



**Santa Cruz County Regional
Transportation Commission
Budget and Administration/Personnel
Committee**

**MEETING
AGENDA**

**Thursday, October 8, 2026
1:30 p.m.**

In-Person Meeting

RTC Office
1101 Pacific Ave., Suite 250A
Santa Cruz, CA 95060

Remote Participation (see page 2 for more information)

Zoom

<https://us02web.zoom.us/j/86095135350?>

Dial-in: +1 669 444 9171
Webinar ID: 860 9513 5350 | Passcode 747128

1. Introductions
2. Additions or changes to consent and regular agenda
3. Oral communications

CONSENT AGENDA

No items

REGULAR AGENDA

4. Analysis of options for Santa Cruz County Regional Transportation Commission Office Space
(Bella Kressman, Real Property Specialist)
 - a. Staff Report
 - b. Memorandum: Long-Term Cost Projections for RTC Office Space
5. Review and Consideration of Policies
(Nisha Singh, Director of Internal Services and Bella Kressman, Real Property Specialist)
 - a. Staff Report
 - b. Human Resources Policy

- c. Administration and Fiscal Policy
 - d. Bilingual Language Proficiency and Language Access Policy
 - e. Leases, Licenses, Encroachments and Rights of Entry on Rail Line Right of Way Policy
 - f. Railroad Crossing Policy
 - g. RTC Code of Conduct Policy
6. Amendments to the Fiscal Year (FY) 2026-27 Regional Transportation Commission (RTC) Budget and Work Program and Measure D Budget (Marim Pearson, Budget and Finance Officer)
- a. Staff Report
 - b. (FY) 2026-27 Amended Budget and Work Program and Measure D Budgets
7. Adjournment

The next Budget and Administration/Personnel Committee meeting is scheduled for Thursday, March 11, 2027, at 1:30 p.m. SCCRTC Office, 1101 Pacific Ave., Suite 250A

HOW TO REACH US

Santa Cruz County Regional Transportation Commission
 1101 Pacific Avenue, Suite 250 Santa Cruz, CA 95060
 phone: (831) 460-3200 / Email: info@sccrtc.org

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

AGENDA: October 8, 2026

TO: Budget Administration/Personnel Committee

FROM: Bella Kressman, Real Property Specialist

RE: Analysis of Options for Santa Cruz County Regional
Transportation Commission Office Space

RECOMMENDATIONS

Staff recommends that the Budget Administration and Personnel Committee receive an informational analysis outlining options for long-term office space for the RTC's core business operations (Attachment 1).

BACKGROUND

The Santa Cruz County Regional Transportation Commission (RTC)'s current office space lease for 1101 Pacific Avenue, Suite 250 will expire in September 2029, and staff have evaluated alternative options for future RTC office space. As the Regional Transportation Planning Agency for the Santa Cruz County region, RTC offices must be centrally located and accessible to members of the public through various transportation options, ideally located along one or more transportation corridors and transit routes. Pacific Avenue is the main downtown thoroughfare for the City of Santa Cruz and is accessible to the public by car, bus, dedicated bicycle lane, sidewalks, and paratransit services. The current RTC office space is within walking distance of the County of Santa Cruz Building, with State and Federal legislator offices, the Santa Cruz Metro downtown station, multiple bus routes, and the City of Santa Cruz, and is within a 15-30-minute driving distance from the Cities of Scotts Valley, Capitola, and Watsonville.

Thirty full and part-time RTC staff members perform core work functions from the Pacific Avenue office. Monthly lease payments for the 7,063 square foot office space are \$10,882 per month with a 3% annual escalation rate, and a \$3,272 common area fee that is not escalated. Rental payments are budgeted and paid using Transportation Development Act (TDA) Funds which cover administrative costs for the agency. Rent payments are approximately 14% of the annual TDA Administration budget. To improve long-term fiscal sustainability, and at the request of the Commission Chair, Staff have

assessed alternative office space options to determine feasibility and return on investment.

DISCUSSION

20-year Cost Assessment

Staff assessed the financial return for four different office space scenarios over a twenty-year period, summarized in Attachment 1. The four options assessed were renewal of the current lease with substantially the same terms, purchasing an office building, developing commercial vacant land, or redeveloping the properties at 7992, 7994, and 7996 Soquel Drive, Aptos, that the RTC owns (Soquel Drive Properties). With unrestricted funding, the best return on investment for the RTC's ongoing office space use is to purchase a building in the City of Santa Cruz or in the City of Watsonville. At the end of a 20-year period the RTC would own an appreciated asset, assuming a 2% value escalation, the property will be worth \$5.48 Million and the RTC will have yielded an approximate \$70,000 return while no longer being obligated to monthly lease payments. The results of the assessment are summarized in Attachment 1, Table 1.

For the purpose of preliminary evaluation, certain assumptions were made across the different scenarios. Staff reviewed 20-year and 30-year loan terms, with 20% RTC initial capital contribution (i.e. down payment) and 5% interest. A twenty-year term was chosen as the standard financing scenario due to the higher ROI for paying down the loan earlier, approximately \$1M saved in interest compared to a 30-year term.

For ongoing annual operating expenses, typical expenses will include insurance, utilities, maintenance and repairs, janitorial services, and property management needs which will be additional long-term costs factored into building ownership. Additional research is needed to determine true costs for building maintenance.

In the lease renewal scenario, staff assumed the same terms of a 3% annual escalation applied to the entire 7,063 square foot space, with a starting rent of \$11,545 per month. The monthly common area fee was multiplied across 20 years with a 3% escalation applied to the overall total to account for the likely increase in this standard fee over time. The sum of lease payments at the end of the 20-year term totaled \$4.64M.

To assess the purchase price of a new building, staff found a combination of sales and listings within the City of Santa Cruz and City of Watsonville near major arterial roadways and bus stops. Mid-County properties were assessed but ultimately not included due to a lack of supply and significantly higher property values. While listings are generally not an appropriate indicator of true value, there were limited comparable sales available for reference. Staff made general adjustments for renovations and size between properties so that all structures were assessed on a price per square foot basis for an 8,000 square foot building. Average acquisition costs for a new office space building in Santa Cruz or Watsonville were approximately \$3.69 Million.

Over the 20-year lease span, escalated base rent payments will range between approximately \$142,000 - \$250,000 per year. Annual debt service for purchase of a new building will cost approximately \$225,000 per year which, compared with the average base rent annual payment, would require an annual increase of TDA Funds. This does not include the initial capital investment of between \$500,000 to \$1,000,000 as a down payment. Payments for the building purchase will start at a higher amount than renting but would align with lease payments at about year 17 of the lease.

To assess development of vacant land, staff performed a similar exercise using listings and sales to estimate an average purchase price for commercial properties. While a half-acre parcel is the minimum size likely capable of supporting an 8,000 square foot office space development, in the City of Santa Cruz .25 acre lots were included due to exemptions under AB 2097 that may eliminate the minimum parking requirements for certain sites. All land comps were also adjusted on a price per acre value. Available vacant lots of this size and accessible by major transit sites are likely limited. To account for construction costs, the average costs for County of Santa Cruz at \$1,015 per square foot were applied to an 8,000 square foot building, and inclusive of construction costs, site development, soft costs, and contingency. For purposes of a high-level analysis, constant loan rates were assumed over the 20-year term and not adjusted for a construction loan conversion.

Redevelopment of the Soquel Drive Properties assessed average construction costs while excluding parcel acquisition. The Soquel properties include both the locally significant Arano and Rice house, and adjacent structures to be demolished for construction of Segment 12 of the Coastal Rail Trail. Redevelopment of the property for office space use may require

relocating the Arano and Rice house or converting the structures for office space use with an additional 5,000 square foot office space. Redevelopment costs for the Soquel properties account for unique site conditions and the historic nature of the structures. Overall, the costs for redevelopment are comparable to purchase and development of vacant land.

Financing Options

Direct financing for any purchase or development of office space would likely require dedicating a portion of TDA funds, the RTC's funding source for administration and operations, while a loan through California Infrastructure and Economic Development Bank, specifically the Infrastructure State Revolving Fund (ISRF) could be a bridge for initial financing. An example being the City of Goleta who recently borrowed \$10,000,000 from ISRF Program to acquire a City Hall Building. Other funding sources are necessary as transportation funds such as TDA have not kept pace with what is needed to support sustainable transportation for the region. TDA funds are also utilized by several recipient agencies including Metro and Community Bridges, who depend on these funds to support ongoing and reliable transit and paratransit operations.

Collaborating with partner agencies, such as METRO, the Cities of Santa Cruz or Watsonville, or the County, for a larger shared-use facility or co-located office space may be one method to reduce facility costs for both agencies. Alternatively, office space providing multi-benefit use, such as part of larger multi-modal transportation hub for transit services, highway corridor facilities and safety, or to support the Santa Cruz Branch Rail Line and Coastal Rail Trail facilities may create a robust and competitive project for eligible grants, such as the Department of Transportation's BUILD Grant. A goal in the 2050 Regional Transportation Plan is to "Develop dedicated transit facilities to improve transit access and travel time and will promote smart growth and transit-oriented development. (RTP, Chapter 3)". Development of intermodal facilities is an eligible project under the State Transportation Improvement Program (STIP), through which funds are awarded and programmed through Consolidated Grant cycles and Regional Transportation Improvement Program (RTIP) though STIP funding is overcommitted, and funds may not be available until FY 29/30 and FY 30/31.

Another local funding source, Measure D tax revenue, may be used for transportation purposes described in the Ordinance and Expenditure Plan (Expenditure Plan) which can include certain transportation projects. As the RTC looks to long-term maintenance and management options for the Coastal Rail Trail, one option could be the combining of RTC facilities with a maintenance yard for future corridor maintenance, or with a transportation hub adjacent to and supportive of the Coastal Rail Trail and corridor.

Staff continues to explore options for partnering with jurisdictions for long-term corridor maintenance and management; as the SCBRL owner, the RTC will need to find a sustainable path forward to continue ongoing management. If possible, Staff should explore the potential for investing a portion of corridor funds and/or future lease and license revenue towards a facility dedicated to SCBRL corridor maintenance.

Staff recommends that the Budget Administration and Personnel Committee receive an informational analysis outlining options for long-term office space for the RTC's core business operations (Attachment 1).

FISCAL IMPACT

There are no fiscal impacts with this informational item.

SUMMARY

Staff have performed a preliminary analysis to assess long-term office space options for the RTC's core business operations. The four options assessed were continuing a lease under current terms, purchasing a new office building, developing vacant land, and redeveloping the RTC owned Soquel Drive Properties. Staff found that the best return on investment was the acquisition of a new office space within City of Santa Cruz or City of Watsonville, yielding a net return of approximately \$70k after 20 years and eliminating future lease payments. Purchase of a new office space would likely require an initial capital investment of approximately \$750k and an average annual increase from TDA funds.

Attachments:

1. Memorandum regarding Long-Term Cost Projections for RTC Office Space Scenarios

Attachment 1

Memorandum: Long-Term Cost Projections for RTC Office Space

Table 1

Option	Upfront Cost	20-Year Cost Exposure	Annual Appreciation Rate (%)	20-Year Estimated Value Change	Major Pros	Major Cons	Added Market/ Strategic Considerations
Lease Renewal	None	~\$4.64M in escalating rent (3%)	Not applicable	No asset created	Low upfront cost; no operational disruption	Escalating costs; no equity	Santa Cruz lease escalation may exceed assumed 3%
Purchase Existing Building	~\$740K initial capital; ~\$3.69M acquisition	Annual debt service ~\$225K; cost aligns with lease in ~17 years	1.5%–3% Santa Cruz; 2%–4% Watsonville	+\$1M–\$2.3M depending on market	Creates asset; stabilizes costs; strongest ROI	Requires capital and maintenance lower flexibility	Softening office market may reduce purchase price; ownership supports long-term stability
Develop Vacant Land	Very high: land + ~\$8M construction	Highest overall cost; long debt service	1.5%–3% typical for commercial	+\$1M–\$2M but high development costs	Purpose-built facility; modern design	Long permitting; high risk; expensive	Construction inflation 6–12% annually; limited parcels near transit
Redevelop Soquel Properties	Costs similar to developing building	Comparable to vacant land development	1.5%–3% typical	+\$1M–\$2M, but historic constraints weaken ROI	Uses RTC-owned land; potential public benefits	Complex historic/site requirement; may not meet ADA	Historic structures create major cost and timeline uncertainty

TO: Budget and Administration/Personnel Committee

FROM: Nisha Singh, Director of Internal Services
Bella Kressman, Real Property Specialist

RE: Review and Consideration of Policies

RECOMMENDATIONS

Staff recommends that the Budget and Administration/Personnel Committee review the attached policies, provide input and recommend Regional Transportation Commission for approval.

BACKGROUND

The Santa Cruz County Regional Transportation Commission developed administrative and fiscal policies and procedures that were adopted by the Commission in 2006 when RTC became an autonomous special district. The RTC has undergone significant changes since it became an autonomous special district in 2006 including the purchase of the Santa Cruz Branch Rail Line in 2012 and through the passing of Measure D in 2016. These changes have added significant responsibilities to the agency that RTC has yet to fully adapt its policies, procedures, human capital, systems, and operations to, including administration of a sales tax measure, added capital project delivery responsibilities for Measure D-Regional programs, and property management and preventative maintenance needs.

The RTC has undergone significant organizational changes that have added considerable responsibilities to the agency that RTC is in the process of adapting its policies, procedures, human capital, systems, and operations to. In 2019 through 2021 an organizational assessment was conducted that identified steps toward enhancing the effectiveness of the organization, led by prior Executive Director Guy Preston. Identification of Values for a Productive Culture, Creation of a Mission Statement & Strategic Plan, and Organizational restructuring to align with mission & strategic initiatives were completed from 2021 through 2024.

In November of 2024 the RTC awarded a contract to Regional Analysis & Planning Services, Inc. (RAPS), a non-profit corporation chartered by the Association of Monterey Bay Area Governments (AMBAG) who specializes in reviewing Metropolitan Planning Organizations and Regional Transportation Planning Agencies administrative and fiscal policies and procedures for statutory compliance and best practices. Slight updates to the administrative

and fiscal policies have been made over the years on an as needed basis but a comprehensive review and update had not been conducted since becoming an autonomous agency in 2006.

The various organizational development efforts are culminating into a comprehensive update to the agencies policies and procedures. This work, combined with refinement of workflows and operational structure, will contribute to improving the workplace culture, with a result of a high performing and accountable workforce.

DISCUSSION

Below is a summary of key changes to policies.

Human Resource Policy

The Human Resource policy (Attachment 1) has been updated to implement a modernized Human Resource framework, expanded legal compliance, clearer definitions, strengthened procedures, updated benefits, and added safety/violence prevention requirements.

Major updates include:

- Expanded definitions (added Immediate Family, new leave types, clarified controlled substances, more detail in job classifications).
- Longer probation periods, moving from 6 months to up to 12 months for new hires beginning in 2027.
- Updated Equal Employment Opportunity (EEO)/Nondiscrimination categories to reflect current federal and state law and Diversity, Equity, and Inclusion (DEI) expectations.
- Stronger harassment and Americans with Disabilities Act (ADA) accommodation sections, incorporating Fair Employment and Housing Act (FEHA)/ADA language and modern reporting procedures.
- More detailed recruitment and selection procedures, including clearer screening, testing, certification, supplemental assessments.
- New or expanded leave categories:
 - Domestic violence/stalking leave
 - Pregnancy Disability Leave clarified
 - Expanded Family and Medical Leave Act (FMLA)/California Family Rights Act (CFRA) details
 - Detailed LWOP benefit rules
- Expanded disciplinary processes with modern due process language, including clarification of the Skelly process.
- Updated grievance procedures with clearer steps and manager/Director roles.
- More detailed performance evaluation standards, adding interim reviews and documentation requirements.

- Updated benefits section for CalPERS, PEPR, Social Security participation, and compliance with healthcare continuation.
- Added Workplace Violence Prevention Plan (WVPP) references per updated Cal/OSHA requirements.
- A new retirement incentive benefit designed to strengthen organizational planning and reduce interruption when an employee retires.
- A new leave-transfer mechanism that removes ambiguity when employees move between bargaining units, ensuring proper treatment of leave banks and compliance with Memorandum of Understanding (MOUs).

Administrative Policies

The Administrative and Fiscal policy (Attachment 2) has been updated to implement more robust governance, stronger document management, expanded risk management, updated Information Technology/communication governance and modernized internal control structure.

Major administrative policy updates include:

- Significant expansion of Communications System policies
 - Includes mobile devices, cloud systems, cybersecurity expectations
 - Stronger privacy/no-expectation-of-privacy enforcement
 - Explicit restrictions on use of personal email/storage for work
- New media communications protocol, including role of the Communications Specialist and expectations for staff when contacted by media.
- Modernized Public Records Act compliance
 - Electronic communications, texts/messages included
 - Process for litigation holds, record preservation, storage devices for large requests
- Digital-first document distribution (less printing, more online posting; ADA compliance emphasized).
- Expanded confidentiality protections with cybersecurity requirements.
- Updated Records Management with clear cloud storage rules, destruction prohibitions, retention schedule alignment.
- Expanded Risk Management section
 - Cybersecurity incidents
 - TSA rail line reporting
 - Whistleblower protections
 - Fraud prevention/internal controls
- Telework and hybrid-work permissions clarified.
- More robust emergency management and continuity planning (active threat, telework continuity, data backup).

- Updated equipment policies (issued laptops, accessories, reporting losses).
- Greater emphasis on internal controls and ethics throughout administrative operations.

Fiscal Policies

The Administrative and Fiscal policy (Attachment 2) has been updated to implement increased financial control clarity, updated procurement thresholds, expanded budgeting authority, stricter internal controls, and modernized asset management.

Major Fiscal Policy updates include:

- Budget Adjustment Authority added:
 - Executive Director (ED) can approve certain transfer up to \$100,000
 - Transfers within/between funds clarified
- Increases to procurement authority thresholds to align with inflation, overhead, and changing market complexities:
 - ED authority raised from \$50,000 → \$100,000
 - Commission Chair authority raised from \$100,000 → \$250,000
 - Updated construction changes order authority including a new threshold for Director of Capital Projects
 - Internal Services Director added with limited purchasing authority
 - Real Property Specialist added with limited purchasing authority to cover miscellaneous Property Management purchase needs
- Updated petty cash limits (fund increased from \$500 → \$1500; claim limit from \$200 → \$500).
- Added Grant Administration section including signature authority for Director of Planning, Programming, & Transportation Services, delegation rules, compliance path.
- Expanded Accounting section to align with Generally Accepted Accounting Principles (GAAP) more explicitly.
- Fixed asset capitalization threshold increased (from \$1,500 → \$5,000).
- New Construction in Progress (CIP) tracking requirements with detailed reporting and manual tracking rules.
- Updated travel reimbursement rules, including:
 - Rideshare reimbursement
 - Updated out-of-state travel rules
 - Insurance and property damage reimbursement tied to MOUs
- Strengthened internal controls, fraud prevention language tied to fiscal operations.
- More detailed payroll and fund management expectations including bond fund compliance language.

Bilingual Language Proficiency and Language Access Policy

A new Bilingual Language Proficiency and Language Access policy ([Attachment 4](#)) has been updated to implement formal bilingual proficiency standards based on American Council on the Teaching of Foreign Languages (ACTFL) national guidelines for Level I (Conversational) and Level II (Advanced) proficiency.

