reflects ideas, issues, and recommendations received from SCCRTC committees, project sponsors, partner agencies, resource agencies, the public, and public interest groups at key milestones.

Public input is critical to the planning and decision-making process mandated by law. SCCRTC staff conducted two years of extensive outreach in developing a vision for transportation in Santa Cruz County. As such, comments from a wide range of individuals, public interest groups, and local agencies were solicited during development of the plan. As outlined in the Monterey Bay Area Public Participation Plan: A Guide to Engaging Stakeholders in Transportation Decision Making in the Monterey Bay Area, outreach for the RTP included a variety of public participation activities. The RTC’s extensive public involvement process included public meetings, workshops, news releases, online and phone surveys, a plan website, social media notices (Facebook, Twitter), radio and television interviews, and email notices to a broad range of over 1,000 individuals, groups, agencies, and stakeholders. The public was able to review proposed projects in which the SCCRTC conducted scoring to create a constrained funding project list and an unconstrained list for the plan.
A new and innovative tool, the Sustainable Transportation Analysis and Ratings System (STARS), was used to develop the Regional Transportation Plan based on sustainability outcomes. This approach provided a framework for evaluating the RTP in terms of the triple bottom line of economy, environment, and healthy communities. The transportation plan goals and policies incorporate STARS sustainability outcomes and will guide project selection for the short and long term.

The 2014 RTP includes information on the following:

- Transportation needs in the region through 2035, based on population growth, environmental, economic, and other social trends.
- The amount of state, federal, and local funding available for transportation projects and new sources of funding needed to deliver high priority projects.
- Sustainability of the transportation system and sustainable outcomes utilizing STARS.
- Legislative requirements, including SB 375, which stipulate that regions must meet greenhouse gas reduction targets by reducing vehicles miles traveled through a coordinated land use and transportation plan called the Sustainable Communities Strategy.
- “Complete Streets” manual as a tool for planning for a balanced and multimodal transportation system, particularly for those transportation improvements needed to accommodate growth.

The SCCRTC is the first Regional Transportation Planning Agency to implement STARS, which is a performance-based process for developing, analyzing, rating, and comparing outcome-based transportation plans and projects. Developed by the Portland Bureau of Transportation, the North American Sustainable Transportation Council, and the SCCRTC, STARS intends to improve transportation outcomes by certifying and rewarding performance and improving the triple bottom line of providing economic benefit, reducing petroleum use and greenhouse gases, and improving quality of life. As one of the visible partners for STARS, the SCCRTC is providing an innovative tool to allow planners and project managers to compare alternatives based on performance, not modes, while guiding plans and projects to establish targets and evaluation strategies to achieve the targets.

**TDA Claimant Relationships and Oversight**

This functional area addresses the SCCRTC’s administration of the provisions of TDA. As Local Transportation Funds allocated to claimants have been used for public transit or non-roadway purposes, state law does not require the SCCRTC to undertake a formal unmet transit needs process. However, the SCCRTC is recognized for continuing a process of soliciting and maintaining an annual prioritized transit needs list and working with its committees and Santa Cruz METRO. Unmet needs on the list are kept until they are implemented or removed. An example of a successful program through the unmet needs is same-day medical transportation provided by Community Bridge Lift Line through a federal transit grant. A public hearing is held...
in Watsonville and at a Commission meeting in Santa Cruz in compliance with the statute that requires at least one public hearing in the citizen participation process.

The E&D TAC produced an annual report highlighting its accomplishments and contributions to identifying unmet transit needs and providing broad and significant insight to the SCCRTC, Santa Cruz METRO, and Community Bridges about the transportation needs, policies and issues affecting seniors and individuals living with disabilities.

