

Measure D Recipient Agency: **County of Santa Cruz**

Measure D Annual Report Cover Sheet
Fiscal Year 2020/21

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

Measure D Financial Information	
FY20/21 Formula Allocations	\$ 3,462,358.49
Unspent Prior Year Allocations	\$ 3,962,717.97
Interest earned on Unspent Prior Allocations	\$ 170,864.29
Total Measure D Funding Available in FY20/21	\$ 7,568,263.10
Total Measure D Funds Spent in FY20/21	\$ 2,869,014.94
Total Measure D Rollover to FY21/22	\$ 4,726,925.81
Maintenance of Effort	
FY20/21 LOCAL funds spent on transportation projects, operations, and/or services (<i>exclude grants and formula state & fed funds - HUTA, TDA, SB1, STA, etc.</i>)	\$ 11,578,335
Maintenance of Effort Baseline (<i>average amount of local funds spent on transportation projects in 3-5 fiscal years prior to 2017</i>)	\$ 6,029,980
Measure D Compliance Documents	
Document	Attached (check)
1. FY20/21 Annual Report Cover Sheet (<i>this document</i>)	Attached
2. FY20/21 Audited Financials for Measure D funds (<i>see "Measure D Audit Guidance" for additional information</i>)	Attached
3. FY20/21 Expenditure Report Spreadsheet: Shows what Measure D formula funds (direct allocations) were spent on. <i>*Report use of regional funds (Trail, Highway Corridors, Hwy 9, Rail) separate from formula funds.</i>	Attached
a. If applicable –Grouped projects supplemental information	See 5-year plan
4. Map:	See "Measure D Completed Projects" at: https://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx
5. FY20/21 Performance Measures Report (<i>Measure D Guidelines Attachment B</i>)	Attached
6. Maintenance of Effort Compliance Spreadsheet: List of local funds spent on transportation projects through FY20/21 as compared to the 3-5 years prior to FY16/17.	Attached

a. If FY20/21 Local funds expended were lower than Baseline amount, explain why:	n/a
7. Indirect cost allocation plan: Does your agency have an indirect cost allocation plan (ICAP)? (If "no," Measure D cannot be used for indirect costs) a. Date of most recent ICAP: <u>12/31/2021</u>	Yes
8. 5-Year Program of Projects (5-Year Plan): List showing planned use Measure D formula funds in the next 5 years.	Attached
a. Evidence that the 5-year program of projects was approved through a public process. Include information on process used to select projects and develop 5-year plan. This may be in the form of public hearing notices, staff reports, and other means that agencies may have solicited input on their 5-year program of projects. Public process must include at least one public hearing and approval by recipient's governing board.	Attached (Approved Board Letter)
b. Date of 5-Year Plan Public Hearing soliciting input on 5-Year Plan (<i>per Article III.A.4.</i>)	Date: 6/29/21
c. Date annual 5-year Plan approved by Governing Board	Date: 6/29/21
9. Complete Streets Compliance (<i>Cities/County only</i>): Attach copy or provide link to board adopted Complete Streets policy that is compliant with the California Complete Streets Act of 2008 (AB1358), including any amendments. <i>Per Measure D Agreement: Agencies are required to have a complete streets policy by April 1, 2018.</i>	See Page 10 of County of Santa Cruz Design Criteria https://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/2021%20DESIGNCRITERIA.pdf?ver=5F6RwR2H0Mp9sewb4ha58A%3d%3d&timestamp=1639529979194
10. Annual Report Narrative (<i>may be included in Management & Admin section of audit</i>)	
a. Fund Balances, Carryover Projects, and Description of planned, longer-term and future uses of Measure D revenues, if known. Describe how agency is tracking Measure D funds not yet expended and include explanation of why not all funds were spent, reasons for large carryover balances, and planned future use of carryover funds. This could include a list of projects anticipated to use Measure D funds in the future, such as priority future projects, projects that will be implemented in a future year or over several years, larger projects that an agency is saving funds for, etc.)	All funds received are deposited into a separate, dedicated fund. A project-based cost management system is used to track all expenditures by project, and only Measure D qualified project expenditures are charged to Measure D funds. Funds are being accumulated in anticipation of taking on larger projects that offer economies of scale. Every fiscal year, the County enacts a pavement management projects that targets the majority of the anticipated

	Measure D funding. See Measure D 5-year Plan for project list.
b. Future Liabilities: Describe possible liabilities, including information on how future costs for projects not yet completed are anticipated to be funded.	The County has a 5-year plan based on projected Measure D funds, and projects are only initiated for which adequate funding is available.
c. Compliance with Applicable Laws: Confirm projects were implemented in compliance with applicable laws, regulations, requirements, standards of practice, guidelines, etc. which are applicable to publicly funded transportation projects are met and adhered to, including requirements of the California Environmental Quality Act (CEQA), state design and procurement requirements, etc.	We can confirm projects were implemented in compliance with applicable laws. Resurfacing projects are categorically exempt from CEQA, we obtain certifications (CAT-EX) from County planning for each project.
Public Outreach/Notification of Use of Measure D Funds	
11. Public Outreach/Process: Describe outreach conducted during the reporting year to inform Santa Cruz County taxpayers as to how your agency is using or plans to use Measure D funds. (per Article III.A.3.).	Measure D Information on past, current, and planned future work is provided on our website. http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx
12. Sample(s) of public outreach on Measure D-funded projects 7/1/20-6/30/21	In addition to our general web page on Measure D & SB-1, we provide a project notice letter to affected residents (attached) and maintain a project website during construction.
a. Website with Measure D information (attach PDF): Web address: <u>see response at right</u> (per Article III.A.7.)	http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx https://scmeasured.blogspot.com/
b. News Article: Include a copy of or weblink to at least one news article or press release about Measure D-funded projects in the past fiscal year. News release should inform public that project is funded by Measure D. (per Article III.A.8.)	Upon award of contract we send an outreach letter to residents on streets which will be included in that project. The 2020 letter is included for reference
c. Signage: Did you display the Measure D logo on signs at construction sites, on vehicles, and/or public education materials/websites? Attach photos if available. See "Measure D: Sign Specifications" for additional signage guidance. (per Article III.A.6.)	Yes – signage was placed at each project site. Signage photo was not available for the 2020 project.

13. Photos: Attach before/after and construction photos if available of projects/work done in FY20/21.	Attached
14. Fact Sheets on larger projects: Attach more detailed fact sheet on large projects (includes public information such as project name, description of work to be done, location, project benefits/purpose, schedule, graphics/maps, complete streets components/consistency, total cost & funding, including info on if Measure D was used to leverage other grants/funds).	<p>A project website is created for each individual project containing all pertinent information for public reference. This website is posted on project signage and serves as a central point of information during the project. Unfortunately the website for the 2020 project is no longer available due to the time elapsed. Information on archived projects including maps and road lists is kept on our Measure D informational website at the link below.</p> <p>http://dpw.co.santa-cruz.ca.us/Home/TransportationRoads/MeasureDandSB1.aspx</p>

Contacts

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

Name	Title	Phone/email
George Springer	Accountant III	DPW097@santacruzcounty.us

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**SANTA CRUZ COUNTY
MEASURE D FUND

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

**SANTA CRUZ COUNTY
MEASURE D FUND
JUNE 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the
Board of Supervisors
Santa Cruz County
Santa Cruz, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure D Fund of the County of Santa Cruz (the County), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure D Fund of the County, as of June 30, 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed, in Note 1, the financial statements present only the Measure D Fund and do not purport, and do not, present fairly the financial position of County as of June 30, 2021, or the changes in its financial position for the fiscal year ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

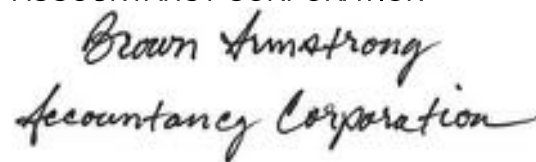
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Measure D Fund's financial statements. The budgetary comparison information is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021, on our consideration of the County's internal control over financial reporting as it relates to the Measure D Fund of the County and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance relating to the Measure D Fund and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance as it relates to the Measure D Fund.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in cursive script that reads "Brown Armstrong Accountancy Corporation".