Major updates include:

- Certification process using qualified external providers, valid for five years.
- Designation of bilingual positions where at least 25% of duties require bilingual communication.
- Bilingual pay differential administered according to applicable union MOUs for certified employees assigned to bilingual-designated positions.
- Public language access requirements, including translation of vital documents and free interpretation services for LEP individuals under federal Safe Harbor thresholds.
- Staff training on LEP identification, language assistance procedures, and Title VI compliance.
- Renewal, revocation, and appeal rights tied to continued performance of bilingual duties and proficiency maintenance.
- Pilot Language Assistance Program allowing stipends for certain public-facing interpretation tasks (distinct from bilingual pay)

Leases, Licenses, Encroachments and Rights of Entry

The Leases, Licenses, Encroachments, and Rights of Entry along the Santa Cruz Branch Line policy ([Attachment 5](#)) has been updated to align with current needs of the property.

Major updates include:

- Updated guidance and flexibility for establishing the value for different types of railroad property interests by expanding the definition of market rate to account for unique valuation factors such as linear configuration, access limitations, maintenance obligations, and degree of exclusivity.
- Authorizes market surveys, comparable agreements, appraisals, valuation models and other recognized methods to determine market value.
- Authorizes the RTC to charge deposits for lease, license, and other agreements as necessary to provide additional financial security mechanisms when entering into agreements.
- Updated closed-session language for more explicit compliance with the Brown Act.

- Enforcement framework included to provide additional detail and flexibility for addressing encroachments and to provide the RTC with more tools to address encroachments on the Santa Cruz Branch Rail Line (SCBRL).
- New provision to allow for no-cost agreements with local public entities for management and maintenance of the SCBRL.

Railroad Crossing Responsibility

A new policy for Railroad Crossings (Attachment 5) establishes and clarifies responsibility framework between road or highway owners and the RTC and rail carrier for at-grade and grade-separated crossings. Key aspects of this new policy include:

- Road or highway owners are responsible for design, permitting, construction, maintenance, repair, insurance, and related costs, including maintaining the crossing surface, approaches, drainage, striping, and roadway warning devices.
- RTC and the rail carrier establish applicable railroad design and safety standards, review crossing plans, oversee work near active tracks, protect railroad operations, and maintain the rail track structure—rails, ties, and ballast—and railroad signal systems.
- Road owners must submit crossing plans for RTC and rail carrier review, with at least six weeks for review and comment, and must coordinate work, permits, traffic controls, and railroad flagging.
- RTC may pay for, perform, or maintain portions of a crossing when doing so benefits railroad operations, supports Zero-Emission Passenger Rail & Trail development, leverages grant funding, produces cost savings, or helps consolidate/close crossings.
- If a road owner fails to address necessary maintenance, or an emergency or regulatory requirement requires RTC intervention, RTC can perform the work and seek reimbursement from the responsible road owner.
- New at-grade crossings require prior written RTC authorization and may be conditioned on closing or consolidating nearby crossings in accordance with regulatory requirements.
- Overcrossings and under crossings, including their structures, inspections, shoring, flagging, and long-term maintenance, are generally the responsibility of the road owner, with required real-property agreements for structures occupying RTC airspace or subsurface property.

Code of Conduct

The proposed Code of Conduct ([Attachment 6](#)) sets standards of behavior and expectations for Commissioners, Alternate Commissioners, and members of advisory committees, ad hoc committees, working groups, and

task forces. Its purpose is to promote integrity, transparency, accountability, professionalism, and public trust in how the RTC conducts the public's business. The Code supplements, and does not replace, existing requirements such as the Political Reform Act, the Ralph M. Brown Act, conflict-of-interest laws, and the RTC's Rules and Regulations. It sets out guiding principles of public service, integrity, respectful deliberation, and public trust, and expectations for professional conduct and civil discourse. It clarifies board-staff roles, providing that individual members do not direct, supervise, evaluate, or discipline staff, and that concerns about staff go through the Executive Director. Finally, the Code provides a process for resolving concerns, ranging from informal discussion to counseling, training, written reminders, or censure by Commission action, and requires members to acknowledge it upon appointment and periodically thereafter. The Code would take effect upon adoption by resolution and would be incorporated into the Rules and Regulations.

Staff recommends that the Budget and Administration/Personnel Committee review the attached policies, provide input and recommend Regional Transportation Commission for approval.

Next Steps

Staff will receive input from the committee and make updates to the policies. Concurrently, the labor units, Community of RTC Employees (CORE) and RTC Association of Middle Management (RAMM) are in the process of reviewing the draft policies. Staff will meet and confer over any topics that are within the scope of representation prior to recommending those applicable policies for formal adoption by the Commission in accordance with the Meyers-Millas-Brown Act.

FISCAL IMPACT

The proposed policy changes will result in limited fiscal impacts. The retirement incentive introduces a modest financial obligation when implemented; however, this cost is expected to be offset by operational efficiencies. The advance notice provided through the incentive will support uninterrupted agency operations by enabling timely recruitment and effective position backfilling.

The updated authorization thresholds include an increase in the Executive Director's purchasing authority from \$50,000 to \$100,000 and an increase in the Commission Chair's authority from \$100,000 to \$250,000. These changes may lead to incremental budget impacts due to higher approval limits, yet such impacts are anticipated to remain manageable. The adjustments are intended to streamline decision-making, reduce administrative delays, and improve overall operational flow.

Overall, while the policies introduce certain fiscal considerations, they are balanced by increased efficiency, enhanced workflow management, and strengthened continuity in agency operations.

SUMMARY

Staff has developed and reviewed the updated and newly developed policies in a collaborative manner and have confidence that they meet current agency needs and strengthen overall internal operations and efficiencies. Staff are requesting input, suggestions, or changes from the B&A/P Committee to ensure each policy is clear, practical, and aligned with Committee expectations prior to recommending adoption by the Commission. After receiving the Committee's direction, staff will take the appropriate next steps to finalize the policies and recommend them for adoption at an upcoming Commission meeting.

Attachments:

1. HR Policy
2. Administration and Fiscal Policy
3. Bilingual Language Proficiency and Language Access Policy
4. Leases, Licenses, Encroachments and Rights of Entry on Rail Line
Right of Way Policy
5. Railroad Crossing Policy
6. RTC Code of Conduct

**SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
(RTC)**

**Human Resources
Policies**



**Policies Approved by the RTC 9/7/06
Effective on 11/4/06
Amended _____**

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SECTION 1 - GENERAL

1.1 Purpose

The purpose of these policies is to establish a uniform system of human resources rules governing employment with the RTC. These policies set forth the procedures for hiring, promoting, training, evaluating, disciplining, and otherwise managing RTC personnel in a consistent, fair, and lawful manner. The policies are intended to ensure the efficient and equitable administration of RTC operations and provide clear guidance regarding employee rights, responsibilities, and working conditions.

1.2 Application of the Policies

Unless otherwise indicated, these policies apply to all employees of RTC.

- The Executive Director serves at the pleasure of the Regional Transportation Commission, and when provisions of the Executive Director's employment agreement differ from these policies, the contract terms shall prevail.
- To the extent provisions in any applicable Memorandum of Understanding (MOU) differ from these policies, the MOU shall govern for represented employees.
- RTC Temporary, reduced-time, and intern positions are covered as outlined within the specific provisions of these policies. This policy is not applicable to temporary employees hired through third-party agencies.

Commission members are governed by applicable law and Commission policies.

1.3 Administration

The Executive Director administers these policies and may delegate such responsibilities as necessary. Duties include, but are not limited to:

- A. Maintaining personnel records.
- B. Administering recruitment, selection, training, performance management discharge actions, and disciplinary processes.
- C. Preparing and recommending to the Commission:

- i. Amendments to these policies.
 - ii. Revisions to the classification and compensation plans.
- D. Issuing administrative policies to implement these rules, provided such policies do not conflict with Commission-approved rules.
- E. Ensuring consistent application of these rules throughout the organization.
- F. Create and maintain a Human Resources Procedures Manual that provides the forms and procedures needed to implement these human resources policies.

1.4 Amendment of Policies

- A. Proposed amendments to these policies shall be recommended by the Executive Director to the Commission for approval.
- B. The Executive Director may issue administrative procedures or policies to implement these rules, so long as they do not conflict with Commission-approved content. Administrative policies with substantive or financial impacts must be reviewed and approved by the Commission.

1.5 Equal Employment Opportunity / Employee Diversity / Non-Discrimination

- A. RTC is an Equal Employment Opportunity employer. Employment decisions—including recruitment, hiring, training, promotion, transferring, retention, benefits, evaluation, rehire, compensation, assignment, discipline, and termination—shall be made without discrimination based on:
 - Race, color, ancestry, national origin
 - Religion or creed
 - Sex, gender, gender identity or expression
 - Sexual orientation
 - Pregnancy, childbirth, or related medical conditions
 - Age (over 40)
 - Marital status
 - Physical or mental disability
 - Medical condition
 - Genetic information

- Reproductive health decision-making
 - Military or veteran status
 - Citizenship
 - Political affiliation
 - Union membership
 - Ancestry
 - Any other status protected by federal, state, or local law
- B. RTC is committed to promoting diversity, equity, and inclusion in the workplace and ensuring fair access to employment opportunities. Each employee is expected to support and uphold this commitment.
- C. Each employee of the RTC shall take affirmative steps, within his or her job responsibility, to implement this policy and to protect the rights it guarantees.
- D. Policy Against Harassment

The Commission does not tolerate discriminatory harassment. The Commission maintains a strict policy prohibiting unlawful harassment of Commission employees, including sexual harassment, in any form, including verbal, physical and visual harassment by any employee, supervisor, manager, customer, member of the public, officer or Commissioner.

Activity or conduct is defined as "harassment" when it is personally offensive or unreasonably interferes with any person's work performance or creates an intimidating or uncomfortable work environment and is based on the individuals' membership in a legally protected classification. The person offended, unreasonably interfered with or intimidated need not be the recipient or object of the discriminatory Conduct.

Sexual harassment includes, but is not limited to, the making of unwelcome sexual advances and requests for sexual favors where either submission to such conduct is made an explicit term or condition of employment, or submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals. Sexual harassment also includes the display of derogatory posters,

cartoons and/or drawings, or other physical or verbal conduct of a sexual nature in the workplace by supervisors, managers or co-workers.

Any employee or independent contractor who believes he or she has been unlawfully harassed by a co-worker, supervisor, manager, customer, member of the public, Board member or agent of the Commission, or who has knowledge of such harassment, should promptly report the incident(s) and the name(s) of the individual(s) to his/her supervisor or, in the alternative, to the Executive Director or the RTC Legal Counsel. Supervisors shall immediately report any incidents of harassment to the Executive Director. The Executive Director shall designate an appropriate individual to investigate any such claim and take appropriate action. Any claims against the Executive Director should be reported to and be investigated by RTC Legal Counsel or his/her designee. Employees should feel free to report valid claims without fear of retaliation of any kind.

1.6 Use of the Interactive Process to Reasonably Accommodate Disabled Individuals

Consistent with the Americans with Disabilities Act (ADA), California Fair Employment and Housing Act (FEHA), and all related regulations, RTC will not discriminate against qualified individuals with disabilities. RTC will:

- Engage in a timely, good-faith interactive process with an applicant or employee who requests accommodation or who becomes known to require accommodation.
- Determine effective reasonable accommodations that enable the individual to perform essential job functions, unless doing so creates undue hardship or poses a direct threat.
- Maintain confidentiality of medical information consistent with legal requirements.

Employees and applicants are encouraged to promptly notify the Executive Director or designee of any need for accommodation.

SECTION 2 - DEFINITIONS

2.1 Agency

The Santa Cruz County Regional Transportation Commission, also referred to as RTC, SCCRTC or the Commission, and includes the Commissioners, Executive Director, and all staff positions authorized by the Commission.

2.2 Allocation

The assignment of a specific position to an appropriate classification based on the type, difficulty, and level of responsibility of the work actually performed.

2.3 Alternate Staffing

A procedure that allows a position to be filled at one of several related classification levels (e.g., Analyst I/II/III), depending on RTC needs and candidate qualifications. An employee may advance within the series upon meeting required standards and at the discretion of the Executive Director.

Under alternate staffing, once the class of a position is established the position may be filled at any level subject to appropriate budget allocation by the Commission. The purpose of alternate staffing is to delegate to the Executive Director flexibility in the use of classes to meet workload changes or changes in available labor workforce.

2.4 Applicant

An individual who has submitted a completed and timely application for employment with RTC.

2.5 Appointment

The filling of a position with an individual who has been properly selected and authorized by the Executive Director or designee.

2.6 Budgeted Position

A full-time, part-time, or reduced-time position authorized by the Commission and funded in RTC budget. For the purposes of this policy, a reduced time position refers to a role that is normally fulltime but has its hours temporarily or formally reduced due to budget constraints or operational needs.

2.7 Candidate

An applicant who meets minimum qualifications and is invited to participate in RTC's selection process.

2.8 Certification

The referral of eligible candidates from an appropriate applicant pool or eligibility list to the Executive Director for consideration in filling a vacancy.

2.9 Class or Classification

A group of positions sufficiently similar in duties, responsibilities, and qualifications to justify the same title, salary range, and general employment standards.

2.10 Classification Plan

The official system for grouping positions into classes, consisting of:

- A. An index of class specifications.
- B. Class specifications describing duties, authority, and qualifications.
- C. Rules governing administration of the classification system.

2.11 Compensation

The standard rate of pay, differentials, and any other authorized forms of remuneration assigned to classifications under RTC's salary schedule.

2.12 Controlled Substance

Any substance defined under Schedules I–V of the Federal Controlled Substances Act (21 U.S.C. Section 812) as updated in 21 CFR Sections 1308.11–1300.15, or under Schedules I–V of the California Uniform Controlled Substances Act (Health & Safety Code Sections 11054–11058).

2.13 Conviction

A finding of guilt, plea of nolo contendere "no contest," or imposition of sentence, including probation, by any court of competent jurisdiction for violation of federal, state, or local criminal statutes.

2.14 Criminal Drug Statute

Any federal, state, or local criminal statute related to the manufacture, distribution, dispensing, possession, or use of controlled substances.

2.15 Dismissal

Separation from employment initiated by RTC.

- Regular for-cause employees may be dismissed for cause.
- Regular at-will employees, probationary employees, or temporary employees may be dismissed with or without cause.

2.16 Drug and Alcohol-Free Workplace

Any site or workplace in which work is performed in connection with RTC, including direct, indirect, or grant-funded activities. At such sites, employees are prohibited from unlawfully manufacturing, distributing, dispensing, possessing, or using controlled substances while performing RTC business or while on RTC premises.

2.17 Employee Organization

A labor union or employee association recognized by RTC as the exclusive representative of a bargaining unit of RTC employees.

2.18 Employment Contract

A written agreement between RTC and an unrepresented employee that establishes the terms and conditions of the employee's compensation, benefits, and employment.

2.19 Examination

Any selection method—such as written tests, oral interviews, performance tests, background checks, or other assessment tools—used to evaluate an applicant's qualifications.

2.20 Human Resources Procedures Manual

A document containing operational procedures, forms, instructions, and guidance for implementing these Human Resources Policies.

2.21 Human Resources Resolution

Commission-adopted resolution establishing or amending RTC's human resources administration framework.

2.22 Job Description

The written description of a classification, including its title, primary duties, responsibilities, minimum qualifications, and other employment requirements.

2.23 Immediate Family

Immediate family means an employee's spouse, domestic partner, child, parent, sibling, grandparent, or grandchild, including biological, adopted, foster or step relationships; any person living in the employee's immediate household; and the child or parent of a spouse or domestic partner. This definition is for RTC policy purposes and is not tied to any specific California statute.

2.24 Leave of Absence

Authorized permission to be absent from duty for a specific purpose and period of time, with the right to return upon expiration of the approved leave.

2.25 Limited Term Position

A budgeted position established for a defined duration—not to exceed one thousand hours (1,000) in a fiscal year to address temporary workload needs or short-term special projects determined by the Commission and not to exceed a two-year period, including any extension of up to one year. Limited-term employees do not obtain layoff rights unless specified by law.

2.26 Memorandum of Understanding (MOU)

A written agreement between RTC and a recognized employee organization that sets forth wages, hours, and other terms and conditions of employment for that bargaining unit. In the event of conflict between these policies and an MOU, the MOU shall govern for represented employees.

2.27 Overtime

For non-exempt employees under the Fair Labor Standards Act (FLSA), "overtime" means approved hours worked in excess of forty (40) hours in a workweek. For exempt employees, overtime is compensated only as provided in applicable MOUs or RTC policies.

2.28 Pay Period

A bi-weekly period consisting of fourteen (14) consecutive calendar days.

2.29 Personnel Action

Any action affecting an employee's employment status, such as appointment, promotion, demotion, reassignment, transfer, layoff, dismissal, or compensation change.

2.30 Personnel File or Personnel Record

The official employment record maintained, by the Executive Director or their designee, for each employee, containing documents related to employment history, performance, discipline, training, and other relevant matters.

2.31 Provisional Employee

An individual appointed temporarily to a budgeted position when no eligible list is available or when fewer than three qualified candidates exist. Provisional appointments may be terminated at any time and do not confer regular status.

2.32 Position

A set of duties and responsibilities assigned to one employee, whether full-time, part-time, reduced time, or temporary.

2.33 Probationary Period

A working test period during which an employee must demonstrate fitness for regular status in the position to which they were appointed.

2.34 Promotion

The movement of an employee from one classification to another with a higher salary range, generally following a competitive selection process.

2.35 RTC or SCCRTC

Santa Cruz County Regional Transportation Commission (Commission) is composed of the five (5) County Board of Supervisors, representatives appointed by the four (4) incorporated cities, three (3) members appointed by the Santa Cruz Metro Transit District, and one (1) ex-officio member representing Caltrans. An Executive Director is responsible for the management of RTC and its staff. Legal, technical, and other specialized services are contracted for as needed.

2.36 Reclassification

A change in the classification of a position based on significant changes in job duties, responsibilities, or required qualifications. Reclassification may result in an upward, downward, or lateral classification change.

2.37 Regular Employee

An employee who has successfully completed the probationary period following appointment to a budgeted position.

2.38 Salary Schedule

RTC's official compensation plan assigning salary ranges or rates to each classification, as approved by the Board.

2.39 Suspension

A temporary separation from duty, with or without pay, imposed for disciplinary purposes, or pending investigation, during which the employee is relieved of all work responsibilities and may be restricted from accessing the workplace, systems, or performing any job-related duties unless otherwise authorized.

2.40 Temporary Employees

Employees hired for a short-term period, not exceeding nine hundred ninety-nine (999) hours in a fiscal year, to meet temporary staffing needs, including workload peaks, time-limited projects, employee leaves of absence, or emergency situations. Temporary employees are not eligible for benefits unless otherwise required by law.

2.41 Vacancy

An authorized and board-approved funded position that is not occupied, the filling of which is subject to the Executive Director's sole discretion.

2.42 Work Day

The number of hours an employee is scheduled to work in a day, as determined by their position and assignment.

SECTION 3 – CLASSIFICATION PLAN

3.1 Purpose

The classification plan provides a complete and organized inventory of all RTC positions. Its purpose is to ensure that duties and responsibilities are clearly defined, that positions are consistently grouped by function and level, and that compensation is aligned with the nature and complexity of assigned work. The plan supports equitable employment practices, transparency in hiring and promotion, and efficient personnel administration.

3.2 Composition of Classification Plan

RTC's classification plan consists of:

- A. A structured grouping of positions into classifications and, where applicable, classification series.
- B. A compensation schedule assigning a salary range or rate to each classification.
- C. Written class specifications for each classification, including duties, responsibilities, and minimum qualifications.

These components function together to maintain a uniform and equitable personnel system.