**SCCRTC Administration and Planning**

The uses of TDA revenues apportioned to Santa Cruz County flow through a priority process prescribed in state law. The SCCRTC is able to allocate Local Transportation Fund (LTF) revenues for TDA administration and general planning. During the audit years of 2013 through 2015, the SCCRTC claimed the amounts shown in Table IV-1.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>TDA Administration &amp; Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$905,843</td>
</tr>
<tr>
<td>2014</td>
<td>$1,159,799</td>
</tr>
<tr>
<td>2015</td>
<td>$1,181,350</td>
</tr>
</tbody>
</table>

Based on the above table, in FY 2013, the amount shown for administration and planning equaled approximately 11.9 percent of total Local Transportation Funds ($7,619,076). In FY 2014, the amount was 13.3 percent (out of $8,701,463), and for FY 2015, the amount was 13.5 percent (out of $8,763,780). TDA planning is used for three programs: (1) General Planning; (2) Bike to Work; and (3) Bike & Pedestrian Safety (Community Traffic Safety Coalition and Ride & Stride Program). The Bike to Work and Bike & Pedestrian Safety programs are claimed by the Commission under Article 8 for Ecology Action and the County of Santa Cruz Health Services Agency, respectively, in helping to support community-based bicycle and pedestrian operations. The two entities submit claims for review by the Commission for their programs that have been supported by the SCCRTC for many years. LTF allocations for these programs are matched by local funding sources.

LTF funds are allocated to eligible agencies including the SCCRTC, Santa Cruz METRO for public transportation, the City of Santa Cruz as a pass-through for specialized transportation, and local jurisdictions for bike/pedestrian projects. The SCCRTC has an existing adopted TDA reserve fund of at least 8 percent of the annual revenue estimate. Reserves are used due to a deficit in TDA revenues or a special allocation. The amount of TDA reserve increased, then decreased in the past three years as the reserve was reduced as shown in the annual apportionments to fill
funding gaps in TDA claims. The reserve is replenished, as the SCCRTC rules and regulations indicate new allocations are to be made to the reserve fund as a first priority.

Just prior to this audit period, the SCCRTC established a 30 percent operating reserve target (in Administration, Planning & Rideshare) that is divided by a cash flow reserve of 8 percent of annual operating costs and a restricted reserve of 22 percent of annual operating costs. The cash flow reserve will continue to be used for cash flow management, while the restricted reserve will not be used at all without specific authorization from the SCCRTC.

**TDA Claim Processing**

On an annual basis during this audit period, the SCCRTC was responsible for managing the apportionment of between $7.6 and $8.7 million in Local Transportation Fund revenues and up to $3.3 million in State Transit Assistance funds (highest actual STA cash allocation was $3.0 million). During the audit period, state legislation exempted transit agencies from applying the performance efficiency evaluation to use STA for operations. This exemption sunset through passage of SB 508 in October 2015, among other changes to TDA including farebox recovery.

TDA claims are generally submitted by applicants prior to the fiscal year of the claim. To its credit, the SCCRTC uses a detailed TDA claims form that requires detailed past and budgeted information to support the claims. The TDA claim form is applicable to either an Article 4 or Article 8 claimant, and the instructions in the form direct which sections need to be completed. The information provided by claimants ensures that proper information is submitted to justify the TDA claim. Among the required data for transit claims is the status of implementing prior audit recommendations and financial performance metrics. The claim form also incorporates a checklist of materials to include for each type of claim, whether for Article 4 or Article 8, and for transit systems such as CHP inspection certification and operating and capital plans. The checklist creates uniformity in the claims process and ensures that adequate information is provided to substantiate the claim for TDA revenues. Pedestrian/bicycle claims and transit claims are reviewed by different technical staff versed in their respective expertise. The E&D TAC also participates in the claims review prior to approval by the Commission, generally in May. Quarterly payments are then made to the claimants.

In addition to the checklist of items to submit with the claim, other RTPAs require transit claimants to sign off on a standard assurances form to confirm compliance with different TDA measures. These measures include completion and submittal of the annual financial audit and State Controller’s Reports, among other requirements. The appendix to this audit includes sample standard assurance forms for consideration by the SCCRTC in enhancing the TDA claims process.