Bakersfield, California
December 21, 2021

**SANTA CRUZ COUNTY
MEASURE D FUND
BALANCE SHEET
JUNE 30, 2021**

ASSETS

Cash and investments	\$ 5,244,941
Intergovernmental receivables	<u>693,016</u>
Total assets	<u><u>\$ 5,937,957</u></u>

LIABILITIES AND FUND BALANCE

Liabilities	
Vouchers payable	<u>\$ 1,107,730</u>
Total liabilities	<u>1,107,730</u>
Fund balance	
Restricted	<u>4,830,227</u>
Total fund balance	<u>4,830,227</u>
Total liabilities and fund balance	<u><u>\$ 5,937,957</u></u>

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

**SANTA CRUZ COUNTY
MEASURE D FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES

Measure D sales tax	\$ 3,462,358
Interest income	<u>27,678</u>
Total revenues	<u><u>3,490,036</u></u>

EXPENDITURES

Capital costs	2,849,889
Non-capital costs	14,625
Indirect costs	<u>4,500</u>
Total expenditures	<u><u>2,869,014</u></u>

REVENUES OVER EXPENDITURES	<u><u>621,022</u></u>
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FUND BALANCE

Beginning of year	<u>4,209,205</u>
End of year	<u><u>\$ 4,830,227</u></u>

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

**SANTA CRUZ COUNTY
MEASURE D FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

All transactions of the Measure D Fund of the County of Santa Cruz (the County) are included as a separate special revenue fund in the financial statements of the County. The Measure D Fund is used to account for the County's share of revenues earned and expenditures incurred under the County's local streets and roads, and bike and pedestrian programs. The accompanying financial statements are for the Measure D Fund only and are not intended to fairly present the financial position or results of operations of the County.

B. Basis of Accounting and Measurement Focus

The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus, wherein only current assets and current liabilities generally are included on the balance sheet. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

C. Fund Accounting

The operations of the Measure D Fund are accounted for in a separate special revenue fund. Funds are separate accounting entities with a set of self-balancing accounts which comprise their assets, liabilities, fund balance, revenues, and expenditures.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – MEASURE D

Under Measure D, approved by the voters of the County in 2016, the County receives a portion of the proceeds of an additional one-half cent sales tax to be used for transportation-related expenditures. This measure was adopted with the intention that the funds generated by the additional sales tax will not fund expenditures previously paid for by property taxes but, rather, would be used for additional projects and programs.

Streets and Roads Program – To improve, repair, resurface, and overlay streets and bridges within the County.

Bike and Pedestrian Program – To provide sidewalk and American Disability Act (ADA) improvements and to implement the bikeway network.

NOTE 3 – CASH AND INVESTMENTS

Amounts in the Measure D Fund are pooled with the County's cash and investments in order to generate optimum interest income.

The County pools its available cash for investment purposes. The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

The Measure D Fund had the following cash and investments at June 30, 2021:

Cash and investments	<u>\$ 5,244,941</u>
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A. Investments

Under the provisions of the County's investment policy, and in accordance with California Government Code, the following investments are authorized:

<u>Authorized Investment Types</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local agency bonds	5 Years	10%	None
U.S. Treasury obligations	5 Years	100%	None
U.S. Government Agency obligations	5 Years	100%	25%
Bankers' acceptances	180 Days	40%	10%
Commercial paper	270 Days	25%	10%
Negotiable certificates of deposit	5 Years	30%	10%
Bank deposit	5 Years	10%	10%
Repurchase agreements	1 Year	100%	10%
Medium-term notes	5 Years	30%	10%
Mutual funds/money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$75 million	None
Joint Powers Authority investment fund	None	25%	10%
Supranationals	5 Years	30%	10%

Under the provisions of bond indentures, the following are authorized investment types for investments held by fiscal agents:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality Requirements</u>
U.S. Treasury Obligations	None	None
Federal Housing Administration Bonds	None	None
U.S. Agency Securities	None	None
Senior Debt Obligations	None	Aaa, AAA
FDIC Insured Deposits	None	None
Unsecured Certificates of Deposit, Time Deposits, and Bankers' Acceptances	360 days	A-1, P-1

NOTE 3 – CASH AND INVESTMENTS (Continued)

A. Investments (Continued)

Commercial Paper	270 days	A-1, P-1
Money Market Funds	None	AAAm, AAAm-G
State Obligations	None	A, A3
Pre-Funded Municipal Obligations	None	Aaa, AAA
Investment Agreements	None	AA, Aa
Repurchase Agreements	None	A
California Arbitrage Management Program	None	None
California LAIF	None	None
Investment approved by Municipal Bond Insurer	None	None

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method in all funds and component units. The County's investments are carried at fair value as required by accounting principles generally accepted in the United States of America. The County accounts for all changes in fair value that occurred during the fiscal year and are reflected in the fund balance for the fiscal year. These investment value changes are unrealized since the County's policy is to generally buy and hold investments until their maturity dates.

B. Risk Disclosures

Interest Risk – Interest rate risk is the fluctuation in fair value of investments due to changes in interest rates. The County's exposure to losses caused by rising interest rates is minimized by limiting the average maturity of the County's investment not to exceed five years.

Credit Risk – Credit risk is the risk of loss of value of a security or investment due to a downgrade of its rating due to a change in the ability of the issuer to fulfill its debt obligation. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the County's total investment portfolio will be invested in a single security type or with a single financial institution to reduce the County's exposure to credit risks.

Custodial Credit Risk – The custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the County's investments were subject to custodial credit risk.

C. Local Agency Investment Fund

The County is a voluntary participant in LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The balance is available for withdrawal on demand. The County's investments with LAIF at June 30, 2021, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Local Agency Investment Fund (Continued)

As of June 30, 2021, the County invested in LAIF, which had invested none of the pool investment funds in Structured Notes and Asset-Backed Securities. The County reports its investment in LAIF at cost which approximates fair value.

NOTE 4 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 21, 2021, the date the financial statements were available to be issued, noting no events.

SUPPLEMENTAL INFORMATION

**SANTA CRUZ COUNTY
MEASURE D FUND
NOTE TO THE SUPPLEMENTAL INFORMATION
BUDGET AND BUDGETARY ACCOUNTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING

The County of Santa Cruz (the County) follows budgetary procedures in establishing the budgetary data reflected in the financial statements:

1. Every other fiscal year, the County Manager submits to the Board of Supervisors (the Board) a proposed biennial operating budget for the two fiscal years commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public work sessions are conducted to obtain taxpayer comments.
3. The budget is adopted by Board resolution prior to July 1st of even numbered fiscal years.
4. Expenditures may not legally exceed budgeted appropriations at the department level.
5. All budget adjustments and transfers between funds must be approved by the Board by resolution during the fiscal year. The County Manager is authorized to transfer any unencumbered appropriations within a department within the same fund.
6. Formal budgetary integration, including the recording of encumbrances, is employed as a management control device during the fiscal year in all budgeted funds. Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at fiscal year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities at that date.
7. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
8. Budgeted amounts are as originally adopted or as amended by the Board. Individual amendments were not material in relation to the original appropriations, which were amended.

**SANTA CRUZ COUNTY
MEASURE D FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Measure D sales tax	\$ 2,171,682	\$ 2,171,682	\$ 3,462,358	\$ 1,290,676
Interest income	20,000	20,000	27,678	7,678
Total revenues	<u>2,191,682</u>	<u>2,191,682</u>	<u>3,490,036</u>	<u>1,298,354</u>
EXPENDITURES				
Capital costs	3,929,032	3,929,032	2,849,889	1,079,143
Non-capital costs	20,000	20,000	14,625	5,375
Indirect costs	5,000	5,000	4,500	500
Total expenditures	<u>3,954,032</u>	<u>3,954,032</u>	<u>2,869,014</u>	<u>1,085,018</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,762,350)</u>	<u>(1,762,350)</u>	<u>621,022</u>	<u>2,383,372</u>
FUND BALANCE				
Beginning of year	<u>4,209,205</u>	<u>4,209,205</u>	<u>4,209,205</u>	<u>-</u>
End of year	<u>\$ 2,446,855</u>	<u>\$ 2,446,855</u>	<u>\$ 4,830,227</u>	<u>\$ 2,383,372</u>

See the note to the supplemental information.

OTHER REPORTS

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

To the Honorable Members of the
Board of Supervisors
Santa Cruz County
Santa Cruz, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure D Fund of the County of Santa Cruz (the County), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Measure D Fund's financial statements, and have issued our report thereon dated December 21, 2021.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's Measure D Fund's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

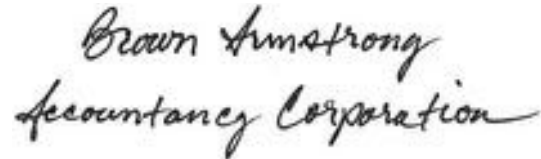
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements relating to the Measure D Fund are free from material misstatement, we performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in black ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 21, 2021

INDEPENDENT AUDITOR'S REPORT ON MEASURE D COMPLIANCE

To the Honorable Members of the
Board of Supervisors
Santa Cruz County
Santa Cruz, California

Compliance

We have audited the County of Santa Cruz's (the County) compliance with the types of compliance requirements described in the agreement between the County and Santa Cruz County Regional Transportation Commission (SCCRTC) applicable to the County's Measure D Fund for the fiscal year ended June 30, 2021.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the County's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the agreement between the County and SCCRTC. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Measure D Fund occurred. An audit also includes examining, on a test basis, evidence about the County's compliance relating to the Measure D Fund with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that are applicable to the Measure D Fund for the fiscal year ended June 30, 2021.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance relating to the Measure D Fund to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance relating to the Measure D Fund. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance relating to the Measure D Fund.