3.3 Content of Job Descriptions

Each class specification (job description) includes:

- The official class title.
- A general description of duties and responsibilities.
- Required knowledge, skills, and abilities.
- Minimum qualifications, including education, experience, and any required licenses or certifications.
- A statement of the essential functions of the classification.

Class specifications are descriptive, not restrictive. They are not intended to list every duty performed, nor do they limit the Executive Director's or their designee's authority to assign, direct, or modify work to meet RTC needs.

3.4 Assignment of Positions to Class

The Executive Director or designee shall assign or allocate each position in RTC to an appropriate classification based on:

- The duties and responsibilities actually performed;
- The level of authority and complexity required; and
- The minimum qualifications needed for successful job performance.

No position may be assigned to a classification that does not reasonably reflect the nature and scope of the work performed.

3.5 Use of Class Title

The official class title shall be used for all personnel, budgetary, payroll, and organizational records. Working titles may be used for internal or external communications but do not replace or modify the official class title for administrative purposes.

3.6 Modifications to Classification Plan

Modifications may be necessary due to evolving RTC needs, organizational restructuring, or changes in the duties of existing positions.

- A. Modifications to existing classifications may be initiated by the Executive Director or by the respective department director in which the employee works when substantial changes in duties occur.
- B. The classification plan will be kept current to reflect additions, deletions, or revisions to classifications.
- C. Significant changes that impact compensation or organizational structure shall be forwarded to the full Board for action.
- D. The Executive Director or designee is authorized to:
 1. Recommend establishment of new classifications or abolishment of outdated ones.
 2. Reclassify positions when warranted by job duty changes.
 3. Establish or modify alternate staffing series, if appropriate for RTC operations.

Employees directly affected by proposed changes in classification or allocation of their position shall receive notice of the intended action.

SECTION 4 - COMPENSATION

4.1 Salary Schedule

RTC's salary schedule is approved by the Commission and establishes the salary ranges or rates assigned to each classification. The schedule may include steps within each range for non-management and management employees, consistent with RTC policy and any applicable Memorandum of Understanding (MOU).

All compensation for RTC employees shall be paid according to the salary schedule and in compliance with federal and state wage and hour laws.

4.2 Allocation of Positions

Salary ranges and the allocation of classifications to those ranges are established by the Commission, typically in conjunction with the annual budget approval. However, the salary schedule may be amended at any time when organizational needs. The Executive Director may recommend adjustments to position allocations, salary ranges, or the compensation plan based on:

- Market conditions
- Classification changes
- Recruitment and retention needs
- Internal equity
- Budgetary constraints

4.3 Step Advancement

The following rules govern movement through salary steps for eligible employees:

A. Eligibility for Step Advancement

All Regular Employees assigned to classifications with step-based salary ranges are eligible for advancement based on performance and completion of the required period of service. Management employees may have different salary adjustment procedures as established in contract or policy.

B. Hours of Service for Purposes of Step Advancement

Hours of service include all paid hours worked and paid leave hours, up to a maximum of forty (40) hours per week and are tracked and accrued by employee classification. For purposes of step increases, hours of service begin accruing on the employee's most recent date of appointment to the classification. Time off due to an occupational injury with RTC and military leave shall be counted as hours of service for step advancement.

C. Requirements for Step Advancement

Employees must meet the hour-of-service and performance-evaluation criteria established in RTC Human Resources Policies and in the applicable Memorandum of Understanding (MOU). Employees are responsible for reviewing their MOU for specific eligibility rules. Managers and Department Directors shall ensure evaluations are completed according to RTC procedures and applicable MOU timelines.

In all cases, RTC will administer step advancements in accordance with the provisions of the applicable MOU, including any automatic or default evaluation outcomes specified therein.

Performance evaluations shall be completed in accordance with the applicable MOU and Section 17 of this policy, as well as any other relevant RTC Human Resources Policies.

D. Notification

Upon appointment, the Executive Director or designee shall notify each employee in writing of:

- Their step placement; and
- The applicable salary schedule provisions.

4.4 Bilingual Pay Differential

RTC may designate positions as requiring bilingual skills based on operational needs and public service demands. Employees assigned to positions requiring such skills may be eligible for a bilingual pay differential upon:

- Successful completion of RTC-approved proficiency testing; and
- Confirmation from the Executive Director or designee that bilingual skills are essential for the position.

The amount and structure of bilingual pay differentials shall be established by RTC Bilingual Language Proficiency and Language Access Policy, or applicable MOU.

Bilingual pay may be discontinued if:

- The employee no longer meets proficiency standards,
- RTC no longer requires bilingual skills in that position, or
- The employee transfers to a non-bilingual position.

SECTION 5 - RECRUITMENT

5.1 Employment Policies

RTC's recruitment policies are designed to attract and select well-qualified candidates through fair, transparent, and competitive processes.

Recruitment activities shall:

- Promote equal employment opportunity;
- Ensure merit-based selection;
- Encourage participation from all segments of the community;
- Support RTC's operational needs and workforce planning goals.

All employment decisions shall be made without discrimination as defined in Section 1.5.

5.2 Filling Vacant Positions

Vacant budgeted positions shall be filled in accordance with these policies and any applicable MOU.

The Executive Director shall determine:

- Whether the vacancy will be filled;
- Whether a promotional, open, or internal recruitment will be conducted; and
- Whether alternate staffing (I/II/III/IV series) is appropriate for the position.

RTC may also use temporary, limited-term, or provisional appointments when appropriate and consistent with law.

5.3 Certification Procedures

Following completion of the selection process, the Executive Director or designee shall certify candidates who:

- Meet minimum qualifications;
- Successfully complete all required examinations and evaluations; and
- Are eligible for appointment under RTC procedures.

Certification may consist of referral of the highest-scoring candidates, the best-qualified candidates, or another merit-based method approved by the Executive Director. After each recruitment, an eligible list shall be established, and RTC may either open a new recruitment or use the existing eligible list to fill vacancies. If no suitable candidates are available, RTC may reopen the recruitment.

5.4 Announcements

Recruitment announcements shall be prepared by the Internal Services Department and reviewed by the respective Department Director for the department in which the vacancy exists, as well as by the Executive Director. It shall include:

- Job title and summary of duties;
- Minimum qualifications;
- Salary range and benefits information;
- Application procedures and deadlines;
- Description of the selection process; and
- Any special requirements (e.g., licenses, certifications, background checks).

Announcements may be distributed through online postings, professional networks, job boards, or other appropriate media to ensure broad outreach.

5.5 Applications

All applicants must submit a complete application by the deadline stated in the job announcement. RTC may require supplemental questionnaires, work samples, writing assessments, or other materials relevant to evaluation.

A. Applicant Screening

RTC may conduct reference checks, background checks, and other assessment methods consistent with applicable laws.

Applicants may be disqualified for:

- Failure to meet minimum qualifications;
- Falsification or omission of required information;

- Failure to follow application instructions;
- Behavior inconsistent with professional standards; and/or
- Any lawful reason that indicates unfitness for employment.

B. Disqualification or Rejection

The Agency may reject or disqualify applicants for any legitimate reason. In addition, RTC may reject an applicant or disqualify them from future employment for good cause.

In cases of **permanent disqualification**, the applicant shall be notified in writing and may submit a written appeal within the timeframe established by RTC procedure.

Appeals are limited to cases involving permanent disqualification.

5.6 Testing of Applicants

Examinations are used to evaluate an applicant's fitness for the job and may include one or more of the following:

1. Supplemental Questions

Used to assess job-related knowledge, judgment, or experience.

2. Written Tests

Used when written competencies are central to the classification. Written tests shall be designed to measure the various knowledge and abilities necessary to perform the particular job.

3. Oral Examinations

Structured interviews used to evaluate communication skills, analytical ability, and other job-related competencies.

4. Performance Tests

Used to assess skills needed to perform specific tasks (e.g., software proficiency, technical assignments).

RTC may also use:

- Assessment centers;
- Practical demonstrations;

- Work simulations; and/or
- Review of portfolios or work samples.

Scoring and Ranking

Sound measurement methods shall be used to ensure reliability and job-relatedness. Candidates may be ranked by:

- Numerical score;
- Pass/fail results; or
- Best-qualified grouping.

The scoring method shall be determined before recruitment begins.

5.7 Notification of Applicants

RTC will notify applicants regarding:

- Receipt of application (when appropriate);
- Status in the selection process;
- Whether they are invited to continue in the process; and
- Final selection outcomes.

Applicants may request reasonable accommodation during the selection process consistent with RTC policy and applicable disability laws.

SECTION 6 - APPOINTMENTS

6.1 General

Appointments to RTC positions shall be made in accordance with these Human Resources Policies, applicable MOUs, and merit-based recruitment and selection standards.

The Executive Director is the appointing authority and has the authority to:

- Appoint, promote, or transfer employees;
- Establish probationary periods;
- Approve salary placements; and
- Make temporary, provisional, or limited-term appointments when appropriate.

All appointments must align with RTC's classification plan and approved budget. If an appointment is made due to various circumstances that results in a net increase in the budget, the Executive Director has the authority to make such decisions, provided the position is within staffing budgeted and any resulting changes are presented to the Commission in the next budget adjustment as a net value adjustment.

6.2 Completion of Appointment Papers

Before an appointment becomes effective, the selected candidate must complete all required pre-employment procedures, which may include:

- Submission of employment eligibility documentation (I-9 verification);
- Completion of all onboarding and payroll forms;
- Acknowledgment of RTC policies and procedures;
- Background check clearance, if required for the position; and/or
- Proof of licenses, certifications, or education as required by the class specification.

Failure to complete required documentation or meet pre-employment conditions may result in withdrawal of an offer.

6.3 Types of Appointments

RTC may utilize the following types of appointments, depending on operational needs and classification requirements:

A. Regular Appointment

Made following a competitive selection process to a budgeted position. Employees serve a probationary period before achieving regular status.

B. Part-Time Appointment

Regular appointments may be made where positions require less than full-time work on either a daily or weekly basis.

C. Probationary Appointment

All newly hired or promoted employees to regular positions serve a probationary period. Probation allows RTC to evaluate employee performance, conduct, and suitability for the role.

D. Promotional Appointment

A promotion occurs when an employee moves to a classification with a higher salary range, typically through a competitive process. Promoted employees may be required to serve a new probationary period.

E. Limited-Term Appointment

Used to fill a position established for a finite duration (generally six months unless otherwise approved).

Limited-term employees do not earn regular status or layoff rights unless required by law. An employee in a limited term position enjoys the same rights, benefits and privileges as an employee in a regular position with the exception of layoff and related rights.

If a third-party limited-term employee is hired, they do not receive any benefits from RTC.

F. Temporary Appointment

Temporary employees may be hired for short-term assignments, workload fluctuations, or special projects.

Temporary appointments typically do not exceed six months and do not include benefits unless legally required or specified in their respective MOU.

G. Provisional Appointment

May be made when:

- An eligibility list does not exist; or
- Fewer than three qualified candidates are available.

Provisional employees:

- Must meet minimum qualifications;
- May be replaced at any time by a candidate selected through a competitive process; and
- Do not obtain regular status and are not guaranteed continued employment.

H. Acting or Interim Appointment

The Executive Director may assign an employee to temporarily perform duties of a higher-level classification. Additional compensation may be provided in accordance with RTC policy or MOU.

6.4 Salary Upon Appointment

Initial salary placement for newly appointed or promoted employees shall be determined by the Executive Director or designee based on:

- The employee's qualifications and prior experience;
- Internal equity considerations;
- Budget limitations;
- Applicable salary range and step structure; and/or
- MOU or policy requirements.

A. Regular and Promotional Appointments

For step-based classifications:

- New employees are generally appointed at Step 1 unless a higher step placement is authorized by the Executive Director based on qualifying circumstances.
- Promotional appointments generally provide at least a minimum increase consistent with RTC policy or MOU.

B. Acting or Interim Assignments

Employees temporarily assigned to a higher classification may be eligible for an acting pay differential in accordance with RTC policy or MOU.

C. Written Notice

Upon appointment, the employee shall receive written notice of:

- Classification and position title;
- Salary and step assignment;
- Probationary period (if applicable); and
- Effective date of appointment.

SECTION 7 – PROMOTIONS, DEMOTIONS AND REINSTATEMENTS

7.1 Promotion

A promotion is the appointment of an employee to a classification with a higher salary range. Promotions are normally made as a result of a competitive selection process; however, the Executive Director may authorize promotions when operationally justified or when needed to fill a vacancy, provided sufficient financial capacity exists.

A. Criteria to Recommend a Promotion:

1. The tasks to be performed are consistent with the distinguishing characteristics of the higher class;
2. The employee has met the minimum qualifications and has demonstrated the knowledge and abilities required for the higher class;
3. An evaluation has been completed within the past three months in which the employee received an overall rating of “exceeds job standards” or “outstanding” relative to the specifications of the present class. The evaluation should clearly document the employee’s successful completion of previously established objectives and any accomplishments from the prior performance cycle;
4. The manager and respective department Director determines that a promotion is warranted and that it would contribute toward overall effectiveness of the Regional Transportation Commission and assist in achieving the Commission’s goals and objectives; and
5. Adequate budget capacity exists to support the promotion, including the salary associated with the higher classification, any related benefit cost adjustments, and any operational impacts. The promotion must be financially sustainable within the department’s approved budget and the Commission’s overall fiscal constraints

B. Procedures for Promotion

1. Promotion potential will be reviewed annually in conjunction with the annual performance evaluation process or as agreed to by the employee and department director. Evaluations will outline

objectives to be met to successfully work toward an appointment in the next higher class.

2. If a promotion is deemed warranted by the respective department Director, they will prepare a memo to the Executive Director which describes how the employee meets the promotional criteria and how the Commission would function more effectively with the employee working at the higher position, attaching the most recent evaluation.
3. A recommendation for promotion does not guarantee that a promotion will be approved. The Executive Director shall generally respond to the recommendation within two weeks. The Executive Director will approve or decline the recommendation based on information available, operational need, and financial capacity, and will provide clarification regarding the basis for the decision.

C. Upon Promotion

Are typically placed at a salary step providing an appropriate increase, consistent with RTC policy or applicable MOU;

- Employee will be required to serve a new probationary period; and
- Receive written notice of the promotional appointment, including effective date and salary placement.

RTC encourages internal advancement based on merit, performance, and organizational needs.

7.2 Demotion

A demotion is:

- A voluntary or involuntary movement of an employee to a classification with a lower salary range.

A. Voluntary Demotion

An employee may request demotion for reasons including career change, performance concerns, or organizational restructuring. The Executive Director may approve such requests based on RTC needs and position availability.

B. Involuntary Demotion

Involuntary demotion may occur for reasons including:

- Disciplinary demotions may occur when an employee is not rendering satisfactory service or as enumerated in section 9.8.;
- Inability to perform duties of the higher classification;
- Reorganization or position reallocation;
- Lack of work;
- Lack of funds; and/or
- Accommodation under disability-related laws.

Employees demoted involuntarily shall receive written notice and may have appeal rights if provided by MOU or law.

Salary placement upon demotion is determined by the Executive Director consistent with RTC policy and applicable MOUs.

7.3 Reinstatement

Former regular employees who separated in good standing may request reinstatement within two (2) years of the date of resignation. Reinstatement is discretionary and subject to organizational needs and applicable requirements, including but not limited to:

- RTC staffing needs;
- The employee's qualifications for the position;
- Successful completion of any required background checks; and
- Any Commission approved employment restrictions or conditions.

Employees reinstated to a former or related classification shall be required to serve the applicable probationary period for that classification.

When an employee is reinstated or reemployed in accordance with RTC policies or applicable MOUs, salary, benefits, and leave accruals shall be administered consistent with the employee's classification, authorized hours, and the provisions of the applicable MOU. Previously earned leave balances or service credits may be restored only to the extent allowed under the MOU

or RTC policy. No reinstatement shall provide greater salary, benefits, or rights than those established by the applicable MOU.

7.4 Allocation of Transferred Annual Leave Upon Transfer Between Bargaining Units

- A. When an employee transfers or promotes from a position that accrues a combined "Annual Leave" bank or "PTO" into a position that accrues separate Vacation and Sick Leave banks, the employee's accrued Annual Leave balance will be converted and allocated between the new position's Vacation and Sick Leave banks according to the table below:

RTC SERVICE ACUMULATED HOURS (AT THE TIME OF SEPERATION FROM CORE UNION)	APPROXIMATE YEARS OF SERVICE	VACATION ALLOCATION % (TO RAMM UNIT)	SICK ALLOCATION % (TO RAMM UNIT)
0-10,400	1-5	72%	28%
10,401-20,800	6-10	77%	23%
20,801-31,200	11-15	81%	19%
31,201+	16+	83%	17%

The allocation table must be applied strictly based on RTC Service Accumulated Hours, not years of service. "Approximate Years" listed in the table are provided solely as a reference and do not determine an employee's placement. The employee's actual RTC Service Hours at the time of transfer or promotion will determine the applicable Vacation and Sick Leave allocation percentages.

- B. When an employee transfers or Demotes from a position that accrues separate Vacation, Administrative and Sick Leave banks into a position that accrues a combined PTO (Annual Leave) bank, the employee's existing leave balances will be handled as follows:
- Accrued Vacation and Admiration Leave will be converted into PTO and added to the employee's PTO bank in its entirety.

- Accrued Sick Leave will not be converted into PTO. Instead, the accrued Sick Leave hours will be retained by the employee in a separate sick leave bucket. The retained Sick Leave bucket will remain available for the employee's use until all hours have been exhausted. After the sick balance is fully used, future sick time will be drawn from the employee's PTO bank according to the policies of the new bargaining unit.

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SECTION 8 – PROBATIONARY PERIOD

8.1 Nature, Purpose and Duration

The probationary period is a working test period during which RTC evaluates:

- Job performance;
- Conduct and attendance; and
- Suitability for long-term employment in the classification.
- All newly appointed, promoted and reinstated employees to a regular position must serve a probationary period. The standard probationary period for current staff as of December 31, 2026, is six (6) months, unless otherwise established by classification. For new employees starting on January 1, 2027, or later, the standard probationary period is twelve (12) months, unless otherwise established by classification. The probationary period may be extended for up to two (2) additional three (3)-month increments. The manager shall extend a probationary period only when More time is needed to evaluate employee performance;
- The employee has been absent for a significant portion of the probationary period.

8.2 Recommendation for Regular Status

Upon successful completion of probation, the manager shall:

- Complete a written performance evaluation;
- Recommend the employee for regular status; and
- Forward the documentation to the Executive Director for approval.

If approved, the employee achieves regular employment status in the classification.

Failure to submit timely evaluations does not automatically confer regular status but may require management action to resolve any delay.

8.3 Promotion During Probation

An employee serving a probationary period may be considered for promotion if:

- They meet the minimum qualifications for the higher classification;

- Their performance to date is satisfactory; and
- RTC operational needs justify the promotion.

Upon promotion, the employee must serve **a new probationary period** in the higher classification.

8.4 Release or Disciplinary Action During Probation

A probationary employee:

- May be released from employment at any time, with or without cause; and
- Has no property interest in continued employment;

A probationary employee may also be subject to disciplinary action for misconduct, poor performance, or violation of RTC policies.

Notification of release from probation shall be provided to the employee in writing.

8.5 Accrual of Fringe Benefits During Initial Probationary Period

Employees serving an initial probationary period accrue:

- Vacation, sick leave, and other leave benefits as provided under RTC policy or MOU; and
- Health and retirement benefits upon eligibility under RTC's benefit plans.

Probationary status does not affect accrual rates unless specifically stated in policy or MOU.