The rules and regulations serve as an in-house TDA manual documenting the claims administration process by the SCCRTC. Most recently updated in August 2014, the document provides guidance for TDA submissions but also describes the operating procedures for the Commission and for other funding programs such as the RTIP and STP Exchange. The latest
update included modifications to areas recommended in the prior performance audit, clarification in terminology, membership and voting, and eligible funding programs. The SCCRTC may also elect to designate a portion of TDA revenues for research and/or demonstration projects based on specific evaluation criteria.

Transit Performance Monitoring

Each of the transit claimants provide performance measures to the SCCRTC on a quarterly and annual basis which are shared with the Elderly & Disabled Transportation Advisory Committee. The list of performance metrics slightly differs among the transit systems (Community Bridges, Volunteer Center, and Santa Cruz METRO) to reflect their system size and service modes. As several Commissioners also serve on Santa Cruz METRO’s board, that system’s performance is shared as needed with the SCCRTC. Documentation prepared by the transit systems shows their commitment to provide the information to the SCCRTC as a condition of their receipt of TDA funds. The performance metrics for Santa Cruz METRO are listed in the TDA claims form and include those listed in Table IV-2.

Table IV-2
Santa Cruz METRO Performance Measures

<table>
<thead>
<tr>
<th>1.</th>
<th>Annual passengers</th>
<th>16. Vehicle service hours/employee*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Rides/passenger trips provided by type (student, senior, adult, pass holders, etc., or however stats are kept) and amount of TDA funds used for each type of ride</td>
<td>17. Number of routes</td>
</tr>
<tr>
<td>3.</td>
<td>Annual service hours</td>
<td>18. Average route length</td>
</tr>
<tr>
<td>4.</td>
<td>Passengers per vehicle service hour*</td>
<td>19. Average travel times/rider</td>
</tr>
<tr>
<td>5.</td>
<td>Annual service miles</td>
<td>20. Number of bus stops</td>
</tr>
<tr>
<td>6.</td>
<td>Number of fixed-route miles</td>
<td>21. Number of vehicles in operation</td>
</tr>
<tr>
<td>7.</td>
<td>Service area – square miles</td>
<td>22. Number of monthly bus passes in circulation</td>
</tr>
<tr>
<td>8.</td>
<td>Service area population</td>
<td>23. Maximum vehicles in service at any time</td>
</tr>
<tr>
<td>9.</td>
<td>Passengers per vehicle service mile*</td>
<td>24. Hours of service</td>
</tr>
<tr>
<td>10.</td>
<td>Average passengers per weekday</td>
<td>25. Approximate number of unduplicated passengers</td>
</tr>
<tr>
<td>11.</td>
<td>Total operating costs in budget</td>
<td>26. Cost per unit of service plus text about long range plans to make/keep this low</td>
</tr>
<tr>
<td>12.</td>
<td>Operating cost per vehicle service hour*</td>
<td>27. Funds and percentage spent on administration/overhead/grantee allocation/etc.</td>
</tr>
<tr>
<td>13.</td>
<td>Total operating cost per passenger*</td>
<td>28. Actual financials compared with budget</td>
</tr>
<tr>
<td>14.</td>
<td>Average farebox revenue per passenger (describe what is included)</td>
<td>29. Actual number of rides provided compared with goal and text about whether goal was met and why/why not</td>
</tr>
<tr>
<td>15.</td>
<td>Number of FTE employees (all employees, not just drivers)</td>
<td></td>
</tr>
</tbody>
</table>

* Denotes TDA indicator
The performance indicators submitted by Community Bridges are shown in Table IV-3.