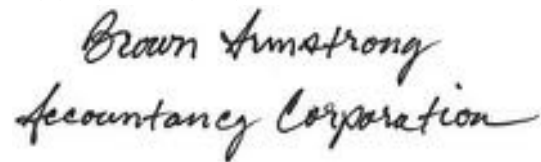
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Purpose of the Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the agreement between the County and SCCRTC. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in black ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 21, 2021

MEASURE D EXPENDITURE REPORT - Direct Allocations

Reporting Year **FY20/21**

Recipient Agency **County of Santa Cruz**

#	Project Name	Project Description/Location		Work Done in FY20/21	Construction or Implementation schedule
		Project Description	Location/Limits (if grouped project, list each location/limit)		
1	2019 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Construction	6/19-11/19
2	2020 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Design/Construction	6/20-9/20
3	2021 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Design/Construction	6/21-10/21
4	2022 Measure D Resurfacing	Roadway Resurfacing	Various Roads Countywide	Design/Construction	?-10/22
5	FY21 Measure D Audit Fees	Audit Fees - Administration	N/A	Audit	n/a
6	FY21 Measure D Education & ATP	Outreach	N/A	Outreach	n/a
					Total

MEASURE D EXPENDITURE REPORT

			Prior Measure D							Consistency with 5-year plan	
#	Project Name	FY20/21 Measure D Expenditures	FY18/19 Measure D Expenditures	FY19/20 Measure D Expenditures	Measure D TOTAL SPENT <i>through reporting year</i>	(Est) Future Year(s) Measure D Expenditures	Leveraged Fund Amounts <i>(grants & other funds where Meas. D used as match)</i>	Total Project Cost	Project in approved 5- year plan? <i>(yes/no)</i>	If not in 5-year plan or different amount or scope, why different?	
1	2019 Measure D Resurfacing	\$ (35,842.60)	\$ 100,935.34	\$ 1,998,239.89	\$ 2,063,332.63	\$ 636,668.37	0	\$ 2,700,001.00	Yes		
2	2020 Measure D Resurfacing	\$ 1,534,120.57	\$ 5,484.16	\$ 709,208.32	\$ 2,248,813.05	\$ 456,670.95	0	\$ 2,705,484.00	Yes		
3	2021 Measure D Resurfacing	\$ 1,349,707.89	\$ -	\$ -	\$ 1,349,707.89	\$ 950,292.11	0	\$ 2,300,000.00	Yes	Some roads not in 5-year plan were added to project, added roads shown in completed work listing on website	
4	2022 Measure D Resurfacing	\$ 1,904.08	\$ -	\$ -	\$ 1,904.08	\$ 4,798,095.92	0	\$ 4,800,000.00	Yes		
5	FY21 Measure D Audit Fees	\$ 4,500.00	\$ -	\$ -	\$ 4,500.00	\$ -	0	\$ 4,500.00	No	Administrative expense not included with other projects	
6	FY21 Measure D Education & ATP	\$ 14,625.00	\$ -	\$ -	\$ 14,625.00	\$ -	0	\$ 14,625.00	Yes		
		\$ 2,869,015									

MEASURE D EXPENDITURE REPORT

#	Project Name	CEQA compliance (List type of doc & certification date - ex. CE, 5/1/18)	Project Completion Date (actual or estimate)	Stats - if applicable					Measure D use		
				New Bike Lane Miles	New Ped Path or Sidewalk Miles	Miles of pavement rehab/repair (pothole, seals, etc)	Rehab of bikeways, sidewalks, or ADA ramps included? (describe)	If Complete Streets not incorporated into project, why not?	FY20/21 Measure D-funded Capital Costs	FY20/21 Measure D-funded Non-capital	FY20/21 Measure D-funded Indirect costs
1	2019 Measure D Resurfacing	CATEX	11/1/2019	0	0	5.75	System maintenance only		\$ -	\$ -	\$ (35,842.60)
2	2020 Measure D Resurfacing	CATEX	9/1/2020	0	0	6.26	System maintenance only		\$ 1,421,414.57	\$ -	\$ 112,706.00
3	2021 Measure D Resurfacing	CATEX	12/1/2021	0	0	6.44	System maintenance only		\$ 1,230,423.86	\$ -	\$ 119,284.03
4	2022 Measure D Resurfacing	CATEX	12/1/2022	0	0	0	System maintenance only		\$ -	\$ -	\$ 1,904.08
5	FY21 Measure D Audit Fees	n/a	n/a	n/a	n/a	n/a	n/a		\$ -	\$ 4,500.00	\$ -
6	FY21 Measure D Education & ATP	n/a	n/a	n/a	n/a	n/a	n/a		\$ -	\$ 14,625.00	\$ -

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

Performance Measures

AGENCY:

Santa Cruz County

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

Submittal date

1/6/2022

Performance Measure	Performance Metric and Standard		Corrective Action
	Baseline/Prior Year	Current	
Pavement State of Repair	Track city/countywide Pavement Condition Index (PCI), which rates the "surface condition" of local streets from 1 to 100, at least every three years.		Any agency with a falling PCI must provide an explanation. If the PCI drops, specify what funding amounts, policies, or other needs are required to enable increasing the PCI to 60 (fair) or above.
Average Network PCI (0-100)*	48	42	Based on our 2018 PCI survey the County would need an annual resurfacing budget of \$24 million in order to maintain our current PCI of 48. For the past several years our resurfacing budget has been approximately \$2.2 million per year, with the introduction of new funding sources such as Measure D, SB-1, and refuse impact fees we hope to build up over the next few years to an average annual resurfacing budget of approximately \$8 million. Even with these new funding sources our resurfacing funding levels are far below that needed even to maintain our current PCI, it is predicted that our PCI will continue to fall and is predicted to reach a PCI of 33 over 10 years.
Date of PCI Analysis (month/year)	May 2018	Dec 2021 (Projected)	
Miles repaved in FY20/21 (using all funds, not just Measure D)	5.75	32.37	
Miles agency plans to repave in FY21/22 (using all funds, not just Measure D)	5.75	6.44	
Total centerline miles in jurisdiction	596.78	595.33	
Complete Streets Implementation			Provide an explanation if less than 20% of Measure D funds are spent on bicycle and pedestrian facilities.
Percent of annual Measure D funds used to support bicycling and walking.	9%	9% (based on % bike lanes)	The County has committed to allocating \$20,000 of its yearly share toward bicycle education. Given the existing pavement funding gap, the remainder of the County share of Measure D funds is being directed towards road pavement preservation. While this strategy does not specifically target improvements to bike facilities, it does preserve existing facilities for all road users including bikes. If upgrades to bike or pedestrian facilities are planned on a road targeted for resurfacing, we would include those upgrades if feasible.
Number of linear feet or lane miles of bicycle facilities built or maintained (bike lanes, bike routes, multi-use pathways) w/Meas D	0	0	
Number of pedestrian projects completed (linear feet of sidewalks, number of crossing improvements/stripping, quantify traffic calming items, lighting, landscaping/streetscape, number of curb/ADA ramps, linear feet of trail/pathway built or maintained) w/Meas D	N/A	1-education and outreach	
Describe how school access was improved for children bicycling and walking, which may include collision data w/Meas D	N/A	1-education and outreach	
Capital Project and Program Investment	Investment into capital projects and programs is greater than funding program administration (outreach, staffing, administrative support)		Any agency expending less on capital investments compared to other activities must explain how capital investments will increase in the subsequent years
Amount of Meas D expended on capital projects and programs by phase (design, right-of-way, construction and capital support)	See Expenditure Report	See Expenditure Report	
Leveraged Funds	Report total grants and other funding secured using Measure D as a match.		Explain if Measure D funds fully funding all projects.
Amount of competitive grants secured using Measure D as match	\$0.00	\$0.00	Measure D funds were not used to match grants in this cycle

Measure D Maintenance of Effort (MOE) Baseline Calculation Form - As of June 30, 2021Jurisdiction: County of Santa Cruz

Calculation of Annual Average Transportation Expenditures/Baseline MOE:

	BASELINE = pre-Measure D						
	Total Expenditure by Year						
REVENUES - Enter the total revenues expended in previous Fiscal Years (for transportation) from all local sources and state/fed formula programs.	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15
<i>Taxes</i>	\$4,514,507	\$4,695,419	\$5,767,874	\$4,045,700	\$5,329,430	\$4,278,404	\$5,369,569
<i>Measure D</i>	\$3,693,317	\$2,880,419	\$3,243,303	\$2,969,212	\$0	\$0	\$0
<i>Licenses, Permit, & Franchises</i>	\$228,304	\$243,117	\$395,558	\$302,160	\$258,029	\$207,125	\$166,123
<i>Use of Money & Property</i>	(\$55,050)	(\$73,825)	(\$245,169)	(\$85,222)	\$24,411	\$16,344	\$27,682
<i>Intergovernmental Revenue ~ Gas Tax</i>	\$10,915,655	\$10,740,736	\$10,458,777	\$6,667,049	\$5,525,445	\$6,063,022	\$7,899,193
<i>Intergovernmental Revenue</i>	\$24,981,128	\$14,381,430	\$23,633,892	\$12,779,585	\$16,986,331	\$8,656,523	\$10,426,837
<i>Charges for Current Services</i>	\$2,209,881	\$1,424,259	\$915,202	\$1,858,767	\$482,971	\$328,253	\$25,355
<i>Miscellaneous Revenues</i>	\$1,055,888	\$42,533	\$547,416	\$20,449	\$208,973	\$15,593	\$52,426
<i>Other Financing Sources</i>	\$3,433,465	\$8,111,230	\$660,160	\$1,000,000	\$0	\$0	\$0
<i>Other Financing Sources - Beginning Fund Balance</i>	\$13,895,907	\$5,786,387	(\$2,241,063)	\$2,295,411	\$5,678,712	\$5,957,925	\$6,135,095
Annual Total Revenues	\$64,873,002	\$48,231,705	\$43,135,950	\$31,853,111	\$34,494,302	\$25,523,189	\$30,102,280

Beginning Fund Balance	(\$13,895,907)	(\$5,786,387)	\$2,241,063	(\$2,295,411)	(\$5,678,712)	(\$5,957,925)	(\$6,135,095)
MEASURE D REVENUE	(\$3,693,317)	(\$2,880,419)	(\$3,243,303)	(\$2,969,212)			
HUTA	(\$10,915,655)	(\$10,740,736)	(\$10,458,777)	(\$6,667,049)	(\$5,525,445)	(\$6,063,022)	(\$7,899,193)
ST-RSTPX RG SRF TRNSP PRG EXCH	(\$4,700,216)	(\$1,339,942)	(\$2,110,983)	(\$315,062)	(\$1,360,562)	\$0	(\$2,697,354)
ST-STIP STATE TRANSP IMPRV PRG	(\$2,051,806)	\$0	\$0	(\$156,522)	(\$1,282,044)	(\$850,000)	\$0
ST-NATURAL DISASTER ASSISTANCE	(\$2,411,543)	(\$939,440)	(\$2,159,009)	\$15,927	(\$2,006,783)	(\$606,391)	(\$4,309)
ST-HOMEOWNERS' PROP TAX RELIEF	(\$4,487)	(\$4,522)	(\$4,527)	(\$4,555)	(\$4,625)	(\$4,656)	(\$4,650)
ST-OTHR TAX RELIEF SUBVENTIONS	(\$228)	(\$143)	(\$347)	(\$260)	(\$153)	(\$152)	(\$178)
ST-COASTAL CONSERVANCY	\$0	\$0	\$0	(\$45,000)	(\$405,000)	\$0	\$0
ST-OTHER	(\$134,119)	(\$10,159)	(\$651,111)	(\$999,933)	(\$1,367,953)	(\$97,165)	(\$12,000)
ST-HWY SFTY & TRAF RDCTN PRP1B	\$0	(\$19,024)	\$0	\$0	\$0	\$0	(\$24,380)

FED-FAS/FAU EMERGENCY RELIEF	(\$12,667,557)	(\$6,760,110)	(\$8,601,581)	(\$7,283,642)	(\$988,678)	(\$305,085)	(\$711,236)
FED-HAZARD ELIMINATION SAFETY	(\$495,284)	(\$362,951)	(\$1,955,110)	\$0	(\$184,246)	(\$467,494)	(\$104,350)
FED-FEMA	(\$4,313,963)	(\$2,848,713)	(\$3,770,642)	(\$2,938,213)	(\$3,129,225)	(\$55,915)	(\$89,905)
FED-HBRR	(\$205,322)	(\$671,683)	(\$2,566,756)	(\$432,933)	(\$696,484)	(\$2,529,293)	(\$493,948)
FED-MISC GRANTS	\$0	\$0	\$0	\$49,959	(\$145,060)	\$0	\$0
FED-OTHER	\$0	\$0	(\$39,995)	(\$244,187)	(\$210,878)	\$0	\$0
CONTR FR OTHER GOVT AGENCIES	\$0	\$0	\$0	(\$98,042)	(\$3,749,107)	(\$532,162)	(\$200,000)
RDA PASS-THROUGHS	(\$2,444)	(\$2,545)	(\$3,901)	(\$2,309)	(\$2,327)	(\$2,396)	(\$1,721)
INSURANCE PROCEEDS	\$2,330,655	(\$799,873)	(\$1,146,382)	\$0	(\$1,128,394)	(\$2,881,000)	(\$5,433,182)
Annual Excluded Revenue	(\$53,161,194)	(\$33,166,648)	(\$34,471,362)	(\$24,386,444)	(\$27,865,675)	(\$20,352,657)	(\$23,811,500)
Annual MOE Revenue	\$11,711,808	\$15,065,057	\$8,664,589	\$7,466,667	\$6,628,627	\$5,170,533	\$6,290,781

MOE Baseline (Average of 3 years before Measure D)

\$6,029,980

Expenditures - Enter amount expended and amounts spent on various transportation purposes in previous Fiscal Years.	FY20/21	FY19/20	FY18/19	FY17/18	FY16/17	FY15/16	FY14/15
Administrative Expense	\$1,260,582	\$173,960	\$47,066	\$15,798	\$109,326	\$112,719	\$54,354
Undistributed Engineering	\$660,490	\$305,317	(\$124,017)	\$904,910	\$260,982	\$363,683	\$421,663
Road Reconstruction	\$11,200,635	\$5,217,896	\$8,303,628	\$1,181,423	\$996,349	\$2,559,956	\$673,959
Ped Ways & Bike Paths - Construction	\$268,986	\$160,163	\$1,458,460	\$6,239,505	\$3,913,260	\$260,372	\$1,070,467
Storm Drains Construction	\$472,557	\$509,557	\$228,583	\$351,200	\$138,248	\$477,802	\$264,427
Storm Damage Construction	\$26,290,862	\$13,911,929	\$12,413,319	\$14,592,116	\$11,942,771	\$2,226,493	\$6,330,338
Signals, Safety - Construction	\$4,942,030	\$1,744,239	\$3,760,362	\$1,539,936	\$2,565,300	\$2,161,219	\$1,715,444
Right of Way	\$13,164	\$13,841	\$3,368	\$3,987	\$6,816	\$19,778	\$11,683
Roads Lights & Traffic Signals	\$807,502	\$772,280	\$766,363	\$726,783	\$810,577	\$763,026	\$903,968
Road Patching	\$586,888	\$1,021,853	\$941,798	\$1,179,923	\$537,303	\$514,066	\$646,602
Ped Ways & Bike Paths - Maintenance	\$105,072	\$148,329	\$187,808	\$0	\$0	\$0	\$0
Paving Management	\$0	\$0	\$0	\$0	\$234,685	\$729,030	\$4,110,196
Storm Damage - Maintenance	\$544,033	\$1,764,593	\$143,401	\$1,260,412	\$5,227,841	\$748,380	\$1,286,834
Other Road Maintenance	\$17,073,246	\$8,576,844	\$9,204,423	\$6,643,336	\$5,344,222	\$8,587,099	\$5,852,701
Aid to Other Government Agencies	\$15,000	\$15,000	\$15,000	\$11,836	\$111,211	\$10,120	\$9,657
Non Road Reimbursable Work (Approps for Contingencies)	\$0	\$0	\$0	\$0	\$0	\$310,734	\$792,063
GASB 84 Required Prior Period Adjustment	(2,002,158)	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$62,238,888	\$34,335,802	\$37,349,563	\$34,651,165	\$32,198,891	\$19,844,477	\$24,144,355

Source/location of supporting budget or fiscal statement documentation.

All amounts tie to the Annual Road Report as filed with California State Controller's Office

Certification:

I hereby certify that the County of Santa Cruz has budgeted and will meet the Maintenance of Effort requirement for Fiscal Year 2020-21.

DocuSigned by:

Kim Moore

1/13/2022

Finance Director Signature

Date



Independent Office of Audits and Investigations

December 31, 2021

Transmitted via email

Matt Machado
Director
Department of Public Works
County of Santa Cruz
701 Ocean Street, Room 410
Santa Cruz, CA 95060

Indirect Cost Rate Proposal Acceptance – County of Santa Cruz, Department of Public Works

The Independent Office of Audits and Investigations (IOAI) received the County of Santa Cruz, Department of Public Works' (County) Indirect Cost Rate Proposal (ICRP) for fiscal year (FY) 2020/21 on December 3, 2021.