SECTION 9 – EMPLOYEE CONDUCT

9.1 Employee Conduct Generally

Employees of RTC are expected to maintain the highest standards of professionalism, integrity, and ethical behavior. Employees must:

- Comply with all RTC policies, procedures, and directives;
- Conduct themselves in a manner that promotes public trust;
- Perform duties safely, efficiently, and courteously;
- Protect RTC property and confidential information; and
- Employees are expected to conduct themselves in a manner that serves the public interest and avoids conflicts of interest or the appearance thereof. Violations may result in disciplinary action, up to and including termination.

9.2 Attendance

Employees are expected to:

- Report to work as scheduled;
- Notify their supervisor promptly of any absence or tardiness;
- Obtain approval for planned absences; and
- Accurately record work hours in accordance with RTC timekeeping procedures.

Excessive absenteeism or tardiness, unauthorized absence, falsification of time records, or failure to follow reporting requirements may result in disciplinary action up to termination.

9.3 Outside Employment

RTC employment is the employee's primary professional obligation. Employees may engage in outside employment only with the prior written approval of the Executive Director and only when such employment does not interfere with the employee's duties or RTC's interests.

Outside employment will be approved only if it:

- Does not conflict with the employee's RTC duties or work schedule;

- Does not negatively affect the employee's performance or availability;
- Does not create a conflict of interest, or the appearance of a conflict of interest; and
- Does not involve the use of RTC time, resources, or confidential information.

The Executive Director retains the authority to deny or prohibit outside employment that conflicts with RTC interests or priorities.

9.4 Conflict of Interest

Employees must avoid any financial or personal interests that conflict with their official duties. Prohibited actions include, but are not limited to:

- Using insider information for personal advantage;
- Accepting gifts or gratuities from vendors beyond legal limits;
- Participating in decisions affecting personal or financial interests; and
- Supervising or influencing employment decisions involving immediate family members.
- Employees must avoid conduct that discredits or dishonors their position with the Commission.

Annual Form 700 (Statement of Economic Interests) disclosures may be required for designated positions as outlined in the Conflict of Interest Code in the RTC Rules and Regulations. Violations may lead to disciplinary action and referral to legal authorities where warranted.

9.5 Fitness for Duty

Employees must be able to perform essential job functions safely and effectively, with or without reasonable accommodation. RTC may require a fitness-for-duty evaluation when:

- There is objective evidence of impairment;
- There are safety concerns;
- The employee has requested accommodation; and/or
- The employee returns from medical leave requiring clearance.

Evaluations must comply with ADA, FEHA, and all other applicable laws.

The Executive Director and the respective department director in which the employee works, in consultation with Director of Internal Services, will review the fitness-for-duty evaluation results and determine appropriate next steps.

9.6 Nepotism

To avoid favoritism or conflicts of interest:

- Immediate family members may not supervise or evaluate one another.
- Employees may not be appointed or assigned to positions that fall within the direct reporting line of an immediate family member.
- Employees must disclose familial or romantic relationships that may create conflicts.
- The Executive Director may reassign or otherwise modify reporting structures to ensure impartiality.
- Form 700 (Statement of Economic Interests) disclosures may be required for designated positions under the RTC Conflict of Interest Code.
- Violations may result in disciplinary action.

9.7 Permitted and Prohibited Political Activities

As a public agency that receives federal grant funding, RTC and its employees are subject to restrictions on political activity under federal and state law, including the Hatch Act and applicable provisions of the California Government Code.

Federal Law – Hatch Act

The Hatch Act is a federal law that restricts certain political activities of government employees whose principal employment is connected to programs financed in whole or in part by federal funds. Covered employees, including state and local government employees, are prohibited from using their official authority or influence to interfere with or affect the outcome of an election and from engaging in political activity while on duty, in a government office, or while using public resources. The scope of coverage

and restrictions may vary based on an employee's duties and funding source.

California Law

California Government Code Sections 3201–3209 protect the right of public employees to engage in political activities on their own time, while allowing public agencies to prohibit political activity during working hours, on agency premises, or using public resources. These laws also prohibit coercion, retaliation, or discrimination based on political beliefs or activities.

RTC Policy Restrictions

Consistent with federal and state law, employees may engage in political activities on their own time; however:

- Political activity is prohibited during work hours or on RTC premises;
- RTC funds, time, facilities, equipment, or other resources may not be used for political purposes;
- Employees may not represent or imply that their personal political views or activities are endorsed by or attributable to RTC; and
- Employees in certain positions may be subject to additional restrictions based on job duties, funding source, or applicable law; and
- Employees may not directly or indirectly solicit a political contribution from a public official or employee.

Employees are responsible for complying with all applicable federal and state laws governing political activity. Violations of these requirements may result in disciplinary action and may jeopardize RTC's eligibility for federal funding.

Employees who are uncertain whether an activity is permitted should seek guidance from the Executive Director before engaging in political activity.

9.8 Cause for Discipline

Disciplinary action may be imposed, up to and including termination, in accordance with RTC policy and applicable law, for cause and when warranted by the nature or severity of the conduct, its frequency, or its impact on RTC operations, public trust, or the employee's ability to perform assigned duties. Disciplinary action may be based on conduct occurring on or

off duty when there is a sufficient nexus between the conduct and the employee's job duties or RTC's legitimate interests.

Grounds for disciplinary action include, but are not limited to, the following:

- Violation of RTC policies, procedures, rules, or directives;
- Insubordination, including refusal to follow lawful or reasonable instructions;
- Inefficiency, incompetence, or unsatisfactory job performance;
- Misconduct, unethical behavior, or conduct that adversely affects RTC operations, reputation, or public trust;
- Willful neglect of duty;
- Unauthorized absence from duty;
- Misuse or abuse of sick leave or other authorized leave;
- Excessive or unexcused absenteeism or tardiness;
- Workplace violence, threats, intimidation, or disruptive behavior;
- Misuse, theft, damage, or unauthorized use of RTC property or resources;
- Fraud, dishonesty, falsification, misrepresentation, or submission of false claims or records;
- Violation of safety rules or practices;
- Use, possession, or being under the influence of drugs or alcohol while on duty or in violation of RTC policy;
- Conviction of a felony or a misdemeanor involving moral turpitude; and
- Conduct unbecoming of a public employee.

Moral Turpitude Defined

For purposes of this policy, "moral turpitude" means conduct involving dishonesty, fraud, deceit, corruption, or other behavior demonstrating a lack of integrity or moral character inconsistent with the standards expected of a public employee.

A plea of guilty or nolo contendere, a verdict of guilty, probation, or a conviction following a plea of no contest to a felony or misdemeanor involving moral turpitude by manner of its commission shall be deemed a conviction within the meaning of this policy, regardless of whether sentencing is deferred, suspended, or the conviction is later reduced.

9.9 Drug and Alcohol-Free Workplace

RTC is committed to maintaining a workplace free from illegal drugs, controlled substances, and alcohol misuse. As a recipient of federal grants, RTC and its employees are subject to the requirements of the Drug-Free Workplace Act of 1988 and applicable federal and state law.

Prohibited Conduct

Employees are prohibited from:

- Unlawfully possessing, using, manufacturing, distributing or dispensing a controlled substance, or possessing, using, or being under the influence of alcohol while on duty, on RTC property, or while conducting RTC business;
- Misusing prescription medications or over-the-counter substances in a manner that impairs job performance or workplace safety; and
- Reporting to work or remaining at work while impaired by drugs or alcohol.

Employee Notification Requirement

In accordance with the Drug-Free Workplace Act of 1988, employees are required to notify RTC, in writing, of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) calendar days after such conviction.

Enforcement and Compliance

Violations of this policy, failure to provide required notification, or failure to comply with applicable drug-free workplace requirements may result in disciplinary action, up to and including dismissal, in accordance with RTC policy and applicable law, and may jeopardize RTC's eligibility for federal funding.

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SECTION 10 – HOURS OF WORK

10.1 Work Week

RTC's standard workweek consists of forty (40) hours, typically scheduled as five (5) eight-hour days, Monday through Friday. The Executive Director may modify work schedules or workweeks as necessary to meet operational needs, comply with applicable MOU, or provide reasonable accommodations.

For payroll and wage-and-hour calculation purposes only, the workweek begins at 12:01 a.m. on Saturday and ends at 12:00 midnight on the following Friday; this payroll workweek does not necessarily reflect individual employee work schedules.

RTC complies with the Fair Labor Standards Act (FLSA) governing hours of work and overtime compensation. RTC provides meal and rest periods and additional overtime protections as set forth in RTC's personnel rules and any applicable memoranda of understanding

10.2 Work Schedule

Employee work schedules are established by the Executive Director or designee based on operational requirements, staffing needs, employee classifications and assignments, and efficiency and service considerations. The manager or the respective department director in which the employee works may temporarily or permanently adjust work schedules to meet RTC needs, with reasonable advance notice whenever practicable.

The normal work schedule within a work week for full-time employees shall be eight hours per day on five consecutive days from 8:00 a.m. to 5:00 p.m., excluding lunch period.

Non-exempt employees who work more than five (5) hours in a workday are provided an uninterrupted meal period of at least thirty (30) minutes, consistent with the standard set forth in Labor Code Section 512, unless a lawful meal-period waiver applies. A second meal period will be provided as required by law for longer shifts.

10.3 Alternate Work Schedule and Flexible Work Hours

The Executive Director may authorize alternate work schedules, including but not limited to:

- 9/80 schedules;

- 4/10 schedules;
- Flexible start and end times.

Alternate schedules must:

- Maintain coverage necessary for RTC operations;
- Meet FLSA and state law requirements;
- Be approved in advance; and
- Not incur additional overtime or administrative burden unless justified.

RTC may discontinue alternate schedules if operational needs change.

10.4 Telecommuting

To promote reduced vehicle trips and to improve worker productivity, RTC staff members may work remotely. Any telecommuting must be approved by the Executive Director subject to procedures established by the Executive Director in the Telework Policy & Handbook.

10.5 Rest and Meal Periods

Employees shall receive rest and meal periods consistent as set forth in RTC's personnel rules and applicable MOU.

- **Rest breaks:** Typically, 15 minutes for every 4 hours worked or major fraction thereof.
- **Meal periods:** At least 30 minutes for shifts longer than 5 hours (unless legally waived when allowed).

Rest breaks are paid; meal periods are unpaid unless the employee is required to remain on duty. Managers must ensure that rest and meal breaks are properly provided, available, and not discouraged. Employees are prohibited from altering scheduled work hours, rest breaks, or meal periods without prior approval. When a manager or the respective department director denies such a request, the employee is required to comply with the established schedule. Unauthorized schedule changes may result in corrective or disciplinary action.

SECTION 11 – OVERTIME

11.1 Eligibility

Overtime eligibility is determined in accordance with the Fair Labor Standards Act (FLSA) and California wage and hour laws:

- **Non-exempt employees:** Eligible for overtime at 1.5 times their regular rate for hours worked in excess of 40 hours in a workweek.
- **Exempt (salaried) employees:** Not eligible for overtime unless specifically provided under an MOU or RTC policy.
- **Only hours worked** count toward overtime calculations; paid leave hours do not count unless required by an MOU.

Overtime must be approved in advance, in writing by the employee's manager or the respective department director in which the employee works. In emergency situations where prior approval is not feasible, the employee must notify their supervisor as soon as practicable, but no later than twenty-four (24) hours after the overtime is worked.

Non-exempt employees may earn compensatory time ("comp time") in lieu of paid overtime only when approved in advance by the employee's manager or the respective department director in which the employee works. Comp time shall accrue at one-and-one-half (1.5) hours for each hour of overtime worked. Comp time must be used within the pay period in which it is earned or the immediately following pay period; if the employee does not use the comp time within this two-pay-period window, the remaining comp-time balance shall be paid out in cash and may not be carried forward. Comp time may not be forfeited or lost. A non-exempt employee may not accumulate more than forty (40) hours of comp time, and any overtime worked after reaching this cap must be paid in cash.

SECTION 12 – HOLIDAYS

12.1 General

Employees in budgeted positions are eligible for paid holidays as observed by RTC. Holiday benefits for temporary, limited-term, or part-time employees shall be provided consistent with RTC policy, MOU, or applicable law.

Employees must be in paid status on the workday before and after a holiday to receive holiday pay unless an approved absence applies.

Holiday compensation shall be provided only in proportion to the number of hours budgeted for the employee's position. A holiday that occurs during an approved leave of absence shall not be treated as a paid holiday.

12.2 Holiday Observance

When an RTC holiday falls on a:

- **Sunday** → observed on the following Monday
- **Saturday** → observed on the preceding Friday

For employees on alternate work schedules, holiday observance and compensation shall be administered consistent with RTC policy and applicable MOU, ensuring equitable treatment across schedules.

12.3 Holiday Schedule

RTC typically observes the following holidays:

1. New Year's Day
2. Martin Luther King Jr. Day
3. Presidents' Day
4. Cesar Chavez Day
5. Memorial Day
6. Juneteenth
7. Independence Day
8. Labor Day
9. Veterans Day

10. Thanksgiving Day
11. Day after Thanksgiving
12. Half Day on Christmas Eve
13. Christmas Day
14. One Floating Holiday

The Board may designate additional holidays or modify the holiday schedule as needed. Employees covered by a MOU may be eligible for additional holidays as provided in the applicable MOU.

SECTION 13 – PAID LEAVE

13.1 Purpose

Paid leave provides employees with necessary time away from work for rest, illness, personal needs, civic obligations, and family care. RTC administers paid leave benefits in a manner that promotes employee well-being, ensures compliance with all applicable laws, and maintains operational continuity.

13.2 Accruals of Annual Leave, Vacation Leave, and Sick Leave

Accrual rates and usage rules for vacation and sick leave are established by RTC policy and applicable MOUs. The following general standards apply:

A. Vacation Leave

- Employees accrue vacation leave based on hours in paid status and years of service, according to the applicable schedule.
- Vacation may be used with supervisor approval obtained in advance and should be scheduled to minimize operational disruption.
- RTC may establish maximum accrual limits; employees approaching limits may be required to use accrued leave or may forego accrual upon meeting the limit.
- Vacation is compensable at separation for eligible employees.

B. Sick Leave

- Employees accrue sick leave each pay period in accordance with RTC policy or MOU.
- Sick leave may be used for the employee's own illness, injury, medical appointments, or for qualifying family members under California paid sick leave laws.
- RTC may require verification of illness when appropriate. Employees may be asked to provide medical documentation (e.g., doctor's note) for absences of three or more consecutive days, or in other circumstances permitted by law. This requirement does not apply when employees use state-mandated paid sick leave for shorter absences.

- Sick leave is not compensable at separation unless otherwise provided in MOU or law.

C. Administrative, Personal, or Floating Holidays

Where provided by RTC policy or MOU:

- Employees may receive additional annual leave hours or floating holidays.
- Such leave may require use within a defined period and may not carry over.

D. Paid Leaves and Other Protected Leave Under State and Federal Law

The following leave benefits are administered in accordance with statutory requirements:

- Paid Sick Leave, including family-care ("kin care") use of accrued sick leave (Healthy Workplaces, Healthy Families Act, Labor Code §233);
- Protected leave for victims of domestic violence, sexual assault, or stalking, as provided under California Labor Code §§ 230 and 230.1;
- School activities leave funded through existing accrued vacation, personal leave, or compensatory time, or unpaid where no accrued leave is available (Labor Code § 230.8); and
- Voting leave, paid for up to two hours (Elec. Code § 14000).

13.3 Worker's Compensation Leave

An employee unable to work due to a work-related injury or illness may be eligible for:

- Industrial accident leaves benefits (if provided by RTC policy/MOU);
- Temporary disability payments;
- Modified duty assignments when medically appropriate.

RTC coordinates workers' compensation benefits with paid leave where legally required and permits employees to elect to supplement temporary disability payments with accrued paid leave, consistent with applicable law.

13.4 Jury Duty

Employees summoned to jury service:

- Receive regular pay for time spent on jury duty;
- Must remit jury fees (excluding mileage) to RTC if receiving paid jury leave; and
- Must provide documentation of jury service upon request.

Employees should notify their manager and the respective department director in which the employee works upon receipt of a summons.

13.5 Bereavement Leave

Employees may receive paid bereavement leave for the death of an immediate family member. Key provisions include:

- Duration established by MOU or RTC policy (typically 3–5 days).
- Additional leave may be approved by the Executive Director using sick or vacation leave.
- “Immediate family” is defined in Section 2.23 or as defined in MOU.

SECTION 14 – UNPAID LEAVE

14.1 Authorized Leave Without Pay

Employees may request leave without pay (LWOP) for:

- Personal reasons;
- Extended travel;
- Family obligations;
- Educational or professional development; and/or
- Other reasons approved by the Executive Director.

Approval is discretionary and depends on operational needs.

During LWOP:

- RTC contributions toward health, dental, vision, life, and disability insurance are suspended beginning the first full pay period after the leave without pay begins and resume the first full pay period after the employee returns to paid status. An employee may elect to continue coverage during leave by notifying RTC and paying the full premium cost in advance. Failure to remit premium payments on time will result in termination of coverage for the employee and any enrolled dependents;
- Time does not count toward leave accruals unless otherwise required by law.
- Employees who return to work within the approved leave period will be reinstated to their position or to a position in the same classification, subject to operational needs, staffing requirements, and applicable law or MOU. Reinstatement for employees who have not yet achieved permanent status is discretionary and dependent on operational considerations. Employees who do not return to work on the established return date, or who fail to obtain an approved extension of leave, may be considered to have resigned from employment.

14.2 Military Leave

Employees required to perform military service are entitled to leave and reinstatement rights consistent with:

- Uniformed Services Employment and Reemployment Rights Act (USERRA);
- California Military and Veterans Code; and/or
- RTC policies/MOU.

Employees shall provide advance notice when possible.

14.3 Family Care and Medical Leave

RTC provides unpaid leave under:

- Family and Medical Leave Act (FMLA);
- California Family Rights Act (CFRA); and
- Pregnancy Disability Leave (PDL).

Employees who meet the eligibility requirements under the federal FMLA and/or CFRA may be entitled to the following benefits:

- Up to twelve (12) workweeks of unpaid, job-protected leave within a designated twelve-month period;
- Continuation of group health benefits during FMLA/CFRA for up to 12 weeks under the same terms and conditions as if the employee were actively employed;
- RTC will continue its share of health benefit contributions for up to twelve (12) weeks for employees on approved FMLA or CFRA leave, consistent with applicable law; and
- Reinstatement rights to the same or a comparable position, as provided by applicable law.

To be eligible for FMLA and/or CFRA leave, an employee must have been employed by RTC for at least twelve (12) months and must have worked at least 1,250 hours during the twelve (12) months immediately preceding the start of the leave and must otherwise meet the requirements of the applicable statute.

After the 12-week FMLA/CFRA entitlement ends, continuation of benefits is governed by Section 14.1 (Leave Without Pay).

Qualifying Reasons for Family and Medical Leave

Eligible employees may take leave under FMLA, CFRA, and/or PDL for the qualifying reasons outlined below, as applicable under each law.

Family and Medical Reasons

Leave may be taken for:

- The employee's own serious health condition that renders the employee unable to perform the essential functions of their position;
- To care for a covered family member with a serious health condition, as defined by applicable law; and/or
- To bond with a new child within one (1) year of the child's birth, adoption, or placement in foster care.

Military-Related Leave

Leave may also be taken for qualifying military-related reasons, including:

- Qualifying exigencies related to a covered family member's active duty or call to active duty, as provided under FMLA and CFRA; and
- To care for a covered service member with a serious injury or illness, which may entitle an eligible employee to up to twenty-six (26) workweeks of leave in a single twelve-month period under FMLA.