**Table IV-3**  
Community Bridges Performance Measures

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unduplicated passengers per month</td>
</tr>
<tr>
<td>2</td>
<td>Total passenger trips (units of service) per month</td>
</tr>
<tr>
<td>3</td>
<td>Incidents per month</td>
</tr>
<tr>
<td>4</td>
<td>Accidents per month</td>
</tr>
<tr>
<td>5</td>
<td>Mechanical failures (including lift failure) per month</td>
</tr>
<tr>
<td>6</td>
<td>No-shows per month</td>
</tr>
<tr>
<td>7</td>
<td>Turndowns or referrals per month</td>
</tr>
<tr>
<td>8</td>
<td>Cancellations per month</td>
</tr>
<tr>
<td>9</td>
<td>Donations per month</td>
</tr>
<tr>
<td>10</td>
<td>Total operating cost per passenger *</td>
</tr>
<tr>
<td>11</td>
<td>Total operating cost per vehicle service hour *</td>
</tr>
<tr>
<td>12</td>
<td>Total passengers per vehicle service hour *</td>
</tr>
<tr>
<td>13</td>
<td>Total passengers per vehicle service mile *</td>
</tr>
<tr>
<td>14</td>
<td>Fare box recovery level *</td>
</tr>
<tr>
<td>15</td>
<td>Van mileage per program</td>
</tr>
<tr>
<td>16</td>
<td>Percentage of rides performed by subcontractors</td>
</tr>
<tr>
<td>17</td>
<td>Percentage of shared trips/average vehicle occupancy</td>
</tr>
<tr>
<td>18</td>
<td>Percentage of cancellations of total rides</td>
</tr>
</tbody>
</table>

* Denotes TDA indicator

The performance indicators submitted by the Volunteer Center are shown in Table IV-4.

**Table IV-4**  
Volunteer Center Performance Measures

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of rides provided</td>
</tr>
<tr>
<td>2</td>
<td>Trip destinations</td>
</tr>
<tr>
<td>3</td>
<td>Mileage claimed</td>
</tr>
<tr>
<td>4</td>
<td>Estimated mileage donated</td>
</tr>
<tr>
<td>5</td>
<td>Estimated total mileage</td>
</tr>
<tr>
<td>6</td>
<td>Average length of trip</td>
</tr>
<tr>
<td>7</td>
<td>Number of unduplicated passengers</td>
</tr>
<tr>
<td>8</td>
<td>Number of requests for service</td>
</tr>
<tr>
<td>9</td>
<td>Number of turndowns</td>
</tr>
<tr>
<td>10</td>
<td>Reason for turndowns</td>
</tr>
<tr>
<td>11</td>
<td>Number of active volunteers</td>
</tr>
<tr>
<td>12</td>
<td>Geographic distribution of clients</td>
</tr>
</tbody>
</table>

The SCCRTC is able to track and monitor transit operator trends using the above data and review at E&D TAC meetings as well as with the Commission. Performance data prepared by the smaller operators are also submitted to the City of Santa Cruz as part of the conditions of the City claiming TDA funds on behalf of the agencies.
Marketing and Transportation Alternatives

Public access and information about the SCCRTC and its work is available through its home website (http://www.sccrtc.org/). The website was updated to be available in English and other languages using Google translation. The website contains information about the agency’s role in current transportation projects and programming, transportation plans (RTP, RTIP, etc.), Commission meeting agendas and minutes, newsletters and issues, transportation links, and library listing of past projects and studies. SCCRTC staff also maintain an active email listing for electronic transmission of information. Social media accounts were also set up on Facebook and Twitter.

The Pedestrian Safety Work Group, a subcommittee of the E&D TAC, conducted extensive outreach activities to inform the public about what makes good sidewalks, maintenance responsibilities, and pedestrian and motorist safety. Local radio programs aired a public service announcement, developed by the Pedestrian Safety Workgroup, to promote safe travel for all users and highlight the needs of elderly and disabled pedestrians. The group also wrote, released and distributed copies of the What Pedestrians and Motorists Want Each Other to Know brochure in English and Spanish. New partnerships with stakeholders and community groups were developed through this effort. The brochure has been recognized by the Caltrans Accessibility Advisory Committee as a model for similar efforts throughout California.