The County is authorized to use the fixed rate of 38.08 percent of total direct salaries and wages, plus fringe benefits for billing FY 2020/21 indirect costs to the California Department of Transportation.

Acceptance of the rate is based on the understanding a carry forward provision applies, and no adjustment will be made to previously approved rates. IOAI did not perform an audit of the ICRP. The ICRP may be audited in the future.

Acceptance is also based on the understanding the County agrees to provide subsequent reimbursement if the ICRP is later found to have included unallowable costs, as specified by law, regulation, or the terms and conditions of state or federal awards.

Please retain a copy of this letter for your files. If you have any questions, please contact Luisa Ruvalcaba, Audit Manager, at ICAP-ICRP@dot.ca.gov.

Sincerely,

Luisa Ruvalcaba

for

Fabiola Torres, Audit Chief

Enclosure:
Submission Certification

c: Italo Jimenez, Department Fiscal Officer, Department of Public Works,
County of Santa Cruz
Reinie Jones, District Local Assistance Engineer, District 5, California
Department of Transportation
Gilbert Petrissans, Chief, Division of Accounting, California Department of
Transportation
Rodney Whitfield, Director, Financial Services, Federal Highway Administration
Grace Regidor, Transportation Finance Specialist, Financial Services, Federal
Highway Administration
Jonathan Cox, Audit Manager, Planning and Modal, Independent Office of
Audits and Investigations
Luisa Ruvalcaba, Audit Manager, Planning and Modal, Independent Office
of Audits and Investigations



FIXED WITH CARRYFORWARD ICAP/ICRP SUBMISSION CERTIFICATION

LOCAL GOVERNMENT AGENCY: County of Santa Cruz Department of Public Works

Indirect Cost Rate
FISCAL YEAR FY2021

The indirect cost rate plan contained herein is for use on grants, contracts and other agreements with the Federal Government and the California Department of Transportation (Department), subject to the provisions in Section II. This rate(s) was prepared by the County of Santa Cruz Department of Public Works and accepted by the Independent Office of Audits and Investigations (IOAI).

Note: For entities with multiple tier rates, please include a worksheet with the information below as an attachment to this certification.

SECTION 1: Rates:

Rate Type	Effective Period	Rate	Applicable To	Identify Base
Fixed with Carryforward*	7/1/20 to 6/30/21	38.08%	All Programs	Total Direct Salaries and Wages plus fringe benefits
Rate Type	Effective Period	Rate	Applicable To	Identify Base
Fringe Benefit (if applicable)*				

***A Fringe Benefit Rate is only required if you intend to use an additional rate, a separate fringe benefit rate.**

[A proposed fringe benefit rate computation should accompany the ICAP/ICRP if it is not approved as part of the LGA's central service cost allocation plan. A fringe benefit rate is not required for Agencies that specifically identify fringe benefit costs to individual employees.]

SECTION 2: General Provisions:

A. Limitations:

The rate(s) in this Agreement is subject to any statutory or administrative limitations and applies to a given grant, contract, or other agreement only to the extent that funds are available. Acceptance of the rate(s) is subject to the following conditions: (1) Only costs incurred by the LGA were included in its indirect cost pool as finally accepted; such costs are legal obligations of the LGA and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; (4) The information provided by the LGA which was used to establish the rate(s) is not later found to be materially incomplete or inaccurate by the Federal Government or the IOAI. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government or the IOAI; (5) Prior actual costs used in the calculation of the approved rate(s) are contained in the LGA's Single Audit which was prepared in accordance with 2 CFR 200. If a Single Audit is not required to be performed, then audited financial statements should be used to support the prior actual costs; and, (6) The rate(s) is based on an estimate of the costs to be incurred during the period.

B. Accounting Changes:

This Agreement is based on the accounting system purported by the LGA to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. Fixed Rate with CarryForward:

The fixed rate(s) used in this Agreement is based on an estimate of the costs for the period(s) covered by the rate(s).

For fixed rates, when the actual costs for the period is determined by the LGA's audited financial statements – any differences between the application of the fixed rate(s) and actual costs will result in an over or under recovery of costs. The over or under recovery will be carried forward, as an adjustment to the calculation of the indirect cost rate(s), to the second fiscal year subsequent to the fiscal year covered by this plan

D. Audit Adjustments:

Immaterial adjustments resulting from the audit of information contained in this plan shall be compensated for in the subsequent indirect cost plans approved after the date of the audit adjustment. Material audit adjustments will require reimbursement from the LGA. For rates covering a future fiscal year, unallowable costs will be removed from the indirect cost pool(s) and the rate(s) appropriately adjusted.

E. Record Retention:

The proposal and all related documentation must be retained for audit in accordance with the record retention requirements of the State or Federal agreements for which the indirect rate(s) will be billed or for three years after the fiscal year for which the rate(s) is calculated, whichever is longer.

F. Use by Other Federal Agencies:

Authority to accept this agreement by the IOAI has been delegated by the Federal Highway Administration, California Division. The purpose of this acceptance is to permit the LGA to bill indirect costs to Title 23 funded projects administered by the Federal Department of Transportation (DOT).

The acceptance will also be used by the Department in state-only funded projects.

G. Other:

If any Federal contract, grant, or other agreement is reimbursing indirect costs by a means other than the accepted rate(s) in this Agreement, the LGA should (1) credit such costs to the affected programs, and (2) apply the accepted rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

H. Rate Calculation for Fixed Rate with Carryforward:

Note: For entities with multiple tier rates, please include a worksheet with all your rate calculations as an attachment to this certification.

INDIRECT

FY ²¹ _____ Budgeted/Estimated Indirect Costs	\$ 13,589,020
Carryforward from FY ¹⁹ _____	\$ (2,459,601)
Budgeted FY ²¹ _____ Indirect Costs	\$ 11,129,4
FY ²¹ _____ Budgeted Direct Salaries & Wages (or applicable base) _____ plus fringe benefits	\$ 29,222,919
FY ²¹ _____ Indirect Cost Rate	38.08 %

FRINGE BENEFIT

FY _____ Budgeted/Estimated Costs	\$ _____
Carryforward from FY _____	\$ _____
Budgeted FY _____ Costs	\$ _____
FY _____ Budgeted Direct Salaries & Wages (or applicable base) _____	\$ _____
FY _____ Fringe Benefit Rate	_____ %

CERTIFICATION OF INDIRECT COSTS

This is to certify that I, Italo Jimenez, have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

- All costs included in the proposal to establish billing of an indirect cost rate(s) for fiscal year 2021 (July 1, 2020 to June 30, 2021) are allowable in accordance with the requirements of the Federal and State award(s) to which they apply and 2 Code of Federal Regulations (CFR), Part 200, "Cost Principles", Subpart E, and Appendices V & VII for State, Local, and Indian Tribal Governments. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.
- All costs included in this proposal are properly allocable to Federal and State awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government and the IOAI will be notified of any accounting changes that would affect the fixed, final, or predetermined rate(s).
- I understand that during the predetermined (or extension) period, there will be no changes to the ICAP/ICRP calculation methodology used, no changes to our financial management system (i.e. change in processes, or in accounting software), and no substantial changes to our organizational structure and program(s).
- I understand that if a rate extension is granted, I may not request a rate review until the extension period ends and that at the end of the extension period, I must re-apply to develop and negotiate a rate(s).


ong with all supporting documentation from which the proposed rates are developed must be retained for audit in accordance with the record retention requirements of the State or Federal agreements for which the indirect rate(s) will be billed or for three years after the fiscal year for which the rate(s) is calculated, whichever is longer.

- Additionally, I understand that in accordance with 2 CFR, Part 200, Appendix VII, refunds shall be made if proposals are later found to have included costs that are unallowable as specified by law or regulation, as identified in Subsection 200.420 to this part, or by the terms and conditions of Federal and State award, or are unallowable because they are clearly not allocable to Federal or State awards. These adjustments or refunds will be made regardless of the type of rate(s) negotiated (predetermined, final, fixed or provisional). For rates covering a future fiscal year (i.e. extended rates), the unallowable costs will be removed from the indirect cost pool(s) and the rate(s) appropriately adjusted for all fiscal years covered by the extension.

I acknowledge as a representative of County of Santa Cruz Department of Public Works that the proper use and application of the indirect rate contained in this indirect cost rate proposal is the responsibility of the County of Santa Cruz Department of Public Works and such use may be subject to audit by the IOAI or Federal Highway Administration. Failure to cooperate with an audit can result in the withdrawal of IOAI acceptance and require immediate reimbursement of previously reimbursed indirect costs.

I declare that the foregoing is true and correct.