Coordination of Leave

When a leave qualifies under more than one law, RTC will designate and run leave concurrently to the extent permitted by law. PDL will be designated separately and will not reduce an employee's entitlement to CFRA leave.

14.4 Leave for Temporary Disability Due to Pregnancy

In accordance with California law, eligible employees may take PDL for disability related to pregnancy, childbirth, or related medical conditions, including prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, recovery from childbirth, loss or end of pregnancy, or related medical complications. PDL provides up to four (4) months of job-protected

leave per pregnancy and runs concurrently with FMLA where applicable but does not run concurrently with CFRA.

Employees requesting Pregnancy Disability Leave (PDL) must submit a request for leave to their manager and the respective department director in which the employee works. The request must include medical certification from a licensed health-care provider identifying the reason for the disability and the anticipated duration of leave. Employees must keep RTC informed of changes in their disability status, including updates on the expected return date. Failure to provide required medical certification or to communicate changes in disability status may delay approval of leave. When unpaid leave is taken, continuation of health, dental, vision, life, and disability benefits will follow RTC's Leave Without Pay provisions, and employees may continue coverage by paying the full cost of premiums in advance.

If an employee does not return to work at the end of the Pregnancy Disability Leave period and does not request or qualify for additional leave such as CFRA bonding leave, leave without pay, or other protected leave, RTC may treat the failure to return as a resignation in accordance with applicable MOUs.

14.5 Leave for Victims of Domestic Violence, Sexual Assault, or Stalking

RTC will not discriminate or retaliate against an employee because of their status as a victim of domestic violence, sexual assault, or stalking, or because the employee takes time off to obtain a restraining order, seek medical treatment, access victim services or counseling, or engage in safety planning related to the crime or abuse.

Employees may also take protected leave when a family member or designated person is a victim of a qualifying act of violence, consistent with California law.

Employees requesting leave for reasons related to domestic violence, sexual assault, or stalking must notify their manager or the respective department director in which the employee works as soon as practicable. RTC may request documentation supporting the need for leave, such as a police report, court order, or certification from a qualified health-care provider or counselor, consistent with California Labor Code §§ 230 and 230.1. Failure to

provide documentation upon request may affect the employee's eligibility for continued leave under this section.

Leave under this section may be paid or unpaid depending on the type of leave available to the employee. When unpaid leave is taken, continuation of health, dental, vision, life, and disability benefits will follow RTC's Leave Without Pay provisions, and employees may continue coverage by paying the full cost of premiums in advance.

Employees must return to work on the approved return date or obtain approval for additional protected leave. Failure to return or obtain approval will result in the employee being regarded as having automatically resigned, consistent with MOU provisions.

SECTION 15 – BENEFITS

15.1 Benefits for Employees in Budgeted Positions

Employees in regular budgeted positions are eligible for a comprehensive benefits package, which may include:

- Medical, dental, and vision insurance;
- Life and accidental death & dismemberment insurance;
- Long-term disability insurance;
- Retirement benefits through CalPERS or a similar public retirement system;
- Deferred compensation plans;
- Flexible spending or health savings accounts; and/or
- Employee assistance program (EAP).
- Social Security: RTC participates in Social Security for most employees. A limited group of employees who were employed at the time the Social Security agreement was originally established elected not to participate, but all employees hired after the agreement was executed are covered and contribute through payroll deductions.

Eligibility, cost-sharing, and enrollment rules are defined by RTC policy, benefit plan documents, and applicable MOU.

RTC contributes toward employee and dependent premiums as established annually by the Commission.

15.2 Public Retirement System

Eligible employees are enrolled in the California Public Employees' Retirement System (CalPERS) upon appointment to a qualifying position and are classified as either Classic members or PEPRA members pursuant to the Public Employees' Pension Reform Act of 2013 (PEPRA), based on hire date and CalPERS membership history.

Classic members generally include employees hired prior to January 1, 2013, or those who qualify for reciprocity, and are typically covered by retirement formulas such as two percent (2%) at age 55 or two percent (2%) at age 60, depending on the applicable contract.

PEPRA members generally include employees hired on or after January 1, 2013, who do not qualify for reciprocity, and are typically covered by the two percent (2%) at age 62 formula for miscellaneous members, as required by law. All retirement formulas, contribution rates, and benefits are governed exclusively by RTC's contract with CalPERS and applicable law.

15.3 Additional Benefits Provided to All Employees

Certain benefits may be available to all employees, including temporary or part-time, as mandated by law:

- Workers' compensation coverage;
- Short Term Disability;
- Pre-Tax Savings Plans;
- Deferred Compensation Plan;
- Medicare; and
- Unemployment insurance.
- Social Security: RTC participates in Social Security for most employees. A limited group of employees who were employed at the time the Social Security agreement was originally established elected not to participate, but all employees hired after the agreement was executed are covered and contribute through payroll deductions.

Additionally, all employees have access to:

- Safe and healthy working conditions;
- Training required by law (e.g., sexual harassment prevention); and
- Access to RTC policies and procedures.

SECTION 16 - TRAINING

16.1 Authority for Training

RTC encourages professional development to enhance employee performance, maintain compliance with regulatory requirements, and support career growth. Training requests are submitted through the Travel and/or Training Approval Form.

The Executive Director or designee is responsible for:

- Identifying mandatory training requirements;
- Approving training programs and expenditures;
- Providing opportunities for skill development aligned with RTC needs; and
- Ensuring employees complete required training within mandated timelines.

Employees must complete all training required by California law and any additional training designated by RTC based on job duties or operational needs. Training may include:

- Orientation for new employees;
- Safety and compliance training;
- Technical and professional development courses;
- Supervisory and management training;
- Harassment prevention training (as required by California law);
- Workplace Violence Prevention training (as required by California law); and
- Training in HR-related statutory obligations (e.g., ADA/FEHA, Drug-Free Workplace Act of 1988, California Public Records Act compliance).

16.2 Extended Training

Extended training may be approved when it:

- Improves an employee's ability to perform assigned duties;
- Supports RTC succession planning;

- Ensures continued compliance with state or federal requirements; and/or
- Provides specialized expertise beneficial to RTC.

Extended training may include multi-day seminars, certification programs, or accredited coursework.

Approval is subject to:

- Budget availability;
- Operational needs;
- Training relevance; and
- Executive Director approval.

Employees may be required to share or present the knowledge gained through extended training to colleagues.

16.3 Education/Licenses/Certificate Reimbursement

RTC may reimburse tuition, registration fees, training, Conferences, Licenses/Certification or job-related coursework when pre-approved and directly related to job duties or future RTC needs in accordance with RTC policy and the applicable MOU's reimbursement provisions.

Key provisions:

- Reimbursement requires prior written approval by the Executive Director.
- Only job-related or RTC-beneficial coursework is eligible.
- Employees may be required to provide proof of successful completion.
- RTC may limit reimbursement amounts based on budget or policy.
- Reimbursement does not constitute a commitment to promotion or reclassification.

SECTION 17 – EMPLOYEE PERFORMANCE REVIEWS

17.1 Performance Evaluation

RTC uses performance evaluations to:

- Assess employee effectiveness;
- Provide constructive feedback;
- Identify training and development needs;
- Support decisions regarding step advancement, promotion, or discipline; and
- Ensure accountability and alignment with RTC goals.

17.2 Evaluations must be:

1. Objective and job-related;
2. Based on documented performance standards;
3. Reviewed with the employee in a meeting; and
4. Signed by both the employee and the manager (employee signature confirms receipt, not agreement). If a manager is not assigned to the department, the Department Head may sign.

17.3 Timing of the Performance Review

A. Periodic, interim, and special performance review

Performance reviews shall be conducted by the manager or the director of the department in which the employee works, who is directly responsible for evaluating the employee's performance. Interim reviews provide timely feedback and reduce the likelihood of unanticipated issues arising during the periodic review. All completed performance reviews become part of the employee's personnel file. Performance reviews shall be conducted as follows:

1. Probationary Employees

At the end of the first three months, and every three months thereafter during the probationary period, an interim performance review shall be conducted with the employee.

2. First Periodic Review

A first periodic performance review shall be completed at the end of the employee's probationary period.

3. Annual Performance Reviews for Regular Employees

After completion of probation, periodic performance reviews shall occur annually, on the employee's hire-date anniversary.

- Annual performance reviews shall be conducted every year, regardless of whether a step increase is due or not.
- Performance evaluations are used to determine eligibility for step advancement as outlined in Section 4.3(c) of this policy and in the applicable MOU.

4. Special Performance Reviews

A special performance review may be conducted at any time when commendable performance or an adverse circumstance warrants additional documentation or feedback outside the regular performance review cycle.

B. Performance Review Discussion and Documentation Requirements

Performance reviews shall be conducted in a meeting between the employee and the manager or the director of the department in which the employee works. During the review meeting, the manager or department director and the employee will discuss each section of the performance evaluation form to ensure clarity, shared understanding, and the opportunity for meaningful feedback.

The employee shall be provided the performance evaluation form for review and may add written comments directly on the form or attach additional pages if desired. The manager or department director must indicate the overall performance rating assigned to the employee. The employee must sign the evaluation form to acknowledge that the review discussion occurred. The employee's signature signifies receipt and discussion only and does not indicate agreement with the content or rating.

Employees may attach addendum sheets to the evaluation if they disagree with the rating received, wish to provide additional relevant information, or desire to clarify their perspective. All addendums will be included as part of the employee's official performance evaluation and retained in the personnel file.

The manager or department director is responsible for ensuring that all evaluations are complete, accurate, job-related, and aligned with agency standards for documentation, including factual examples and clear expectations for any identified improvements.

C. Special Performance Reviews

Special performance reviews may be initiated for employees whose probationary period is extended, or for any regular employee when performance concerns arise. Employees are placed on a special performance review through a memorandum issued by the manager or department director, with a copy provided to the Executive Director.

The memorandum must include:

1. A description of the performance concerns prompting the special review;
2. The date the concerns were discussed with the employee;
3. The specific improvements required;
4. The date the special performance review period will begin.

Nothing in this section limits the Commission's authority to initiate disciplinary action at any time, whether or not the employee is currently under special or periodic performance review.

17.4 Evaluation Appeal

Employees are encouraged to discuss any concerns they have with the contents of their performance evaluation with their immediate manager and the department director in which they work. Employees who disagree with the content or overall rating of their performance evaluation may submit a written appeal to the Executive Director within fourteen (14) calendar days of receiving the evaluation. The appeal should identify the areas of disagreement and any supporting information the employee wishes to provide. The Executive Director or designee will review the evaluation, meet with the employee if needed, and issue a written decision, and the decision of the Executive Director is final. Employees may also submit written comments or a rebuttal statement to be attached to the evaluation and placed in their personnel file and may designate a representative to assist them during the appeal meeting.

17.5 Annual Evaluation of the Executive Director

The process for the evaluation of the Executive Director is spelled out in the employment agreement for the person occupying this position.

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SECTION 18 – DISCIPLINARY ACTION

18.1 Disciplinary Responsibilities

The Executive Director has the authority to discipline employees for cause, consistent with RTC policies, MOUs, and legal requirements.

Managers are responsible for duties mentioned below, however, in departments without a manager, the department director will serve as the responsible authority:

- Addressing performance or conduct issues promptly;
- Documenting concerns;
- Consulting with the Executive Director and Director of Internal Services before imposing discipline; and
- Ensuring employees understand expectations and consequences.

Discipline is intended to be corrective, helping employees understand expectations and improve performance or conduct. Where conduct is serious enough to warrant it, however, RTC may impose more significant discipline, up to and including termination.

18.2 Causes for Disciplinary Action

Disciplinary action may be warranted for reasons that include, but are not limited to:

- Violation of RTC policies or procedures;
- Misconduct or unethical behavior;
- Inefficiency, incompetence, or unsatisfactory performance;
- Repeated tardiness, absenteeism, or job abandonment;
- Insubordination;
- Workplace violence or threats;
- Harassment, discrimination, or retaliation;
- Misuse or unauthorized removal of RTC property;
- Falsification of records or documents;
- Misuse of public funds;

- Drug or alcohol policy violations;
- Failure to maintain required licenses or certifications; and/or
- Conduct unbecoming of a public employee.

Each case shall be evaluated individually, taking into account severity, circumstances, and prior disciplinary history.

18.3 Types of Discipline

Disciplinary actions may include, in escalating order or as appropriate:

- A. **Verbal Warning** – Informal notice of conduct or performance issues.
- B. **Written Reprimand** – Formal documentation placed in personnel file.
- C. **Suspension** – Temporary removal from duty with or without pay.
- D. **Reduction in Pay** – Temporary or permanent salary decrease consistent with law and as permitted by the employee's MOU.
- E. **Demotion** – Movement to a lower classification due to performance or misconduct.
- F. **Dismissal** – Separation from RTC.

Not all steps are required; RTC may impose the level of discipline appropriate to the circumstances and severity of the situation. Progressive discipline may be used when appropriate, but RTC is not obligated to follow a sequential process when misconduct is serious enough to warrant immediate suspension, demotion, or dismissal.

18.4 Notice of Proposed Discipline (Pre-Disciplinary Due Process)

For employees entitled to due process (typically regular, non-probationary employees), RTC shall provide:

- Written notice of the proposed discipline;
- A statement of the specific charges and supporting facts;
- Copies of materials upon which the charges are based; and
- Notice of the employee's right to respond (Skelly meeting).
- The deadline by which the employee must submit their response prior to final action.

A copy of the Notice of Proposed Discipline shall be placed in the employee's official personnel file.

Employees may submit:

- Oral or written responses;
- Evidence or explanation relevant to the charges; and/or
- Request for representation during any meeting.

The Executive Director will review all materials before issuing final disciplinary action.

18.5 Immediate Suspension

An employee may be placed on immediate suspension when:

- The employee's continued presence poses a safety risk;
- The seriousness of alleged misconduct warrants removal pending investigation;
- The employee is under criminal investigation or arrest; or
- There is potential for disruption of RTC operations.

Immediate suspension may be:

- **With pay**, pending investigation; or
- **Without pay**, when legally permitted and appropriate.

The employee must receive written notice of the suspension and the reasons for the action. Immediate suspension does not replace the employee's right to pre-disciplinary due process (Skelly) before final disciplinary action is imposed.

Immediate suspension with pay pending investigation is not considered disciplinary action and is not subject to appeal. Final disciplinary actions (such as suspension without pay, demotion, or dismissal) will follow the pre-disciplinary due-process requirements in Section 18.4 and may be appealed under Section 18.7.

18.6 Resignation Following Disciplinary Action

An employee may resign at any time, including after receiving notice of proposed discipline.

A resignation:

- Does not expunge the record of misconduct;
- May still be documented as part of the personnel file; and
- May not prevent RTC from reporting required information to law enforcement or licensing bodies.

A resignation after notice of dismissal may be recorded as “resigned in lieu of termination.” Final documentation associated with the disciplinary investigation will be retained in the employee’s personnel file consistent with law and RTC record-retention schedule.

18.7 Appeal of Disciplinary Action

Regular (non-probationary) employees may appeal final disciplinary actions, including suspension without pay, demotion, or dismissal. Immediate suspension with pay pending investigation is not disciplinary action and is not subject to appeal.

A. Filing an Appeal

To initiate an appeal, the employee must submit a written notice of appeal to the Executive Director within ten (10) working days of receiving the Final Notice of Disciplinary Action.

B. Hearing Officer

The Executive Director shall designate a neutral Hearing Officer to hear the appeal.

Employees represented by an employee organization may request that a mutually agreed-upon arbitrator or hearing officer be used in accordance with the applicable MOU. Regardless of who designates the Hearing Officer, the cost of the Hearing Officer shall be shared equally between RTC and the employee’s representative, as required by the applicable MOU.

C. Hearing Procedures

The Hearing Officer shall:

- Review the written disciplinary action and supporting documents;
- Consider oral or written evidence presented by both parties;
- Determine whether the disciplinary action was supported by cause and imposed in accordance with RTC policies and any applicable MOU.

D. Decision

The Hearing Officer shall issue a written decision that includes findings of fact, an evaluation of whether the charges are supported, and whether the disciplinary action was appropriate under RTC policies and any applicable MOU. The Hearing Officer may sustain, modify, or overturn the disciplinary action.

If the disciplinary action is upheld, the effective date shall be as stated in the Final Notice of Disciplinary Action. If modified, the Hearing Officer shall specify the revised effective date and the corrective action ordered.

Unless otherwise required by an applicable MOU, the decision of the Hearing Officer shall be final and binding.

SECTION 19-GRIEVANCE PROCEDURE

19.1 Definition

A grievance is a written complaint filed by an employee concerning:

- The interpretation or application of a specific RTC policy, rule, or MOU provision;
- Alleged inequitable treatment; and/or
- Working conditions that violate established policies or laws.

Grievances related to disciplinary actions must follow the disciplinary or appeal procedures established by policy or MOU, not the general grievance process.

19.2 Representation

Employees may represent themselves or may be represented by:

- A recognized employee organization (if applicable); or
- Another representative of their choosing, consistent with law and MOU provisions.

RTC may likewise be represented at any step of the grievance process.

19.3 Informal Discussion

Before filing a formal grievance, the employee must first attempt informal resolution by:

- Discussing the concern with their manager and/or Department Director;
- Providing sufficient detail to identify the issue; and
- Allowing reasonable time for the manager and/or Department Director to respond.

If the matter is not resolved informally, the employee may proceed to the formal grievance process.

19.4 Formal Grievance Procedure

Step 1 – Written Grievance to Manager and/or Department Director

The employee must submit a written grievance that includes:

- The specific policy, rule, or MOU section alleged to be violated;
- A clear statement of the issue;
- Relevant facts and supporting documentation; and
- The remedy sought.

The manager and/or Department Director shall respond in writing within the time limits established by RTC procedure or MOU.

Step 2 – Appeal to Executive Director

If the grievance is not resolved at Step 1, the employee may appeal to the Executive Director. The Executive Director shall:

- Review all materials;
- Conduct additional investigation if warranted;
- Meet with the employee and representative (if applicable); and
- Issue a written decision.

Step 3 – Final Review / Mediation / Commission Review

The Step 3 process for an employee represented by a bargaining unit shall follow the procedures outlined in the applicable MOU. Depending on the MOU or RTC policy, Step 3 may include:

- Advisory mediation;
- Review by a neutral third-party; or
- Final administrative review by the Commission or its designated committee.

SECTION 20 – NON-DISCIPLINARY SEPARATION

20.1 Final Pay, Accrued Leave, and Benefits Upon Separation

Employees who separate from employment for non-disciplinary reasons shall receive all earned and unpaid wages in accordance with applicable state and federal law.

A. Timing of Final Pay.

1. Employees who resign with at least seventy-two (72) hours' notice shall receive their final paycheck on their last day of employment.
2. Employees who resign without providing at least seventy-two (72) hours' notice shall receive their final paycheck within seventy-two (72) hours of separation, excluding weekends and holidays.
3. Employees separated due to layoff, retirement, disability, or other employer-initiated non-disciplinary separation shall receive final pay on the last day of employment, unless otherwise permitted by law.

B. Accrued Leave.

Accrued and unused vacation and/or annual leave shall be paid out in accordance with applicable law and the applicable MOU. Sick leave payout, if any, shall be governed exclusively by the applicable MOU and benefit plans.

C. Benefits.

Benefits continuation, conversion, or retirement benefits shall be administered in accordance with applicable benefit plans, MOU, and CalPERS requirements.