The SCCRTC has offered alternative transportation options since 1979. Part of the audit period included implementation of a separate new website for Commute Solutions, which provided personalized commute trip planning, instant online carpool matching, commute program assistance for employers, and bike and pedestrian support. Similarly, the SCCRTC and Transportation Agency for Monterey County (TAMC) received a Partnership Planning grant from Caltrans to conduct a Monterey Bay Area 511 Traveler Information System Feasibility and Implementation Plan. With the study completed in December 2013 and showing that a traveler information service was feasible, the Commission, starting in January 2014, worked to implement the Cruz511 online, centralized, multimodal traveler information service. The service provides travelers with real-time traffic conditions including travel speeds, images from traffic cameras, and incident and construction notifications.

As the Commute Solution program had moved more of its resources online, a program evaluation by Commission staff in early 2014 led to a decision to build upon the strengths of providing traveler information and marketing travel alternatives which advance the goals of the RTP. In June 2015, Commute Solutions and 511 combined under the Cruz511 umbrella and one website (http://cruz511.org/) to reach more people and streamline operations.

Contact information to Cruz511 staff is provided on the website that has grown both in size and in popularity so that clients can receive a customized plan including making trips on transit. For added benefit, the SCCRTC has a contract with the Bay Area Metropolitan Transportation
Commission (MTC) to partner in an expanded online travel matching service for 12 San Francisco Bay Area counties.

Travel options are organized by trip purpose on the website, whether the trip is for work or to go to school, or to simply understand the available modes of transportation to get around. The traffic conditions page of the website is the most popular among users. Also, as part of the website’s user interface, viewers can notify the SCCRTC of obstacles or hazards that may inhibit bike or pedestrian travel by using the SCCRTC’s Hazard Report.

Along with the themes of using performance indicators to measure the impact of transportation choices, Cruz511 offers users the ability to calculate the cost of their commute. The site includes web links to several tools that measure this impact such as the true cost of driving calculator, a calculator to compare the price of using public transportation with the cost of driving, and a side-by-side comparison of the impacts of various vehicles in terms of gas mileage, greenhouse gas emissions, air pollution, and safety.

Commute Solutions’ growth has spurred intentions of the program building its own brand identity. With the growth in users and services, performance metrics tied to this growth are shown in the annual report produced for the Commission which bring value in demonstrating the policy shifts of the SCCRTC from a roads-only agency to a multimodal provider. The annual report highlights the number of users of Commute Solutions/Cruz511 services to show the effectiveness of SCCRTC and local agency transportation programs.

**Grant Applications and Management**

In Santa Cruz County, grant assistance and management is shared between the SCCRTC and AMBAG, which serves as the federal Metropolitan Planning Organization for the three county areas of Santa Cruz, Monterey, and San Benito. AMBAG performs metropolitan-level transportation planning on behalf of the region. Among its many duties, AMBAG manages the region’s transportation demand model and prepares regional housing, population, and employment forecasts that are used in a variety of regional plans. SCCRTC and AMBAG relations have been positive in the coordination of activities that impact each of their respective planning and programming responsibilities.

Federal Transit Administration grant programs are administered through AMBAG, including the former FTA Section 5316 Jobs Access and Reverse Commute and 5317 New Freedom programs, both of which have been integrated into other federal transit programs. Santa Cruz METRO is the only recipient in the county for state transit funds including Proposition 1B—the Transit System Safety, Security, and Disaster Response Account (TSSDRA) and the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA)—with the SCCRTC passing all of these formula funds through to Santa Cruz METRO. Proposition 1B funds, along with other sources, have been used for construction of the new METRO operations facility. Other capital support is provided for the bus stop improvement plan and conversion of fuel from diesel to liquefied natural gas. The SCCRTC approves the relevant resolution used to
pass the funds through. Also, the SCCRTC works with Caltrans and its grant funding partners to obtain Caltrans planning grants for special studies. Provided that SCCRTC staff have good grant writing experience, staff provide assistance to local agencies that require help and SCCRTC sponsorship for eligibility. This assistance further promotes the good relations between the SCCRTC and its member agencies.
Section V

Findings and Recommendations

The following material summarizes the major findings obtained from the triennial audit covering FYs 2013 through 2015. A set of recommendations is then provided.