Government Unit: County of Santa Cruz Department of Public Works

Signature: 
(Sign in blue ink only)

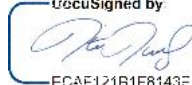
Reviewed, Approved, and Submitted by:

Name of Official: Matt Machado

Title: Director of Public Works

Date of Execution: 12/3/2021

Email: Matt.Machado@santacruzcounty.us

Signature:  12/2/2021
(Sign in blue ink only)

Prepared By:

Name of Official: Italo Jimenez

Title: Department Fiscal Officer

Telephone No.: 831-454-2798

Email: Italo.Jimenez@santacruzcounty.us

INDIRECT COST RATE(S) SUBMISSION ACCEPTANCE

The IOAI has received this ICAP/ICRP and accepts the plan for billing and reimbursement purposes.

Luisa Ruwalcaba for
Signature

Date: 12/31/21

Accepted by:
Fabiola Torres
Chief
Planning and Modal Office
Independent Office of Audits and Investigations
(916) 704-3628



**COUNTY OF SANTA CRUZ
DEPARTMENT OF PUBLIC WORKS**

701 Ocean Street – 4th Floor, Santa Cruz, CA 95060
Phone: (831) 454-2160 Fax: (831) 454-2385

MEASURE D FUNDING UPDATED 5 YEAR PLAN JUNE 2021



MEASURE D - GENERAL EXPENDITURES

Description

\$20,000 Each Year to be used for Safe Routes to Schools (to be used for bike/ped education at schools)

2020 Note:

Based on funding projections, the plan approved in 2019 has 3 years of work remaining (through 2024) New work added in 2020 (Shown in Blue Italics) added an additional 5 Years of work to the existing plan, thus making the 2021 plan an approximately 8-Year Plan (through approximately 2029).

2021 Note:

District 1 has made plan changes in this cycle, these changes are noted in blue italics. Plans for all other districts remain unchanged except for the Road Resurfacing Program item as described below.

ROAD RESURFACING PROGRAM:

A ROAD RESURFACING PROGRAM item has been added to the plan his cycle for each district, this item will be used to track Measure D resurfacing work for streets not listed in the plan.

District 1		
FY 21/22 FUNDING SHARE = \$1,274,000* (GREEN = 2022 PROPOSED PROJECT)		
Road Name	Beginning Location	End Location
THURBER LN	SOQUEL DR	HELEN AV
THURBER LN	HELEN AV	N END
FAIRWAY DR	SOQUEL DR	354'N/CRESTLINE WY
<i>PORTOLA DR</i>	<i>76TH AV</i>	<i>41ST AV</i>
<i>RAIL TRAIL - SEGMENT 9 FUNDING MATCH (\$1.5 MILLION)</i>		
DISTRICT 1 ROAD RESURFACING PROGRAM		

2021 Note : *Blue Italics indicate new work added in 2021.*

*FY 21/22 Funding Share reduced by amount used for extra work in 2021 Project

(Extra 2021 Work included Resurfacing of Aldo Ct, Hilltop Ct, Paradiso Ct, & Cindy Ln)

District 2		
FY 21/22 FUNDING SHARE = \$1,415,000* (GREEN = 2022 PROPOSED PROJECT)		
Road Name	Beginning Location	End Location
HILLCREST DR	STATE PARK DR	MAR VISTA DR
COATES DR	HILLCREST DR	SEACLIFF DR
<i>SEACLIFF DR (N)</i>	<i>STATE PARK DR</i>	<i>MAR VISTA DR</i>
<i>PARK DR</i>	<i>COATES DR</i>	<i>HILLCREST DR</i>
<i>BEACHGATE WY</i>	<i>COATES DR</i>	<i>W SEACLIFF DR</i>
<i>BEACHGATE WY</i>	<i>W SEACLIFF DR</i>	<i>HILLCREST DR</i>
<i>LOMA PL</i>	<i>W SEACLIFF DR</i>	<i>PARK DR</i>
NORTH AV	CENTER AV	EAST EDGE OF EAST ST
SEA TERRACE WY	SEACLIFF DR	SEACLIFF DR
CENTER AV	BROADWAY	EL CAMINO DEL MAR
SEA CLIFF DR	SPRECKLES DR	SANTA CLARA AV
KELP LN	EL CAMINO DEL MAR E	SEACLIFF DR
VENETIAN RD	STEPHEN RD	APTOS BEACH DR
SEA VIEW DR	CLIFF DR	LAMANDA DR
MARTIN DR	APTOS BEACH DR	CLIFF DR
CLIFF DR	N CNR	RIO DEL MAR BL
ELVA DR	MARTIN DR	CLIFF DR
<i>TOWNSEND DR</i>	<i>RIO DEL MAR BL</i>	<i>TOLEDO DR</i>
<i>EAST TOWNSEND DR</i>	<i>TOLEDO DR</i>	<i>CLIFF DR</i>
<i>KINGSBURY DR</i>	<i>TOWNSEND DR</i>	<i>MARTIN DR</i>
<i>APPLETON DR</i>	<i>CLIFF DR</i>	<i>TOWNSEND DR</i>
<i>FARLEY DR</i>	<i>TOWNSEND DR</i>	<i>CLIFF DR</i>
<i>KENNETH DR</i>	<i>CLIFF DR</i>	<i>TOWNSEND DR</i>
<i>BALDWIN DR</i>	<i>TOWNSEND DR</i>	<i>SEA VIEW DR</i>
<i>LAMANDA DR</i>	<i>SEA VIEW DR</i>	<i>TOWNSEND DR</i>
<i>MIRADA DR</i>	<i>TOWNSEND DR</i>	<i>CLIFF DR</i>
<i>BAY VIEW DR</i>	<i>TOWNSEND DR</i>	<i>CLIFF DR</i>
<i>GRANADA DR</i>	<i>BAY VIEW DR</i>	<i>TOWNSEND DR</i>
<i>TOLEDO DR</i>	<i>TOWNSEND DR</i>	<i>BAY VIEW DR</i>
ROBIN DR	E END	N END
SANDPIPER LN	BEACH PINES DR	W CNR
<i>DOVEWOOD LN</i>	<i>ROBIN DR</i>	<i>W END</i>
<i>SANDALWOOD DR</i>	<i>W END</i>	<i>MEADOWLARK LN</i>
<i>BEACH PINES DR</i>	<i>RIO DEL MAR BL</i>	<i>SANDALWOOD DR</i>
<i>MEADOWLARK LN</i>	<i>ROBIN DR</i>	<i>RIO DEL MAR</i>
<i>BRYCE CT</i>	<i>MEADOWLARK LN</i>	<i>END</i>
OCEANVIEW DR SB	HILLVIEW WY	ECM
OCEANVIEW DR NB	HILLVIEW WY	SAN ANDREAS RD
HILLVIEW WY	OCEANVIEW DR	S END
HOLIDAY DR	HILLVIEW WY	N END
<i>TROUT GULCH RD</i>	<i>VALENCIA RD</i>	<i>ECM</i>
DISTRICT 2 ROAD RESURFACING PROGRAM		

2020 Note : Blue Italics indicate new work added in 2020.

*FY 21/22 Funding Share reduced by amount used for extra work in 2021 Project
(Extra 2021 Work included Resurfacing of Brodin Ln)

District 3

FY 21/22 FUNDING SHARE = \$480,000 (GREEN = 2022 PROPOSED PROJECT)

Road Name	Beginning Location	End Location
SWANTON RD	HWY 1 (SOUTH)	MOLINO CREEK
SWANTON RD	MOLINO CREEK	POST MILE 1.48
SWANTON RD	POST MILE 1.48	ARCHIBALD CREEK
SWANTON RD	ARCHIBALD CREEK	BIG CREEK BR
<i>SWANTON RD</i>	<i>BIG CREEK BR</i>	<i>SWANTON VIEW RD</i>
<i>SWANTON RD</i>	<i>SWANTON VIEW RD</i>	<i>MILL CREEK BR</i>
<i>SWANTON RD</i>	<i>MILL CREEK BR</i>	<i>SCOTT CREEK BR</i>
<i>EMPIRE GRADE</i>	<i>(PROJECT LIMITS TO BE DETERMINED)</i>	

DISTRICT 3 ROAD RESURFACING PROGRAM

Recommendation: Bank Funding toward one large project on Swanton Road

2020 Note : *Blue Italics indicate new work added in 2020.*

District 4		
FY 21/22 FUNDING SHARE = \$237,000* (GREEN = 2022 PROPOSED PROJECT)		
Road Name	Beginning Location	End Location
<i>PAULSEN RD</i>	<i>GREEN VALLEY RD</i>	<i>PAULSEN BRIDGE</i>
<i>MURPHY CROSSING</i>	<i>HWY 129</i>	<i>N. END OF MURPHY RD BRIDGE</i>
DISTRICT 4 ROAD RESURFACING PROGRAM		
Recommendation: Bank Funding toward project on Paulsen Rd		