20.2 Return of Agency Property and Clearance

Prior to the employee's last day of employment, the Executive Director or Director of Internal Services shall ensure completion of required clearance procedures, including the return of all RTC property in the employee's possession. RTC property includes, but is not limited to, keys, access cards, files, records, documents, equipment, electronic devices, software, confidential information, and other assets.

Employees remain responsible for safeguarding RTC property and information until returned. Nothing in this section shall be interpreted to permit withholding of earned wages in violation of applicable law.

20.3 Resignations

A. Notice of Resignation

An employee may resign by submitting a written resignation to the Executive Director. Employees are expected to provide at least two (2) weeks' advance written notice to resign in good standing. The Executive Director may approve a shorter notice period due to extenuating circumstances.

B. Resignation in Good Standing

Failure to provide the required notice may affect eligibility for reemployment, references, or other employment-related considerations, consistent with law and the applicable MOU.

C. Exit Process

Resignations shall be forwarded to Director of Internal Services. Exit interviews may be conducted at the discretion of the Executive Director or designee.

20.4 Reduction in Force (Layoff)

A. Definition

A layoff is a non-disciplinary separation that occurs when RTC determines it is necessary to reduce staffing levels due to lack of work, lack of funds, reorganization, position elimination, or other operational or economic reasons.

B. Scope and Determination

Layoffs shall occur within the job classification(s) identified by the Executive Director as affected by the reduction.

C. Procedures and Employee Rights.

Layoff procedures, notice requirements, order of layoff, bumping rights, recall rights, and related provisions shall be governed by the applicable MOU and governing law.

20.5 Separation Due to Disability

An employee may be separated for disability when the employee is unable to perform the essential functions of the position, with or without reasonable accommodation, after completion of the interactive process required by the Fair Employment and Housing Act (FEHA) and the Americans with Disabilities Act (ADA), and after determining that no reasonable accommodation is

available that would enable the employee to perform the essential functions without imposing an undue hardship on RTC.

A. Interactive Process

RTC shall engage in a timely, good-faith interactive process with the employee prior to separation due to disability, unless separation is otherwise permitted by law.

B. Medical Evaluation

RTC may require a fitness-for-duty or medical examination, at RTC's expense, conducted by a healthcare provider of its choosing, consistent with applicable law.

C. Disability Retirement

For employees vested in CalPERS, RTC may submit an application for disability retirement when appropriate. Separation for disability does not guarantee approval of disability retirement by CalPERS.

20.6 Retirement

An employee who meets the eligibility requirements under the CalPERS retirement system may elect to retire and receive retirement benefits in accordance with CalPERS rules and regulations.

Employees are encouraged to provide reasonable advance written notice of retirement to facilitate payroll processing, benefits administration, and transition planning. Retirement benefits are determined solely by CalPERS and applicable retirement plans.

20.7 Retirement Incentive

In recognizing the importance of having all positions properly staffed, the RTC offers a retirement submission incentive to eligible employees who provide six (6) months or more notice of their intention to retire. Assuming the employee retires on the date that was announced at least six (6) months in advance, eligible employees will receive 80 hours of vacation accrual deposited into their accrual bank. The hours will be awarded and paid on date of retirement.

If an employee announces retirement as described above and, for any reason, does not retire on such date, the employee is no longer eligible to receive this incentive.

This retirement incentive is a discretionary, non-contractual benefit offered solely at the discretion of RTC as an operational workforce-planning tool. It does not create a vested right, past practice, or guaranteed entitlement for any employee. RTC retains the sole authority to amend, suspend, or withdraw this incentive at any time, without the need for bargaining or meet-and-confer, unless expressly required by an applicable MOU. Eligibility determinations shall be made at the sole discretion of RTC, and this incentive shall not be considered a mandatory subject of bargaining.

SECTION 21 – EMPLOYEE ORGANIZATIONS

21.1 Communication

Recognized employee organizations may:

- Communicate with represented employees;
- Distribute materials in non-work areas during non-work time; and
- Use RTC bulletin boards designated for employee organization notices.

Communications must not:

- Disrupt RTC operations;
- Use RTC resources without prior approval; or
- Contain unlawful or inappropriate content.

21.2 Right of Access

Authorized representatives of recognized employee organizations may access RTC worksites for purposes of:

- Meeting with employees;
- Representing employees in grievances; and/or
- Conducting lawful organizational activities.

Access must:

- Be during non-work time unless otherwise permitted;
- Be pre-arranged when necessary for security or operational reasons; and
- Not disrupt work activities.

21.3 Management Rights

RTC retains the exclusive right to:

- Determine mission, goals, and organizational structure;
- Hire, promote, assign, evaluate, or transfer employees;
- Discipline or dismiss employees for cause;
- Add, modify, or eliminate programs;

- Determine methods, means, and personnel needed for operations; and
- Approve budgets and allocate resources.

These rights are not subject to negotiation except as required by applicable labor laws.

21.4 Access to Personnel Records

Employee organizations shall have access to an employee's personnel file only when:

- The employee provides written authorization; or
- Access is otherwise required by law.

All personnel records shall be treated as confidential and accessed only for legitimate representational purposes.

SECTION 22 – MISCELLANEOUS

22.1 Personnel Files

A. Confidentiality

Personnel files are confidential and are not open to public inspection, except as required by law.

B. Employee Access

Employees may review their own personnel file during non-duty hours or at another mutually agreed-upon time, in accordance with applicable law and RTC procedures.

C. Response to Adverse Information

An employee may submit a written response to adverse material contained in the personnel file. Such response shall be included in and maintained as part of the personnel file.

D. Records Maintenance

Personnel records shall be maintained in accordance with applicable record retention requirements and privacy laws.

22.2 Bicycle Parking

RTC supports alternative commuting options. Employees who commute to RTC by bicycle shall be provided access to a safe and secure location to park their bicycle during work hours, subject to space availability and operational considerations.

22.3 Access to RTC Commission Workspaces

RTC provides workspaces and equipment to employees for business purposes. These workspaces may include offices, desks, computers, files, electronic systems, and other storage areas.

To ensure continuity of operations, compliance, and workplace safety, the Executive Director or designee may access an employee's workspace, equipment, or systems at any time, with or without prior notice or employee consent, when reasonably necessary for business purposes.

Employees should not store personal items or confidential personal materials in RTC workspaces or on RTC-owned equipment. Employees should have no expectation of privacy in RTC-provided workspaces or equipment, except as otherwise required by law. All email, messages, data, and electronic

communications created, received, transmitted, or stored on RTC systems or accounts are RTC property. Employees shall have no expectation of privacy when using RTC-provided email, devices, networks, or electronic systems, except where privacy is expressly required by law. RTC may access, monitor, review, copy, retrieve, or disclose any such communications at any time, with or without notice, when reasonably necessary for business operations, security, compliance, investigations, or other legitimate business purposes.

22.4 Workplace Safety and Security

RTC is committed to maintaining a safe and secure work environment that is free from violence, threats of violence, intimidation, and disruptive behavior.

RTC maintains a zero-tolerance policy for actual or threatened violence against employees, visitors, contractors, or members of the public while on RTC premises or while conducting RTC business.

Workplace safety and security are shared responsibilities. All employees are expected to comply with safety policies, participate in required training, and promptly report unsafe conditions or security concerns.

A. Reporting Unsafe Conditions, Threats, or Violence

1. Immediate Reporting.

All threats or acts of violence—whether verbal, written, or physical—must be reported immediately to the employee’s Department Director and the Executive Director or designee.

2. Emergency Situations.

If an employee becomes aware of an imminent threat, imminent act of violence, or actual violence, emergency assistance must be sought immediately. Employees should contact law enforcement by dialing 9-1-1 when appropriate and then notify the Executive Director or designee as soon as practicable.

3. Security Hazards.

Employees shall promptly report workplace security hazards or unsafe conditions to their Department Director. If the Department Director is unavailable, the employee shall notify the Executive Director or designee so that appropriate action can be taken.

4. Investigation and Corrective Action.

Reported incidents will be reviewed and investigated as appropriate.

Where a violation of this policy is substantiated, RTC will take corrective action consistent with applicable law and policy.

B. Injury and Illness Prevention Program (IIPP)

RTC maintains an Injury and Illness Prevention Program (IIPP) in compliance with Cal/OSHA requirements. The IIPP includes provisions addressing workplace safety and security, including but not limited to:

- Safety meetings and training programs;
- Distribution and posting of safety notices and guidance;
- Periodic workplace inspections to identify and evaluate safety and security hazards
- Prompt correction of identified hazards; and
- Investigation of workplace injuries, illnesses, and incidents of workplace violence.

Additional details regarding the IIPP are set forth in the RTC Administrative Policies.

C. Workplace Violence Prevention Plan (WVPP)

RTC maintains a Workplace Violence Prevention Plan (WVPP) in compliance with Cal/OSHA requirements. The WVPP includes provisions addressing workplace violence and its prevention, including but not limited to responsibility, authority, compliance, procedures, hazard assessment and correction, training, and reporting.

Nothing in section 20 creates contractual rights or obligations beyond those established by applicable law, RTC policy, or the applicable MOU. RTC reserves full authority to modify operational safety procedures, workspace access rules, and personnel-file practices consistent with law.

EMPLOYEE ACKNOWLEDGEMENT OF RECEIPT OF HUMAN RESOURCES POLICIES

I, _____, acknowledge that I have (Print Name of Employee)

received a copy of the RTC Human Resources Policies which contains important information on my privileges and obligations as an employee. I acknowledge that I am expected to read, understand and adhere to Commission policies and will familiarize myself with the material in these Policies.

(Employee Signature)

(Date)

**SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
(SCCRTC)**

Administrative and Fiscal Policies



Policies Approved by the RTC 9/7/06
(Effective on 11/4/06)
Amended June 2017
Amended June 2020
Amended _____

**ADMINISTRATIVE AND FISCAL
POLICIES
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SECTION 1. INTRODUCTION

1.1 Purpose

The Administrative and Fiscal Policies establish the framework for conducting the administrative and business operations of the Santa Cruz County Regional Transportation Commission (RTC). The RTC is subject to all applicable federal, state, and local laws and regulations, as well as standards of sound governmental, financial administrative, and risk-management practice. These policies are intended to ensure compliance with legal requirements; support transparent, ethical, and accountable public administration; and align RTC operations with best practices, including strengthened internal controls, electronic communications governance, financial stewardship, public transparency, and responsible use of RTC assets.

1.2 Application of the Policies

These policies will be interpreted and applied in a manner consistent with applicable federal, state and local laws and regulations, as well as any Memorandums of Understanding that are negotiated with bargaining units representing employees of the RTC. These policies take effect on the date noted on the cover page, until such time as they are modified, removed, or new policies added.

These policies complement other adopted RTC rules, procedures, guidelines, and administrative manuals, including but not limited to the RTC Human Resource policies and procedures, the Injury & Illness Prevention Program (IIPP), IT, and any Commission-approved financial, procurement, and records-retention procedures.

1.3 Implementation of the Policies

The Executive Director is responsible for developing and amending the administrative procedures that provide the steps and guidelines for carrying out the policies contained in this document. Administrative procedures will be referred to the Commission for approval if they materially affect employees, agency financial controls, procurement thresholds, use of electronic communications systems, or any other area in which Commission oversight is required by law or policy.

The Executive Director may issue internal procedures, manuals, and directives to ensure compliance with these policies, provided such procedures do not conflict with Commission-approved authority.

1.4 Amendment of Policies

Policies contained in this document are approved by the Commission. Amendments to these policies shall be reviewed by the Executive Director and referred to the Commission for approval.

The Commission may also direct revisions at its discretion, or as required to comply with changes in law, audit findings, risk management recommendations, federal or state grant requirements, or updates to administrative practice. Policy amendments take effect upon Commission approval unless otherwise specified.

SECTION 2. GENERAL

2.1 Regular Business Hours

The regular business hours at the RTC shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays. Work hours for employees may vary, consistent with the Human Resource Policies and/or Memorandums of Understanding that are negotiated with employee representation units of the RTC.

The Executive Director may authorize modified work schedules, hybrid work arrangements, or alternative work hours when operationally appropriate and consistent with collective bargaining agreements, adopted Telework policies, and applicable law. Adjustments to employee schedules shall ensure adequate staffing coverage during regular business hours and shall not compromise public access, accountability, public transparency, or continuity of operations.

2.2 Resource Conservation

The RTC shall make reasonable efforts to reduce energy consumption and conserve natural resources whenever possible.

The RTC shall make reasonable efforts to prevent waste whenever possible by employing materials and resources only as needed to accomplish the goals of the RTC.

The RTC shall make reasonable efforts to employ reusable, repairable or upgradeable items over single-use or non-repairable items whenever feasible and appropriate. The RTC will attempt to sell, trade, or donate for further use items slated for discard that retain use value, rather than disposing of them.

The RTC shall make reasonable efforts to divert from landfills non-reusable discard that can be feasibly recycled.

The RTC shall make reasonable efforts to establish and employ procedures to reduce resource consumption including procedures for environmentally preferable purchasing and procedures to reduce paper consumption, such as use of electronic correspondence and the Internet to disseminate information wherever possible.

To further reduce paper consumption, the RTC shall prioritize electronic posting and distribution of documents, including Commission and Committee agendas, agenda packets, reports, and

attachments, except where printed distribution is required by law or operational necessity. Whenever practicable, full reports, exhibits, and supporting materials shall be made available online, with printed packets containing only essential summaries or action items.

For procurement documents, the RTC shall provide electronic access through its website or electronic procurement system. Printed copies shall be minimized and provided only upon request or when required for accessibility or legal compliance. Notices to potential proposers or bidders may include a link to electronically posted materials rather than a printed distribution.

Mailing lists for printed document distribution shall be reviewed at least annually to remove outdated or redundant recipients. Members of the public and partner agencies shall be encouraged to subscribe to electronic notices rather than request printed copies.

RTC employees shall print double-sided whenever feasible, avoid unnecessary color printing, and utilize electronic storage, scanning, and digital records management tools to reduce consumption of paper and other materials.

2.3 Communications System

The RTC owns, operates, leases, and maintains a “communications system” to be utilized or provided to support the operative and administrative functions of the RTC. The RTC has established this policy in an effort to make certain that RTC employees and agents utilize communications devices in a legal, ethical and appropriate manner. The use of the Communications System is a privilege, which may be revoked at any time.

A. Definition of the Communication System

The term “Communications System” as used herein shall include, but is not limited to, computer equipment, electronic mail (e-mail), connections to the Internet and World Wide Web and other internal or external networks, voice mail, audio or video conferencing, facsimile devices, imaging systems, tape recording equipment, telephone equipment, and other technologies and equipment used to convey information.

The Communications System also includes, without limitation: desktop and laptop computers;

- tablet and mobile devices;
- servers, routers, switches, gateways, firewalls, and wireless access points;

- RTC-issued cell phones, smartphones, and data-enabled devices;
- cloud-based platforms and collaboration tools;
- data storage systems, backups, and archives;
- any future technologies used for transmitting, receiving, or storing information for RTC business.

B. Ownership and No Expectation of Privacy

RTC is a public agency and subject to the California Public Records Act (CPRA). All data, messages, files, communications, and transmissions created, sent, received, or stored using the Communications System are the property of RTC. Employees have no expectation of privacy when using any RTC device, account, or network.

RTC management has the right, but not the obligation, to monitor, access, audit, review, copy, or disclose any Communications System content at any time for lawful business purposes, with or without notice to the employee. This includes deleted messages and archived communications.

C. Permitted and Prohibited Uses

The Communications System is intended for purposes directly related to RTC business.

Incidental personal use is permitted only if:

1. it does not interfere with RTC operations or productivity;
 2. it does not consume significant system resources;
 3. it does not violate RTC policy, law or security requirements;
- and
4. it does not create an actual or perceived conflict of interest.

The following uses are prohibited:

- accessing, transmitting, or storing illegal, sexually explicit, hateful or discriminatory material;
- harassment, threats, or inappropriate conduct;
- using RTC systems for outside employment or personal business;
- sending mass emails unrelated to RTC business;
- representing personal opinions as official RTC communications;
- any misuse of agency electronic resources or data.

D. Professional and Ethical Conduct

Employees shall use the Communications System in a lawful, ethical,

professional manner and business-like manner.

All electronic communications must meet the same standards of professionalism as written correspondence, including adherence to RTC's Harassment, Equal Employment Opportunity, and Code of Conduct Policies.

E. Protection of Confidential, Sensitive, and Proprietary Information

Employees shall take reasonable measures to safeguard confidential information, including personnel data, legal communications, proprietary information, and third-party data subject to confidentiality agreements. Before transmitting sensitive information electronically, employees must verify:

1. whether the information is confidential;
2. whether email is an appropriate method of transmission; and
3. whether the recipient is authorized and has legitimate business need to know.

Confidential information should not be forwarded, stored on personal devices, or transmitted outside RTC systems without authorization.

F. System Security and Data Integrity

To protect RTC's systems and data, employees may only download, install, update, or remove software on RTC-owned devices when it is required for their job duties and has been approved in advance by the Director of Internal Services, the IT Administrator, or their designee. Unauthorized downloads—including personal software, freeware, browser extensions, plug-ins, or any unapproved applications—are prohibited due to potential security risks and compatibility issues. Employees must request approval before any installation or removal by stating the business need and receiving written authorization, after which IT may perform or supervise the installation. RTC may monitor agency devices to ensure compliance, and any unauthorized software may be removed immediately to maintain system security and data integrity.

Employees shall also:

- use only RTC-approved software and applications;
- protect passwords and may not share them with others;
- maintain strong, unique passwords consistent with RTC security protocols;
- ensure devices are secure when unattended;
- promptly report suspected malware, security incidents, or data breaches;

- refrain from defeating or bypassing security controls, filters or firewalls.

All system passwords and encryption keys must be accessible to RTC management. Employees may not install unauthorized encryption programs or store data in encrypted formats unknown to RTC.

G. Public Records Act Implications

Electronic communications-including emails, texts, instant messages, and electronic documents created or stored on RTC systems may constitute public records under the California Public Records Act and may be subject to disclosure.

Employees shall ensure that work-related communications are retained and archived in accordance with RTC's Records Retention Schedule and shall not use personal accounts to conduct RTC business except where expressly authorized and properly archived.

H. Violations

Misuse of the Communications System may result in disciplinary action, up to and including termination, consistent with RTC Human Resources Policies and applicable Memorandums of Understanding. Serious violations may be referred to law enforcement or external regulatory agencies.

2.4 Communications with the Media

Media inquiries shall be directed to the Public Information Officer (PIO)/Communications Specialist or Executive Director. The Public Information Officer (PIO)/Communications Specialist will work with the appropriate employee to gather the information requested and respond or set up an interview with the appropriate employee. If the Public Information Officer (PIO)/Communications Specialist is not available, media inquiries shall be directed to the Executive Director or Department Director. If a member of the media reaches out to a specific employee directly, the employee may respond as long as the request is for simple factual information that the employee is knowledgeable and informed about, provided that the employee notifies the PIO/Communications Specialist of the contact. If the employee is uncomfortable responding or cannot respond in a timely manner, they shall direct the media contact to the Public Information Officer (PIO)/Communications Specialist to coordinate a response.

News releases must be reviewed by the Public Information Officer (PIO)/Communications Specialist first, then the Executive Director or Department Director before distribution. Quotes in RTC news releases should be reviewed/authorized by the speaker prior to use. Distribution of all press releases shall be done by the Communications Department.