Findings

1. The SCCRTC has satisfactorily complied with applicable state legislative mandates for Regional Transportation Planning Agencies. One compliance measure that did not apply to the SCCRTC pertains to adopting rules and regulations for TDA claims under Article 4.5. There were no such claims submitted during the audit period. Rather, the consolidated transportation service agency (CTSA) in the county receives TDA Article 8 funds through the City of Santa Cruz acting as the claimant on behalf of the transit system.

2. The SCCRTC has implemented each of the four prior performance audit recommendations. The recommendations pertained to filling vacancies on the Elderly & Disabled Transportation Advisory Committee (E&D TAC), receiving a transit report prepared by Santa Cruz METRO for the State, updating the Commission’s rules and regulations, and developing an annual report for Commute Solutions (now under Cruz511).

3. Longevity of SCCRTC staff brings remarkable stability to the agency to address the various technical and policy issues.

4. Several large projects were accomplished during the audit period including the completion of auxiliary lanes to Highway 1 between Soquel Avenue and Morrissey Boulevard, and purchase of and bridge rehabilitation work on the Santa Cruz Branch Rail Line. Designations as a Rail/Trail Authority and construction management authority place the SCCRTC in a unique role of evolving from a purely transportation planning agency to inclusion as a project implementation agency offering multimodal transportation options.

5. Interviews with SCCRTC Commissioners provided overall high ratings for staff and activities undertaken during the audit period. Management and staff are viewed as being solid, focused and knowledgeable. The SCCRTC is working away from political decision-making to working on issues through technical and policy explanations in developing a balanced transportation system.

6. For programming of available transportation improvement program funds, the SCCRTC holds a call for projects and hosts a workshop for applicants. The scoring of project applications includes linking scoring criteria to the RTP performance measure targets to achieve a balanced transportation system by mode and by geography.
7. The 2014 RTP update was driven by the Sustainable Transportation Analysis and Rating System that shows the continued development of transportation policies and projects aimed at meeting sustainable performance measures. An expanded public outreach effort was also made for the 2014 RTP in following guidance established in the Monterey Bay Area Public Participation Plan, demonstrating the SCCRTC’s on-going commitment and efforts to involve the entire community and give ample opportunities for the public to participate in the work of the SCCRTC.

8. In spite of no TDA funds being allocated for streets and roads, the SCCRTC continues with an unmet transit needs process that involves obtaining public input and coordinating with the E&D TAC and Santa Cruz METRO to update the Unmet Specialized Transportation/Transit Needs List. The Commission also formally adopts the list in a sign of agreement. A public hearing is held annually in compliance with the law.

9. TDA claims submitted to the SCCRTC are required to include detailed past and budgeted information to support the claims. The information provided by claimants ensures that proper information is submitted to justify the TDA claim. The claim form also incorporates a checklist of materials to include, which provides uniformity to the claims process and ensure that adequate information is provided to substantiate the claim for TDA revenues. The claims forms are reviewed by different staff versed in their respective transportation expertise, and also by the E&D TAC prior to approval by the Commission. TDA claims for bicycle projects are reviewed by the Bicycle Advisory Committee.

10. The Commission’s rules and regulations serve as an in-house TDA manual documenting the claims administration process by the SCCRTC. Most recently updated in August 2014, the document provides guidance for TDA submissions and also describes the operating procedures for the Commission and for other funding programs. The latest update included modifications to areas recommended in the prior performance audit, clarification in terminology, membership and voting, and eligible funding programs.

11. In June 2015, Commute Solutions and 511 combined under the Cruz511 umbrella and one website to reach more people and streamline operations. Alternative modes of travel are promoted and marketed, and Cruz511 has grown both in size and in popularity. Growth in this program is consistent with the SCCRTC’s goals of planning for a multimodal transportation system.
Triennial Audit Recommendations

1. **Include standard assurances form in TDA claims for transit.**

   TDA claims for transit funding must ensure compliance with a series of provisions in the TDA statute. These standard assurances are typically listed in a checklist format in the TDA claims and should be reviewed and signed off by the transit claimant prior to submittal of the claim. The SCCRTC, in turn, would verify compliance for each applicable measure prior to approving the claim for funding. Standard assurances include completion of the annual fiscal and compliance audit and State Controller’s Reports, and compliance with the farebox recovery ratio.