2020 Note : *Blue Italics indicate new work added in 2020.*

*FY 21/22 Funding Share reduced by amount used for extra work in 2021 Project
(Extra 2021 Work included additional funds needed to complete Lakeview Dr)

District 5		
FY 21/22 FUNDING SHARE = \$1,122,000* (GREEN = 2022 PROPOSED PROJECT)		
Road Name	Beginning Location	End Location
LA CUESTA DR	SCOTTS VALLEY CITY LIMITS	CANEPA DR
CANEPA DR	LA CUESTA DR	ELENA DR
ELENA DR	CANEPA DR	N END
MIRAFLORES RD	LA CUESTA DR	W END
EL SERENO DR	LA CUESTA DR	ECM/250 EL SERENO
ALTENITAS RD	LA CUESTA DR	SCOTTS VALLEY CITY LIMITS
GLENGARRY RD	HWY 9	1375' W/ HWY 9
GLENGARRY RD	1375' W/ HWY 9	ECM/PVT RD SIGN
CONFERENCE DR	GRAHAM HILL RD	ROARING CAMP RD
COOPER ST	FELTON EMPIRE RD	CLEARVIEW PL
ASHLEY ST	FELTON EMPIRE RD	FARMER ST
BLAIR ST	COOPER ST	WRIGHT ST
WRIGHT ST	BLAIR ST	ECM/PVT SIGN
CLEARVIEW PL	COOPER ST	W END
LINCOLN WY	OAK AV	SAN LORENZO AV
WASHINGTON WY	SAN LORENZO AV	OAK AV
OAK AVE	HWY 9	LINCOLN WY
REDWOOD DR	HWY 9	HILLCREST DR
PLATEAU DR	LAUREL DR	REDWOOD DR
VALLEY DR	REDWOOD DR	LAUREL DR
MCKINLEY WY	PROSPECT AV	GOLD AV
PROSPECT AV	JACKSON WY	MCKINLEY WY
JACKSON WAY	SAN LORENZO AV	PROSPECT AV
COVERED BRIDGE RD N	GRAHAM HILL RD	ECM/COVERED BRIDGE
COVERED BRIDGE RD S	GRAHAM HILL RD	ECM/COVERED BRIDGE
EL SOLYO HEIGHTS DR	HWY 9	HACIENDA WY
EL SOLYO HEIGHTS DR	HACIENDA WY	ECM/PRIVATE RD SIGN
HACIENDA WY	HILLVIEW DR (PVT)	ECM/JR HIGH SCHOOL
HILLVIEW DR	EL SOLYO HGTS DR	ECM/7415 HILLVIEW DR
CAPELLI DR	HACIENDA WY	SW END
OLD COUNTY RD	HWY 9 (NORTH)	BARRICADE
MILL ST	HWY 9 S	HWY 9 N
MAIN ST	HWY 9	MILL ST
FILLMORE AVE	CENTER AV	HWY 9
FAIRVIEW AV	SUNNYSIDE AV	FILLMORE AV
MANZANITA AV S	LOCUST ST	686' S/ OF LOCUST ST (ECM)
MANZANITA AV N	WHITTIER AV	ECM/PINE ST
KIPLING AV	BROOKSIDE AV	ECM/265 KIPLING AV
LONGFELLOW AV	KIPLING AV	N END
LOCUST ST	MANZANITA DR	GLEN ARBOR RD
HILLCREST AV	GLEN ARBOR RD	E END
MADRONE AV	GLEN ARBOR RD	RIVERSIDE PARK DR
RIVERSIDE PARK DR	MADRONE AV	ECM/GATE
RIVERSIDE AV	GLEN ARBOR RD	ECM/430 RIVERSIDE DR
MARION AV	EDUARDO AV	QUAIL HOLLOW RD
KESSLER DR	MARION AV	E END
MARION CT	MARION AV	W END
ARENOSA LN	EDUARDO AV	SW END
EDUARDO AV	PEDRO AV	SE END
PEDRO AV	RANCHO RIO AV	ECM/769 PEDRO AV
RANCHO RIO AV	NEWELL CREEK RD	PEDRO AV
HALLSONS LN	RANCHO RIO AV	E END
HART LN	RANCHO RIO AV	S END
LARKSPUR ST	HWY 9	RIVERSIDE RD
RIVERSIDE RD	LARKSPUR ST	FERN ST
FERN ST	RIVERSIDE RD	RIVER ST
IRWIN WY	SAN LORENZO BRIDGE	MILE 1.0
IRWIN WY	MILE 1.0	HWY 9
POOL DR	HWY 9	KINGS CREEK RD
OLD COUNTY HWY	POOL DR	ECM/GUARDRAIL
BLUE RIDGE DR	KINGS CREEK DR	ECM/POLE #800
SYLVAN WY	BLUE RIDGE DR	ECM
KINGS CREEK RD	HWY 9	OLD COUNTY HWY
DISTRICT 5 ROAD RESURFACING PROGRAM		

2021 Note: HILLSIDE AV was removed from plan (street was already resurfaced)

2020 Note: Blue Italics indicate new work added in 2020.

*FY 21/22 Funding Share reduced by amount used for extra work in 2021 Project

(Extra 2021 Work included Resurfacing of Middle Rd, California Dr, Riverside Dr, & Beverly Dr)



Santa Cruz County CA

Agenda Item DOC-2021-627

Consider approval of the Measure D 5-Year Plan for 2021-22 Fiscal Year and take related actions, as outlined in the memorandum of the Deputy CAO, Director of Public Works

Information

Department:	DPW: Road Operations	Sponsors:	Deputy CAO/Director of Public Works Matt Machado
Category:	DPW RDOPS - Board Letter	Functions:	Land Use & Community Services

Attachments

[Board Memo
2021 Measure D 5-Year Plan](#)

Financial Impact

The County's allocation of Measure D funds according to revenue projections from the RTC in a Memo dated 3/10/21 is \$3,137,730 for the 2021/22 Fiscal Year. The revenue projections in this memo are significantly higher than previous RTC projections, based on a review of overall available Measure D funding, an amount of \$4,800,000 will be used for planning purposes for the 2022 Measure D Resurfacing project.

Board Letter

Recommended Actions

- 1) Consider approval of the Measure D 5-Year Plan for the 2021-22 Fiscal Year; and
- 2) Authorize Public Works to submit a copy of the approved board package to the Santa Cruz County Regional Transportation Commission (SCCRTC).

Executive Summary

To receive Measure D Funding, the County must annually update its 5 Year Expenditure Plan. These updates must be approved by the Board at a public meeting, and proof of this approval must be provided to the SCCRTC.

Background

On November 8, 2016, Santa Cruz County voters passed Measure D, a one-half cent sales tax that funds transportation projects for a 30-year period. Included in the Measure was an Expenditure Plan (Plan) that specified the amount of funds and the types of projects that it would support. This funding will be managed and spent only in the County and cannot be taken away by the State or used for other projects. The three top priorities ranked by the community were maintenance and repair of County roadways, neighborhood resurfacing projects, and neighborhood safety projects.

Section 32A of the Measure D ordinance states that each agency receiving Measure D revenue shall hold a public hearing and adopt a five-year program of projects including information about each of the projects to be funded with Measure D revenues. This five-year plan is meant to be a continuous

plan, updated each fiscal year such that the next five years expenditures are always outlined. This item has been placed on the regular board agenda to satisfy the public hearing requirement of the ordinance.

Analysis

Attached for the Board's review and approval is the current proposed 5-year plan for the upcoming fiscal year. Upon approval by the board, the 5 Year Plan will be provided to the SCCRTC for inclusion in their overall Measure D Expenditure Plan.

At the time of the last plan approval, a drop in sales tax revenues was anticipated due to COVID-19, however, the current SCCRTC funding projections show significant improvement from last year's projections. Due to higher revenue projections combined with savings from previous projects, the 2022 project will have a larger than normal budget of approximately \$4,800,000.

Please note that the five-year plan work for District 1 has been changed in this update based on new priorities in Supervisorial District 1.

The 2020 approved plan included the addition of several years of new work; therefore, no new work is being added to the plan at this time (with the exception of changes in District 1 as noted above).

Body

Strategic Plan Elements

3.C (Local Roads), 6.C (County Infrastructure)

This funding will be directed toward road infrastructure repair projects, meeting strategic plan objectives by maintaining County road infrastructure.