To ensure accuracy, consistency of messaging, and compliance with public-agency standards, employees who communicate with the media shall adhere to the following guidelines:

1. Respond promptly, but when needed, ask the reporter if you may call back momentarily to confirm facts and gather accurate information.
2. Determine your key message before responding to questions; remain focused on factual, verifiable information.
3. Ask the reporter the purpose or angle of the story, as it may differ from your assumptions and may affect the accuracy of your response.
4. Stick to the known facts only. Do not speculate, guess, or provide opinions on policy matters unless specifically authorized to do so. If you don't know an answer, it is perfectly fine to say so.
5. Keep it simple. Use plain language — avoid acronyms, jargon, or technical terms without explanation. Think about how you would explain it to a family member unfamiliar with government projects. Do not allow a reporter to suggest or “feed” a quote; speak only in your own words and only within your area of knowledge.
6. Stay positive and constructive. Even when discussing challenges, emphasize solutions, progress, and public benefit.
7. All media interactions are “on the record.” Employees must choose their own word carefully and assume that all statements may be published or broadcast.
8. When appropriate, refer policy-level questions to the Executive Director to refer to Commission Chair or an authorized Commission Member. Staff shall immediately notify the Executive Director who the contact is and the interview subject.
9. For television or video interviews, employees shall ensure they present a professional appearance.

At the conclusion of an interview, employees may ask when the story is

expected to run. Do not ask to see the story before it runs — but you can monitor for accuracy. If there are factual errors, notify Communications to coordinate a correction if appropriate.

Employees are not required to grant interviews or respond to media inquiries. Any employee who is uncomfortable speaking to the media, or who believes the inquiry exceeds their authority, shall redirect the reporter to the Executive Director, Department Director, or PIO/Communications Specialist.

Unauthorized disclosure of confidential, sensitive, or preliminary information is prohibited. Employees shall not disclose information related to personnel matters, litigation, negotiations, confidential records, or any topic legally protected from public release.

Nothing in this section restricts the rights of employees to speak as private individuals on matters of public concern, provided they do not represent their personal opinions as positions of the RTC and do not use RTC resources or confidential information in doing so.

2.5 Application of the Public Records Act

Public records, including any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by the RTC, regardless of physical form or characteristics, are open to inspection at all times during the RTC's office hours in accordance with the California Public Records Act (PRA), commencing at Section 7920.000 of the Government Code, and other applicable statutes and case law. Any portion of a record which can reasonably be segregated shall be made available for inspection after deletion of the portions that are exempted by law. It is also the policy of the RTC that except for public records exempt from disclosure by express provisions of law, copies of reasonably described identifiable records shall be made available, subject to the RTC Document Fee Schedule, with minimal delay to the requesting party. An exact copy shall be provided unless it is impracticable to do so.

If the requesting party asks for content that is too large to transfer electronically, an appropriate storage device may be issued at the requesting party's expense. This cost is determined internally and may change based on the price of the storage device.

A. Scope of Public Records

For purposes of complying with the PRA, "public records" include all forms of recorded information, including but not limited to:

- paper documents;

- email and electronic messages;
- text messages and instant messages;
- electronic files, spreadsheets, databases, and metadata;
- photographs, audio, and video recordings;
- documents stored in cloud services or collaboration platforms;
- materials maintained on RTC-issued or personal devices when used for RTC business.

Employees shall treat all such materials as potentially subject to disclosure unless a statutory exemption applies.

B. Electronic Communications and PRA Compliance

Electronic communications are subject to the PRA in the same manner as paper records. Employees shall not:

- use personal email accounts, personal cloud storage, or personal devices for RTC business unless expressly authorized and unless such communications are appropriately retained and available for retrieval;
- delete substantive work-related electronic messages except in accordance with RTC Records Retention Schedule;
- create or store RTC records in systems that the RTC cannot access for retrieval, review, or disclosure.

If an employee receives a PRA request directed to their personal device or personal account, the employee shall immediately notify the Administrative Services Officer and preserve the record.

C. Responsibility to Forward PRA Requests

Any employee who receives a PRA request – verbally, by email, in writing, or through any medium – shall immediately forward the request to the Administrative Services Officer.

Employees shall not attempt to interpret the request, determine exemptions, or respond independently unless expressly authorized.

D. Records Preservation and “Litigation Holds”

Upon notice of litigation, anticipated litigation, audit, investigation, or receipt of a PRA request reasonably likely to involve specific records, the RTC will issue a “litigation hold” or “records preservation notice.”

Under a preservation notice, employees must:

1. suspend all routine deletion or destruction of potentially relevant records;

2. preserve electronic and paper materials in their original form;
3. not delete, alter, overwrite, or dispose of any record subject to the hold;
4. comply with instructions regarding retention of emails, texts, and electronic files.

Failure to comply with the litigation hold may result in disciplinary action and legal consequences.

E. Response Time, Fees and Format

The RTC shall respond to PRA requests within the statutory timelines, including the ability to extend time for unusual circumstances as permitted by Government Code §7922.535(b).

Copies of records will be provided in the requested format if feasible. If a record is maintained electronically, the RTC shall provide it in an electronic format commonly used by the agency unless doing so would compromise security or software protections. If the content is too large to transfer electronically, an appropriate storage device may be issued at the requesting party's expense. This cost is determined internally and may change based on the price of the storage device.

Fees for duplication shall be charged in accordance with the RTC Document Fee Schedule (outlined in RTC Rules and Regulations), except that:

- electronic copies provided via email or online transmission, when feasible, may be provided at no charge;
- statutory fees or cost-recovery charges may apply where allowed by law.

F. Exemptions and Redactions

The RTC may withhold or redact records that are exempt from disclosure under state and federal law, including but not limited to:

- personnel, medical, or similar files when disclosure would constitute an unwarranted invasion of privacy;
- attorney-client privileged communications and attorney work product;
- preliminary drafts or notes not retained in the ordinary course of business;
- documents or communications subject to deliberative process privilege;
- security-sensitive information, including cybersecurity protocols;
- trade secrets or proprietary business information submitted by

- third parties; and
- records exempt under the Public Utilities Code, Vehicle Code, or other statutes.

Before releasing any exempt or partially exempt record, the RTC shall consult with legal counsel as needed. If documents are exempt from disclosure pursuant to the PRA, the specific exemptions to disclosure shall be outlined in RTC's response to the requester.

G. Record Retention and Destruction

Employee responsibility for records management includes:

- maintaining records in accordance with the RTC Records Retention Schedule;
- ensuring that electronic records are stored in RTC-approved locations accessible for retrieval; and
- not discarding or deleting records except in accordance with the retention schedule or after clearance from the PRA Coordinator during active requests.

H. Unauthorized Destruction or Concealment of Records

The destruction, hiding, alteration, or falsification of any public record – including electronic messages – outside of lawful retention procedures is prohibited and may result in disciplinary action, civil liability, or criminal penalties under Government Code §6200 et seq.

Employees shall immediately report suspected improper destruction or concealment of records.

2.6 Protection of Confidential Information

Most communication among RTC employees is not considered confidential. However, certain communications, such as police investigations, personnel records and communications from RTC Counsel may be confidential or contain confidential information. At times when an employee possesses "confidential" information, the employee shall take all reasonable and necessary steps to protect such information, including but not limited to:

A. Identifying Confidential Information

- determining whether the information is confidential based on law, policy, privilege, contract, or instruction;
- recognizing that information may be confidential even if not marked as such;

- assuming information is confidential when in doubt and seeking clarification from the Executive Director or RTC legal counsel.

B. Limiting Access on a Need-to-Know Basis

Employees shall only disclose confidential information to persons who:

1. are authorized to receive the information; and
2. have a legitimate business need to know it.

Employees shall not forward, copy, print, upload, or otherwise share confidential information unless doing so is essential to official duties and consistent with access controls.

C. Secure Handling and Transmission Requirements

Confidential information shall be transmitted only through secure, RTC-approved methods. Employees shall:

- avoid sending confidential information by unencrypted email unless authorized and necessary;
- use password-protected documents or secure file-transfer methods when transmitting sensitive material;
- verify recipient addresses before sending;
- refrain from transmitting confidential information to personal accounts, personal cloud storage, or personal devices.

D. Physical and Digital/Electronic Safeguards

Employees shall take reasonable steps to maintain both physical and digital/electronic security of confidential information, including:

- securing workspaces, locking screens, and safeguarding mobile devices;
- storing physical documents in locked cabinets or controlled-access areas;
- ensuring laptops, tablets, and mobile devices are locked when unattended;
- preventing observation of confidential material by unauthorized individuals.

E. Retention, Archiving, and Destruction

Employees shall retain and dispose of confidential information only in accordance with the RTC Records Retention Schedule. Confidential documents shall not be deleted, altered, shredded, or destroyed outside of approved procedures, especially during litigation hold or an active Public Records Act request.

F. Cybersecurity Requirements

When handling confidential information, employees shall:

- comply with RTC password, authentication, and encryption standards;
- report suspected data breaches, unauthorized access, or misdirected transmissions immediately;
- refrain from installing unauthorized software or storing confidential information in non-RTC systems;
- ensure that confidential data is not uploaded into unapproved cloud services or artificial intelligence (AI) tools.

G. Prohibitions

Employees shall not:

- use personal email, messaging apps, external drives, or unauthorized cloud storage for confidential RTC information;
- remove confidential material from RTC premises unless authorized;
- discuss confidential matters in public places or on unsecured speakerphones;
- transmit confidential documents to individuals or entities without proper authorization.

H. Reporting Obligations

Employees must promptly report any suspected:

- unauthorized disclosure;
- misdirected email or transmission;
- loss or theft of devices containing RTC information;
- cybersecurity incident affecting confidential data;
- improper access by another employee.

I. Consequences for Violation

- 2.7 Failure to comply with this section may result in disciplinary action, up to and including termination, and may expose the employee to legal liability. Serious violations may be referred to law enforcement or regulatory agencies. RTC Document Distribution and Pricing Policy

A. Public Access to RTC Documents

The RTC and its subsidiary shall make reasonable efforts to post Commission and Committee meeting agendas, Commission packets and most documents on the RTC website (www.sccrtc.org). This

includes, whenever feasible, full electronic posting of reports, attachments, staff memos, exhibits, and supporting documentation, in compliance with the Brown Act and accessibility standards (e.g., Americans with Disabilities Act (ADA)-compliant formatting.)

The RTC shall ensure that documents are available for public review at the RTC office during normal business hours. RTC shall also provide electronic access through online archives to minimize paper distribution and improve public transparency.

The RTC shall discourage unnecessary printed distribution and shall preferentially distribute materials electronically, except where printed materials are required by law, needed for accessibility, or requested by individuals with limited digital access.

B. Distribution to Public Agencies

RTC may also provide documents electronically to other public agencies, regional partners, and government entities upon request or where collaboration requires information sharing.

C. Paper Reduction and Digital-First Policy

To reduce resource consumption, RTC adopts a “digital-first” approach, including: posting agendas and packets online rather than printing large quantities; distributing procurement documents and major reports electronically; reducing the length of printed agenda packets by providing links to background materials; maintaining subscription-based electronic notice systems for the public; and reviewing mailing lists annually to remove outdated entries.

D. Document Fee Schedule

RTC documents and meeting agendas will be distributed in accordance with the RTC Document Fee Schedule. Electronic distribution shall generally be free of charge unless statutory fees apply. However, if the requesting party requires content that is too large to distribute electronically, an appropriate storage device may be provided at the requesting party’s expense. The cost of the storage device is determined internally and may be adjusted based on changes in the device’s market price.

The RTC Document Fee Schedule may be revised at any time to reflect changes in duplicating, mailing, and administrative costs. Fees for printed materials may include actual cost of labor, duplication, mailing and special formatting. RTC may waive fees for public agencies,

elected officials, or individuals requiring accommodation under the disability law.

2.8 Harassment

Consistent with federal, state and local laws and as outlined in the RTC Human Resources Policies, the RTC does not tolerate and prohibits harassment, including discriminatory and sexual harassment, in any form. This is applicable to all employees including members of the public and Commissioners.

Harassment includes verbal, physical, written, electronic, or visual conduct based on any protected characteristic under state or federal law, including but not limited to race, color, religion, gender, gender identity, gender expression, national origin, ancestry, age, disability, medical condition, marital status, sexual orientation, veteran status, or any other characteristic protected by law.

Language that is insulting, offensive, disrespectful, demeaning, or sexually suggestive will not be tolerated.

The RTC's policy against unlawful harassment, including sexual harassment and discrimination, extends to the use of computers, the Internet, mobile devices, social media, and any component of the Communications System.

Employees shall not send, display, download, store, or solicit harassing, discriminatory, or sexually explicit content using RTC equipment or networks.

Employees must immediately report any conduct believed to violate this policy to a supervisor, Director of Internal Services, or the Executive Director. Supervisors receiving complaints must report them promptly to the Director of Internal Services or the Executive Director.

Retaliation against any employee who makes a complaint, participates in an investigation, or opposes harassment is strictly prohibited.

Violations of this section may result in disciplinary action up to and including termination and may be referred to law enforcement if criminal conduct is involved.

2.9 Conflict of Interest

Commission members, the Executive Director, Department Directors, designated employees and members of management shall comply with the requirements of the RTC's "Conflict of Interest Code" which is

outlined in the RTC's Rules and Regulations, and all applicable state and federal law concerning financial conflicts of interest.

All designated employees shall file Statements of Economic Interests (Form 700) as required. Employees must disclose financial interests, relationships, or affiliations that may create an actual, potential, or perceived conflict of interest. In addition, designated employees are required to complete ethics training to ensure full understanding of conflict of interest laws and related responsibilities.

Employee shall not participate in decisions in which they may have a financial interest or use their position to influence such decisions.

Employees shall not accept gifts, favors, gratuities, meals, travel, or entertainment from vendors, contractors, consultants, or other entities doing business with the RTC except as allowed by the Political Reform Act and RTC policy.

Employees must report any potential conflicts to their Department Director or Executive Director immediately.

2.10 Use of RTC Facilities - Conference Rooms and Teleconference Equipment

- A. RTC facilities are maintained and operated for conducting RTC business. RTC facilities, equipment, and meeting rooms are public assets and shall be used responsibly, safely, and in support of agency operations.
- B. Employee representation units may hold meetings on RTC property during non-working hours if rooms are properly reserved.
- C. At the discretion of the Executive Director or designee, RTC facilities shall be available for limited term by other public agencies or public-agency-sponsored groups, subject to scheduling, availability, and priority for RTC business. Users must comply with all safety, security, and building-access protocols. Unauthorized commercial or private use is prohibited. Damage to facilities or equipment may result in charges or restrictions on future use.

2.11 Records Management

- A. Records retention space at the RTC is limited and only necessary records shall be retained. Records shall be managed in compliance with the RTC Records Retention Schedule, the Public Records Act, and any applicable state or federal retention requirements. Employees are responsible for classifying, storing, transmitting, and disposing of records in accordance with RTC

policy.

- B. Remote storage locations are not used as an extension of agency working files. Off-site or cloud storage must be approved by the Executive Director and meet RTC security and accessibility standards.
- C. To conserve space and materials, electronic storage methods shall be used when cost-effective and legally permissible. Electronic records must remain accessible, protected from alteration, and stored in RTC-approved systems capable of retrieval for audits, litigation holds, or PRA requests. Employees shall not destroy or delete records except in accordance with the RTC Records Retention Schedule or pursuant to an approved destruction authorization. Destruction of records subject to litigation holds, audits, or PRA requests is strictly prohibited.

SECTION 3. RISK MANAGEMENT

3.1 General

The purpose of RTC's Risk Management Program is to identify, evaluate, reduce, and manage risks that could adversely affect RTC personnel, operations, assets, finances, legal posture, cybersecurity, or public trust. The program establishes a structured approach for preventing losses, ensuring safety, reducing liability exposure, complying with legal and regulatory requirements, and promoting a culture of risk awareness across the organization.

A. Scope

The Risk Management Program applies to:

- all RTC employees, contractors, interns, Commissioners, consultants, and volunteers;
- RTC-owned, leased, or operated facilities and equipment;
- all programs, projects, and grant-funded activities;
- cybersecurity and information-security systems;
- financial operations, procurement activities, and public communications.

B. Definitions

"Risk" means any condition, event, or action that may adversely affect RTC operations, personnel, finances, legal posture, information security, or reputation.

"Incident" means any occurrence that results in or could result in injury, property damage, data breach, service disruption, or legal exposure.

"Loss" means any financial, operational, legal, or reputational harm suffered by the RTC.

3.2 Responsibility for Risk Management

A. Management Responsibilities

The Director of Internal Services or his/her designee is responsible for administering the risk management program. Responsibilities include setting policy direction, ensuring adequate resources, implementing training programs, monitoring compliance, and reporting significant risks to the Executive Director and Department Directors.

B. Supervisor Responsibilities

All employees in a supervisory role shall implement risk management procedures, conduct safety inspections, enforce policies, correct unsafe conditions, and report incidents promptly.

Supervisors must also ensure employee participation in required risk and safety training, verify adherence to cybersecurity protocols, and monitor compliance with emergency procedures.

C. Employee Responsibilities

Employees must follow safety rules, risk-management protocols, and emergency procedures.

Employees shall immediately report hazards, unsafe conditions, cybersecurity incidents, near-misses, and policy violations.

Employees must participate in required training and cooperate with investigations, audits, and corrective actions.

3.3 Reporting of Incidents

Employees shall immediately report all incidents, including:

- workplace injuries or illnesses;
- near-miss events;
- property damage;
- vehicle accidents;
- cybersecurity breaches or suspicious activity;
- breach of confidential information;
- loss or theft of RTC equipment;
- threats, violence, or disruptive behavior; and
- hazardous material exposures.

Employees must notify their supervisor or the Director of Internal Services as soon as practicable. If a serious injury or emergency occurs, employees shall call 911 first, then notify management.

A. Documentation

Incident reports must be completed within one business day or sooner if required by law. Cybersecurity incidents must be reported immediately to the Director of Internal Services and the Executive Director.

B. Investigations and Corrective Action

RTC shall investigate all incidents to determine root causes and implement corrective actions. Cooperation with investigations is mandatory.

3.4 Occupational Safety and Injury and Illness Prevention (IIPP) Program Compliance

A. Compliance with IIPP

The RTC maintains an Injury and Illness Prevention Program (IIPP). Employees shall comply with all procedures aimed at preventing workplace incidents, injuries, and illness.

The IIPP includes hazard assessment, safety training, incident documentation, emergency procedures, ergonomic evaluation, and periodic review.

B. Training Requirements

Employees must participate in any mandatory safety training, which may include:

- ergonomics;
- hazard communication;
- emergency response;
- railroad safety training;
- hi rail operator training;
- safe lifting and equipment use;
- workplace violence prevention; and
- cybersecurity awareness (as part of integrated safety and risk management).

C. Hazard Correction

Supervisors must promptly correct identified hazards, using temporary controls when immediate correction is not feasible.

3.5 Emergency Response Plan

The RTC maintains an Emergency Response Plan to establish continuity of operations. The plan requires procedures for evacuation, shelter-in-place, active threat response, severe weather, fire, medical emergencies, and earthquake safety.

RTC shall maintain essential services during emergencies through:

- defined essential functions;

- delegation of authority;
- alternate facilities or telework capability;
- communications protocols; and
- data backup and cybersecurity continuity controls.

3.6 Fraud Prevention and Internal Controls

A. Fraud policy

RTC prohibits fraudulent, dishonest, or unethical conduct by employees, contractors, Commissioners, and third parties.

B. Employee Obligations

Employees must immediately report suspected fraud, misuse of funds, falsification of documents, theft, procurement irregularities, or conflicts of interest.

C. Internal Controls

RTC shall maintain internal controls including segregation of duties, approval workflows, purchasing controls, contract oversight, and audit procedures.