   Many of these standard assurances are featured in the compliance matrix section of the performance audit of the transit operators. In addition, a sample standard assurance checklist from another RTPA is shown for reference in the appendix to this performance audit.

2. **Update the SCCRTC rules and regulations for new TDA legislation.**

   The SCCRTC updated its rules and regulations in 2014 in meeting a prior audit recommendation. Because of additional changes to the TDA legislation following the update, a number of new measures should be reflected in the rules and regulations. Among them are new TDA requirements created through passage of State SB 508 in October 2015.

   The legislation has several objectives, including simplifying fare recovery requirements; authorizing funding of bicycle and pedestrian safety education programs; and modifying State Transit Assistance (STA) qualifying criteria for operations. The SCCRTC’s rules and regulations should be updated to reflect these changes and identify the responsible party for implementing the updates, such as the fiscal auditor or Santa Cruz METRO for the farebox recovery calculation. The SCCRTC should also communicate these changes to the transit systems and determine what implication, if any, the changes might have on their respective transit operations.

   SB 508 rationalizes performance metrics, for example, by applying the same operating cost exemptions to both the farebox recovery ratio and the STA qualifying criteria. In addition, this bill clarifies a few terms that should help ensure expectations are applied uniformly to the transit operators. Highlights of the bill are summarized below.

   **Farebox Recovery**

   - Deletes the requirement for transit operators to maintain higher farebox requirements based on the 1978–79 fiscal year. An example of an update that the SCCRTC should make is deleting the requirement for Santa Cruz METRO to meet a ratio of fare revenue plus local support to operating cost that the agency had in FY 1978–79.
• Revises definition of local funds to mean any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.

• Revises definition of operating cost to exclude principal and interest payments on capital projects funded with certificates of participation.

• Exempts startup costs for new transit services for up to two years.

• Exempts additional categories of expenditures from operating cost (cost increases above the Consumer Price Index for fuel, alternative fuel programs, power, insurance premiums and claims, and state and federal mandates).

Claims for Funds

• Authorizes the funding of bicycle and pedestrian safety education programs up to 5 percent of the 2 percent bicycle and pedestrian allocation found under Article 3 (PUC Section 99234(a)).

STA Qualifying Criteria for Operations

• Uses of a sliding scale to reduce the operator’s STA allocation for operations, rather than pass/fail.

• STA qualifying criteria requirement is exempt through fiscal year 2015–16.

• New sliding scale effective July 1, 2016.

The farebox recovery ratios calculated in the next annual TDA fiscal audit should account for these changes given that operator eligibility for TDA funds is determined by the audited farebox ratios. The revised STA sliding scale test that the SCCRTC must apply for Santa Cruz METRO operating funds also would have certain budgeting and planning implications for the operator to continually use State Transit Assistance for operations.
Appendix A

Sample TDA Standard Assurances Checklist
STANDARD ASSURANCES FOR APPLICANTS

Claimant: ________________________________  Fiscal Year: ____________

1. 180-DAY CERTIFIED FISCAL AUDIT
Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with the required certification statement, to (RTPA name) and to the State Controller’s Office, pursuant to PUC 99245 and CCR 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one). This requirement does not apply to new operators.

2. 90-DAY ANNUAL REPORT
Claimant certifies that it has submitted a State Controller’s report in conformance with the uniform system of accounts and reports, to (RTPA name) and to the State Controller, pursuant to PUC 99243, for the prior year (project year minus two). Claimant assures that this report will be completed for the current fiscal year (project year minus one). This requirement does not apply to new operators.

3. PART-TIME EMPLOYEES (STAF ONLY)
Claimant certifies that it is not precluded, by any contract, from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license.

4. REVENUE RATIOS FOR OLDER OPERATORS
Claimant filing a claim pursuant to PUC 99268.2 certifies that it maintain for the project year the ratio of fare revenues to operating cost at least equal 20 percent if serving an urbanized area and 10 percent if serving a non-urbanized area.