Discussion

 [Add Comment](#)

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COUNTY OF SANTA CRUZ



DESIGN CRITERIA

CONTAINING STANDARDS FOR
THE CONSTRUCTION OF

STREETS
STORM DRAINS
SANITARY SEWERS
WATER SYSTEMS
DRIVEWAYS

WITHIN THE UNINCORPORATED PORTION OF
SANTA CRUZ COUNTY

DECEMBER 2021 EDITION

PRICE: \$15.00

Section A - Street Widths

1. Recommended standard and minimum rights-of-way and elements of geometric cross section shall be as shown in Figures ST-1a and ST-1b.
2. Existing County roads within the project shall be improved to the geometric, right-of-way, and structural standards of this *Design Criteria*. In the event an existing County road is on the boundary of a proposed improvement, the half of the road adjacent to the improvement shall be improved to the County standards, as specified in the conditions of approval, or as directed by the Director of Public Works.
3. The Monterey Bay Area Complete Streets Guidebook is incorporated by reference into the County Design Criteria. The Complete Streets Guidebook shall apply to all projects affecting County maintained roadways, and appropriate Complete Streets elements shall be incorporated into said projects where feasible. Applicants shall fill out the “Project Review Checklist” found in Appendix H of the Complete Streets Guidebook and include it with their project submittal to the County for review. The Monterey Bay Area Complete Streets Guidebook may be found on the SCCRTC’s website (link shown below for reference).
<https://sccrtc.org/projects/multi-modal/santa-cruz-county-complete-streets/>
4. The EPA’s Green Streets Handbook is also incorporated by reference into the County Design Criteria. The Green Streets standards shall apply to all land development and redevelopment projects, and appropriate Green Streets facilities shall be incorporated into said projects where feasible. Public Works staff shall be expecting and inquiring about these facilities, during the review of said projects, where their utilization seems feasible. The EPA’s Green Streets handbook link is provided here: <https://www.epa.gov/green-infrastructure/green-street-handbook>

Section B - Street Alignment and Grades

1. General requirements shall be no less than the minimum set forth in Figure ST- 2.
2. Vertical curves are required for all grade breaks of one percent or more.
3. The gradient of a street entering an intersection shall not be more than three percent within a distance of 20 ft from the curb line of the intersected street.
4. Streets shall be superelevated only if required by the Director of Public Works.
5. Whenever possible, the crown should be at the design centerline of the road. However, the crown may be shifted to within 8 ft of the face of curb, at the discretion of the Director of Public Works.

6. Minimum curb return radii shall be 30 ft measured at face of curb for arterial and collector streets and 20 ft for residential streets. At the intersection of a residential street with an arterial or a collector, the lesser standard will apply at the discretion of the Director of Public Works.
7. Minimum cul-de-sac radii shall be 32 ft, measured at curb flowline and 42 ft, measured at the right-of-way line.
8. On County roads and in rights-of-way offered to the County for dedication, dead-end streets shall be provided with a paved cul-de-sac of standard radius. Other dead-end streets longer than 150 ft shall be provided with barricades and turnarounds that meet the requirements of the appropriate fire agency, the Planning Department, and the Director of Public Works.
9. Dead-end streets shall not exceed 500 ft in length unless an emergency access road acceptable to the appropriate fire protection agency and the Director of Public Works is provided.
10. Streets and highways shall intersect one another at angles as near to a right angle as practical, and no intersections shall be at angles of less than 60 degrees.
11. Streets intersecting at an angle other than 90 degrees may require the use of setback lines, special rounding of corners, traffic circle, or other design details to assure desirable results as to traffic movement, visibility, and safety.
12. If the painted center lines of two streets intercepting the same street from opposite directions are offset from each other, said offset shall be a maximum distance of 10 ft, or a minimum distance of 200 ft, measured along the center line of the street intercepted.
13. The maximum cross slope for any pavement widening shall be 4%. The widening or other conform section shall be extended into the existing road as far as necessary to achieve a finished cross slope within tolerable limits (generally 2% to 4%), with the Director of Public Works' approval. Improvement plans shall reflect the fact that the actual width of the new section depends upon this requirement.
14. Typical street sections appearing on improvement plans shall show the entire section, fully dimensioned, even though the plans may call for improving only a portion of the street section. Typical sections should show existing as well as proposed conditions, including lane striping.
15. When feasible, lane widths will be adjusted to account for striping width and provide for enhanced bike lane width up to 6 ft.

310-19

CALIFORNIA ENVIRONMENTAL QUALITY ACT

NOTICE OF EXEMPTION

The Santa Cruz County Planning Department has reviewed the project described below and has determined that it is exempt from the provisions of CEQA as specified in Sections 15061 - 15332 of CEQA for the reason(s) which have been specified in this document.

Assessor Parcel Number: County Right-of-Way

Project Location: Countywide

Received
CLERK OF THE BOARD

DEC 12 2019

BOARD OF SUPERVISORS
COUNTY OF SANTA CRUZ

Project Description: The 2020 Measure D pavement management project will resurface 39 roads in the unincorporated areas of Santa Cruz County. The project includes specific reaches of the roads listed in attachment A.

The proposed project involves pavement maintenance and repairs on various roadways in unincorporated Santa Cruz County. Various resurfacing treatments will be implemented depending on existing roadway conditions. The primary treatment for most roads will involve isolated road base repairs (digouts) of damaged areas followed by a rubberized cape seal. Some roads will receive microsurfacing and portions of some roads will receive asphalt pavement overlays or leveling courses. Construction equipment that will be used at the sites will include, but is not limited to, standard trucks, excavators, and paving equipment. All work will be done from the roadway to the edge of pavement.

Person or Agency Proposing Project: County of Santa Cruz Department of Public Work, Roadway Operations.

Staff Contact and Phone Number: Daniel Mays, 831-454-2160

- A. ☐ The proposed activity is not a project under CEQA Guidelines Section 15378.
- B. ☐ The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
- C. ☐ **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
- D. ☐ **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).
Specify type:
- E. ☒ **Categorical Exemption**
Specify type: **15301 – Existing Facilities**

F. Reasons why the project is exempt:

Repair and maintenance of an existing public structure with no expansion of capacity. In addition, none of the conditions described in Section 15300.2 apply to this project.

Staff Planner: Matthew Davis

Date: 12/9/19

THIS NOTICE HAS BEEN POSTED AT THE CLERK
OF THE BOARD OF SUPERVISORS OFFICE FOR A
PERIOD COMMENCING Dec 12 2019
AND ENDING Jan 13 2020



County of Santa Cruz

DEPARTMENT OF PUBLIC WORKS

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070
(831) 454-2160 FAX (831) 454-2385 TDD (831) 454-2123

MATT J. MACHADO
DEPUTY CAO
DIRECTOR OF PUBLIC WORKS

2020 MEASURE D RESURFACING PROJECT NOTICE OF UPCOMING WORK

You are receiving this letter because your property is either located on or is accessed by a County road which will be resurfaced this summer, the purpose of this letter is to let you know about the upcoming work and what to expect. This work is part of the Measure D sales tax, a measure passed by Santa Cruz voters in 2016 to provide additional funding for local roads and other transportation needs around the County. The County has directed their share of this funding toward neighborhood resurfacing projects.

Project work will encompass several phases: First existing roadway striping will be removed, then select areas of patchwork will be done, followed by 2-3 layers of roadway seal (seals will be done in stages with typically days or weeks without construction work between each seal coat), and finally restriping of the roadway. There will be disruptions to traffic and some short duration closures (up to a few hours to allow for curing of certain types of seal), the project Contractor will provide advance notice in the form of door hangars to advise of any such closures.

For informational purposes we are enclosing a project roads list and vicinity maps of work, this information will also be on the project website and signs posted in the area of work. Also enclosed is a detail showing roadway seal work edge limits, this is provided as a reference for homeowners and residents as this issue has caused confusion in past projects. In cases where a road is bound by a curb & gutter or similar edge restraint, the County maintained road limit ends at the road/gutter interface. In cases where there is no gutter or edge restraint, the County maintains the road surface that was originally built and accepted by the County. We often find that over time property owners have extended the asphalt along their frontage for parking or other purposes, any such privately built extensions are not a part of the County road and will not be resurfaced by the County.

In the interest of minimizing disruption, we have created a project website which will be kept up to date with details on the project including scheduling of the various phases of work so that you may plan around construction activities to avoid getting stuck in traffic.

santacruzcountyresurfacingproject.info

We would also like to provide you with contact information for the key personnel overseeing this work in case you would like to discuss any specific concerns not addressed on the project website. APS (American Pavement Systems) will be the prime contractor for this work, their project manager will be Lucas Dias who can be reached at (209) 202-8779.

We apologize in advance for any inconvenience our project may cause you. We will try to keep disruption to a minimum but there will be some avoidable disruption during construction, please be patient as we improve your road.

Yours truly,

MATT MACHADO
Deputy CAO
Director of Public Works

By:

DocuSigned by:

Casey Carlson

CCF1B0A371C74AB...

Casey Carlson
Senior Civil Engineer

CRC:jv

Copy to: Casey Carlson
Carisa Duran
Cristina Crocker

2020 Measure D Outreach Letter. doc

Project Photos

SANTA CRUZ AVE – Before/After



KIRBY STREET – Before/After