5. REVENUE RATIOS FOR NEWER NON-URBANIZED AREA OPERATORS
Claimant filing a claim pursuant to PUC 99268.4 certifies that it will maintain for the project year a ratio of fare revenues to operating cost equal to or greater than 10 percent.

6. REVENUE RATIOS FOR EXCLUSIVE SERVICES TO ELDERLY AND HANDICAPPED
Claimant filing a claim pursuant to PUC 99268.5 certifies that, for the purpose of that claim, it provides services using vehicles for the exclusive use of elderly and handicapped persons.
7. **REVENUE RATIOS FOR COMMUNITY TRANSIT AND CONTRACTED TRANSIT SERVICES**
Claimant filing a claim pursuant to PUC 99275.5c and 99405c further certifies that, for the project year, it reasonably anticipates achieving the performance criteria, local match requirements, or fare recovery ratios adopted by the transportation planning agency or county transportation commission.

8. **REVENUE RATIOS FOR OPERATORS SERVING URBANIZED AND NONURBANIZED AREAS**
Claimant filing a claim pursuant to PUC 99270.1 certifies that it will maintain for the project year at least the alternative farebox recovery ratio as determined by the adopted (RTPA name) “fare ratio optional rule.”

9. **EXTENSION OF SERVICES**
Claimant that received an allocation of LTF funds for an extension of service pursuant to PUC 99268.8 certifies that it will file a report of these services pursuant to CCR 6633.8b within 90 days after the close of the fiscal year in which that allocation was granted.

10. **RETIREMENT SYSTEM**
Claimant filing claim pursuant to PUC Section 99260 certifies that (check one):

   ___1. The current cost of its retirement system is fully funded with respect to the officers and employees of its public transportation system (PUC Section 99271a); or

   ___2. The operator is implementing a plan approved by the transportation planning agency which will fully fund the retirement system for such officers and employees within 40 years (PUC Section 99271a); or

   ___3. The operator has a private pension plan which sets aside and invests on a current basis funds sufficient to provide for the payment of future pension benefits and which is fully compliant with the requirements stated in PUC Sections 99272 and 99273.

11. **USE OF FEDERAL FUNDS**
Claimant filing a claim for TDA funds for capital intensive projects pursuant to PUC 99268.7 certifies that it has made every effort to obtain federal funding for any project which is funded pursuant to PUC 99268.7.
12. **REDUCED FARES FOR ELDERLY AND HANDICAPPED**
A claimant filing a claim pursuant to PUC 99260 which offers reduced fares to senior citizens and disabled persons certifies that it is in compliance with PUC 99155.

13. **DRIVERS PULL NOTICE PARTICIPATION**
A claimant filing a claim for public transit assistance must include a certification completed within the prior 13 months by the California Highway Patrol indicating the operator has participated in a "pull notice system" to examine driver's records.

14. **INCREASE IN OPERATOR'S COST PER HOUR (STAF OPERATING ASSISTANCE ONLY)**
Claimant filing a claim for operating assistance from STAF funds must include a supplemental schedule which identifies either: A - 1) the most recent audited cost per revenue vehicle hour (year 1) and the cost per revenue hour for the year prior to the most recent audit year (year 2) and 2) the Consumer Price Index for the year prior to the most recent audit year (year 2); or B - 1) the most recent audited cost per revenue vehicle hour (year 1) and the cost per revenue hour for the three years prior to the most recent audit year and 2) the Consumer Price Index for the three years prior to the most recent audit year. The supplemental schedule information will be used to determine eligibility pursuant to PUC 99314.6.

15. **STAFFING ON VEHICLES**
Claimant certifies that it is in compliance with PUC Section 99264 that it does not routinely staff, with two or more persons, a vehicle for public transportation purposes designed to be operated by one person.

(Legal Name of Applicant/Claimant)

(Authorizing Signature of CEO/CFO)

(Name and Title)