3.7 Whistleblower Protections and Anti-retaliation

A. Protected Reporting

Employees may report violations of law, fraud, waste, abuse, harassment, discrimination, safety violations, or retaliation.

B. Protection From Retaliation

No employee shall suffer adverse action for reporting misconduct in good faith. Retaliation includes demotion, discipline, transfer, schedule changes, hostility, or any action that would deter reporting.

C. Confidentiality

Reports may be made confidentially to the Director of Internal Services, Executive Director, or Commissioner.

3.8 Mandatory Reporting Requirements

A. Legal and Policy Obligations

Employees must immediately report:

- injuries requiring medical care;
- serious safety hazards;
- cybersecurity breaches;
- PRA-related record requests;

- suspected unlawful harassment; and/or
- fraud, waste, or misuse of RTC assets.

TSA Rail Line Incident Reporting Requirements

In addition to the above, employees must comply with federal mandates issued by the Transportation Security Administration (TSA) for surface transportation. Employees must promptly report any rail line incident that meets TSA's mandatory reporting criteria, including:

- significant disruptions to rail operations;
- security incidents involving threats, suspicious activity, or tampering with rail infrastructure;
- hazardous materials leaks, spills, or suspicious releases near rail facilities;
- unauthorized access to secure rail areas or equipment;
- cyber incidents affecting rail operational technology or critical infrastructure systems; and
- any other event that may indicate a potential threat to the safety or security of the rail system.

All TSA reportable incidents must be escalated immediately to the Internal Services Director and the Executive Director to ensure timely external notification in accordance with TSA regulations.

B. Escalation Procedures

Certain incidents require immediate escalation to emergency services, insurance carriers, or regulatory agencies. Supervisors must ensure timely notification.

SECTION 4. – FINANCIAL ADMINISTRATION

4.1 General

This Section sets forth guidelines to ensure the preservation of RTC's assets and that accounting records and reports are in agreement with generally accepted accounting principles related to government entities.

4.2 Budgeting

The Commission shall adopt an annual operating and capital budget. The budget establishes the financial plan for delivering RTC programs, projects, staffing, and operations, and ensures responsible stewardship of public funds.

The Commission shall review, modify as needed, and adopt the annual budget to the beginning of the fiscal year, or as otherwise allowed by law.

4.3 Budget Adjustment Authority

A. Transfers Within a Fund (Within Approved Budget)

Departments may transfer budget amounts within the same fund without limitation, as long as:

- The total transfer stays within the fund's approved budget.
- The adjustment does not increase total appropriations or revenue.

B. Increases to Appropriations or Revenue Within a Fund (Above Approved Budget)

If a department needs to increase the approved appropriation or revenue within a specific fund:

- The Executive Director may approve increases up to \$100,000.
- Any proposed increase above \$100,000 must be submitted to the Commission for approval.

C. Transfers Between Funds

Transfers between different funds may be approved by the Executive Director up to \$100,000 only when:

- The transfer is necessary due to an emergency or operational need.
- A clear plan for reimbursing the originating fund is documented and submitted. Any inter-fund transfer above \$100,000 requires Commission approval.

4.4 Accounting

RTC's financial system will record revenues and expenditures in a fiscal-year-specific ledger. Transactions will be tracked by budget unit and account in a manner consistent with Generally Accepted Accounting Principles (GAAP) as stipulated by the Governmental Accounting Standards Board (GASB), ensuring transparent and auditable fund accounting.

4.5 Cash and Checks

- A. Cash or check receipts shall be deposited, in accordance with established procedures, at the County Treasurer and/or any authorized account at depository institutions. Funds not deposited will be locked in a location only accessible to authorized staff. Where applicable, electronic fund transfer (wire fund transfers or ACH payments) should be encouraged in order to expedite funds receipt/reimbursement.
- B. All funds received, regardless of the source, shall be entered in the accounting records and disbursed in accordance with established procedures.
- C. The Executive Director or his/her designee shall establish procedures to assure RTC's funds are paid out only for lawful purposes and in accordance with RTC policies.

4.6 Fixed Assets

The RTC shall maintain and track a list of fixed assets. Fixed assets are capitalized at historical costs and depreciated over the useful life. A fixed asset must meet the following two conditions:

- 1. Two (2) or more years of useful life, and
 - 2. Asset value that is at least \$5,000 or as determined by the Commission in the future.
- A. Inventory: Additional assets not meeting the conditions of a fixed asset, but which may be particularly at risk or vulnerable to loss (example: laptops), will also be inventoried and included on the list until disposition.
 - B. Disposal of Surplus Assets: Surplus assets may be sold to the public or otherwise disposed of as appropriate. The Executive Director is authorized to donate certain assets to local schools, nonprofit organizations, or charitable organizations.
 - C. Restrictions on Disposal of Assets
Surplus assets may not be sold or gifted to current employees and

their relatives. In the case of grant funded assets, the RTC shall abide by the terms of the grant.

- D. Depreciation Schedule: Fixed assets shall be assigned a schedule for useful life, to be reviewed and updated periodically. The following schedule for fixed assets is in effect until revised:

ASSET TYPE DESCRIPTION	USEFUL LIFE
Automobile	5
Building	50
Computer Printer	5
Computer/PC	3
Copier (Photocopy Machine)	5
Data/Video Equipment	5
Furniture (valued over \$1500)	8
Local Area Network (LAN)	5
Leasehold Improvement	Lease Term or 30 years
Phone System	6

E. Construction in Progress (CIP)

Capital projects that are expected to result in a capital asset and have an estimated total project cost of \$25,000 or more must be monitored and reported as Construction in Progress (CIP). All project-related expenditures—including labor, materials, contracted services, planning, and design—must be identified and tracked until the project is completed and ready for its intended use, at which time eligible capitalizable costs are reclassified to the appropriate capital asset category.

CIP tracking begins once a capital project is approved and expenditures start, and because there is no CIP general ledger account, all activity must be monitored manually through expenditure reports, invoices, purchase orders, and supporting documentation. Project Leads are responsible for maintaining project cost records, reviewing documentation regularly, and providing quarterly updates to the Budget and Fiscal Officer, who validates expenditures, consolidates reports, and oversees all active CIP projects. An annual CIP summary must be submitted to the Director of Internal Services by June 30, and once a project is substantially complete, final costs are verified and the capital asset is recorded manually within 30 days of project completion or the end of the fiscal year, whichever comes first.

4.7 Fund Management and Investments

The RTC shall make reasonable efforts to maximize the productive assets entrusted to its care and to invest and manage those public funds wisely and prudently. It is the policy of the RTC to invest and manage funds safely, and in a manner which also provides liquidity and adequate yield.

E. Delegation of Authority: Subject to such conditions as may be imposed by grant agreement or federal and state statutes, the RTC's funds will initially be deposited and managed by the County of Santa Cruz Treasury. The Commission may, to the extent allowed by the law, elect in the future to set up bank accounts at depository institutions; and may contract out investment and cash management services with other qualified and authorized investment management institutions. This section does not supersede requirements contained in bond indentures or agreements and debt policy, which shall govern the custody, investment, and management of bond proceeds.

4.8 Payroll

The RTC shall maintain a payroll system which accumulates costs by employee and accounts for voluntary and mandatory deductions, including deductions for state and federal taxes, benefits, union dues, etc. Employees will be paid bi-weekly, according to the Payroll Procedures outlined in the Administrative Procedures Manual.

4.9 Programming Document Approvals and Grant Administration

The RTC establishes the approval authority for programming-related documents, grant administration materials, and fiscal documents required for the execution of departmental programs. The goal is to ensure efficient processing of routine approvals while maintaining proper oversight and compliance.

A. Approval Authority for Programming and Capital Project Documents

- Programming documents that include pass-through funds already approved within the adopted budget may be signed by the Director of Planning.
- Capital project-related documents that fall within approved budget authority and do not create new fiscal obligations may be signed by the Director of Capital Projects.
- Routine operational, compliance, or administrative documents related to planning or capital projects may be delegated to the appropriate department head, provided that they do not require executive-level fiscal or legal authorization.

B. Grant Administration Documents

- Routine grant administration documents—including progress reports, reimbursement requests, supporting documentation, and non-substantive amendments—may be signed by the department head overseeing the grant’s associated program area (Director of Planning, Director of Capital Projects, or Director of Internal Services).
- Any grant document that:
 - Creates new fiscal obligations
 - Modifies budget authority
 - Alters grant scope or terms
 - Accepts new conditions or requirements

Must be routed to the Executive Director for review and signature, and the Director of Internal Services must be notified for information only.

C. Delegation of Signature Authority

The Executive Director may delegate signature authority to the Director of Planning or the Director of Capital Projects or Director of Internal Services for specific categories of documents.

Delegations must be documented in writing and retained in the Administrative Services policy file.

Delegated authority applies only to the specified document types and may be revised or revoked as needed.

D. Requests for Signatures

- Staff should direct signature requests to the correct department head based on the document’s subject area and any existing delegation.
- Requests submitted to the Executive Director that fall within delegated authority will be redirected to the applicable department head.
- Departments are responsible for confirming whether a document requires elevated authorization before requesting a signature.

E. Compliance

- All approved documents must be stored in accordance with records management requirements.
- Failure to follow this policy may result in processing delays, document rerouting, or corrective administrative action.

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SECTION 5. PROCUREMENT

The purpose of the procurement policies is to assure that the Santa Cruz County Regional Transportation Commission (Commission) engages in full and fair competition, and obtains the best value, price, and quality for taxpayer-funded goods and services. The policies are based on the following regulations/requirements:

- Caltrans Local Assistance Procedures Manual (LAPM);
- Code of Federal Regulations (48 CFR Part 31, 2 CFR Part 200.317)
- California Government Code, Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms (Section 4525 et seq.)
- California Public Contracting Code, Contracting by State Agencies (Section 10100 et seq.)
- California Public Contracting Code, Contracting by Local Agencies (Section 20100 et seq.)
- Caltrans Master Fund Agreement

The requirements provided in this document shall automatically adjust based on updates of any regulations of which they have been based without the necessity of amending this policy to reflect any such adjustment. Purchasing requirements shall not be artificially divided so as to avoid the provisions of these policies.

5.1 Authority and Approvals

The Executive Director or his/her designee is authorized to enter into and sign on behalf of RTC, without the prior approval of the Commission, a contract including amendments for goods, services, or public projects:

- A. Which contains a maximum amount for a single transaction not to exceed \$100,000, this amount is increased to \$250,000 with Commission Chair approval. More than \$250,000 requires approval from the Commission.
- B. In the event of an emergency or urgent need, the Executive Director is authorized to take all necessary actions to prevent significant unnecessary loss to RTC, a shutdown of public services, or to address a situation threatening the health or safety of persons or property, including authorization to contract with a contractor or consultant on a sole source basis, consistent with applicable state or federal law without prior approval from the Commission. In the event such an emergency or urgent need occurs, the Executive

Director will consult with the Chair of the Commission and report to the Commission at its next regular meeting to obtain ratification for those actions.

The Executive Director is authorized to approve disbursements of funds consistent with the annual budget and shall have other duties, powers, and responsibilities as may be assigned by the Santa Cruz County Regional Transportation Commission. The Executive Director or his/her designee can approve monthly progress payments when required or to release contract retention.

The Executive Director is authorized to approve award of a sole source contract as long as it meets state and/or federal requirements.

The Administrative Services Officer acting as the Purchasing Agent may authorize budgeted expenditures up to \$5,000 for a single transaction without prior approval from the Executive Director, contingent upon sufficient funds being available within the approved budget.

The Real Property Specialist acting as the Purchasing Agent for real property may authorize budgeted expenditures up to \$5,000 for a single transaction without prior approval from the Executive Director, contingent upon sufficient funds being available within the approved budget.

Internal Services Director may authorize budgeted expenditures up to \$10,000 for a single transaction without prior approval from the Executive Director, contingent upon sufficient funds being available within the approved budget.

Budgeted RTC administration expenditures for office lease and utilities are considered authorized when the budget is approved by the Commission.

For construction contracts change order authority up to \$200,000 is delegated to the Executive Director, and change order authority up to \$50,000 is delegated to the Capital Project Director, both contingent upon sufficient funds being available within the approved budget.

5.2 Conflict of Interest

RTC staff and Commissioners are required to take all steps to prevent fraud, waste, abuse and conflict of interest when carrying out procurement or contracting procedures. RTC's Conflict of Interest Code (RTC's Rules & Regulations, exhibit 9) conforms to the Political Reform Act of 1974.

The Political Reform Act (Act) prohibits a public official, including employees and elected officials, from using his or her official position to influence a governmental decision in which he or she has a financial interest. The individuals must disclose their financial interests as specified in the agency's conflict of interest code.

Staff are prohibited from accepting gifts from vendors or from representatives of any non-governmental organization that provides or is desirous of contracting with RTC if the aggregate annual value of the gift or gifts will equal or exceed \$50. This prohibition applies to any gift, gratuity, favor, entertainment, or loan, and includes such items as liquor, lodging, travel, food, and tickets to public functions (e.g., sports events, theater, etc.).

5.3 Procurement

The Administrative Service Officer (ASO) or the Executive Director's designee in the absence of the ASO is the purchasing agent of the Regional Transportation Commission (RTC) who is responsible for overseeing purchases and ensuring high-quality goods and services are acquired at a reasonable price.

5.3.1 Procurement of Goods and Professional Services

Professional Services in this section include all Architectural & Engineering (A&E) Services, non-A&E Services, and Construction services that are not defined or required, by statute or regulation, to follow sections 5.3.2 contained herein.

- A. RTC staff while away from the office during a business trip, must follow the procurement policies and procedures.
- B. Claims by any Commissioners against the RTC for purchases or travel expenses must be preapproved through standard RTC approval process.
- C. For all purchases and contracts, regardless of the cost range, a competitive process will be encouraged as provided in the RTC Procurement Procedures Manual (PPM).
- D. Purchases of Goods
 - i Purchases of \$5,000 or less in any one transaction, shall be made using simplified and cost-effective procedures.
 - ii Purchases of goods estimated to cost over \$5,000, and up to \$25,000 shall follow a fair and competitive process. Typically quotes from three vendors shall be evaluated unless a

justification for sole source is approved.

- iii Approval authority for real property–related purchases of goods up to \$10,000 is delegated to the Director of Internal Services and \$5,000 delegated to the Real Property Specialist, provided sufficient funds are available within the approved budget.
- iv Purchases of goods estimated to cost over \$25,000 shall follow a fair, open, and competitive process with a minimum of three quotes selecting lowest responsible bidder meeting specifications or a justification for Sole Source is approved.

E. Contracts for Services

- i Contracts of \$5,000 or less in any one transaction, shall be made using simplified and cost-effective procedures.
- ii Contracts estimated to cost over \$5,000, and up to \$60,000 shall follow a fair and competitive process. Typically, proposals from three firms shall be evaluated unless justification for Sole Source is approved.
- iii Contracts estimated to cost over \$60,000 will follow a fair, open and competitive process, advertised publicly and select the most responsive and responsible bidder. Professional services and consultants shall be selected on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the required services.

5.3.2 Procurement of Architectural & Engineering (A&E) Services, non-A&E Services, and Construction using Federal and State Funds.

The RTC adopts as its procurement policies and procedures the following:

- Caltrans Local Assistance Procedures Manual (LAPM);
- Code of Federal Regulations (48 CFR Part 31, 2 CFR Part 200.317)
- California Government Code, Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms (Section 4525 et seq.)
- California Public Contracting Code, Contracting by State Agencies (Section 10100 et seq.)
- California Public Contracting Code, Contracting by Local Agencies (Section 20100 et seq.)
- California Uniform Public Construction Cost Accounting Act

- (CUPCCA) as adopted by RTC resolution
- Informal Bidding Ordinance 2019-1 as ordained by the Commission

5.3.3 Sole Source Purchases or Contracts: Generally, purchases may not be made without soliciting proposals from more than one company or individual unless there is clear justification for the sole source such as the proposed vendor is:

- (a) The sole qualified supplier of required purchase; or
- (b) Has unique qualifications or experience; or
- (c) Is a Federal, State, or other public agency or not-for-profit corporation which will perform the services at actual cost; or
- (d) Is a vendor selected by another public jurisdiction (such as the State of California) through a competitive bidding process; or
- (e) Is a vendor available through a California Department of General Services (DGS)–negotiated contract, providing RTC access to established legal contract terms, discounted pricing, and statewide purchasing leverage.

5.4 Contract Development

1. All contracts are to be developed and executed consistent with the RTC's Procurement Procedures Manual.
2. Review and approval by RTC Counsel for legal form is required for all contracts over \$5,000.

5.5 Petty Cash

A Petty Cash "Fund" may be authorized by the Executive Director with a total amount to be determined and reevaluated as needed. The Petty Cash "Fund" may be used for small purchases including office supplies, small equipment, materials, publications, subscription, meals and other expenses as may be authorized by the Executive Director or his/her designee in accordance with purchasing policies.

- A. Fund Authorized Amount: The Fund is currently set at \$1500 until modified by the Commission. Claims against the fund are limited to \$500 per claim.
- B. Fund Audit: Strict accounting of the fund shall be maintained. In addition to the annual independent audit and shall be audited internally at least quarterly.

- C. Fund Replenishment: The fund will be replenished when it is 50% depleted (expended) and at the fiscal year end. For each expenditure and any cash received, receipts shall be obtained and itemized.
- D. Reimbursement and Advances: All reimbursement and petty cash advance requests, approvals, and related record-keeping shall be administered by the Administrative Division. Reimbursement or advance requests from employees must be submitted using the Petty Cash Reimbursement/Advance Form and duly signed by both the Admin Division and the Fiscal Division. The Fiscal Division will conduct semi-annual audits of petty cash balances and associated requests, typically in the months of January and July, to ensure compliance with established policies and internal controls.

5.6 Credit Card Use

RTC credit cards used for official RTC business are subject to the existing RTC purchasing and travel policies and procedures and must be supported by receipts and/or documentation for the purpose of the purchase.

Credit Card Company: The Executive Director or his/her designee may use the CalCard system or may contract the services of any other credit card company.

Card Holders and Credit Limits: Credit cards are issued to the Executive Director and the designated RTC Purchasing Agent. The Executive Director may issue additional credit cards to other designated RTC staff members as needed. The Executive Director will set the credit line and single transaction limits of each card in accordance with company card restrictions.

On a quarterly basis, the Executive Director shall provide the Budget, Administration, and Personnel Committee with a listing of all warrants paid and credit card statements for the reporting period.

SECTION 6. - TRAVEL

6.1 Official Travel

RTC employees and Commissioners will be reimbursed for reasonable and necessary transportation-related expenses incurred in the performance of their official duties. This includes traveling to and from authorized meetings, seminars, training sessions, official business-related luncheons, conferences, and other business-related events, as approved by the Executive Director or his/her designee.

- A. Travel and/or training will be authorized where there is a benefit to RTC, including professional growth of employees, and which warrants the cost and time away from regular duties.
- B. Travel and training budget will be approved during the annual budget process. Approved budget for travel and training will not be exceeded without the express approval of the Executive Director.
- C. Out-of-state travel may be authorized only when the associated costs are included in the approved budget and when the Executive Director has reviewed the request and determined that the travel is necessary or beneficial to RTC, or beneficial to the employee in a manner that supports their role and responsibilities.

6.2 Use of RTC Vehicles

It is the policy of the RTC to have vehicles available for employee use on RTC business.

- A. The use and operation of RTC vehicles shall be in accordance with all applicable State and federal laws and California Motor Vehicle rules and regulations, including use of seat belts. In addition, applicable administrative procedures shall at all times be followed.
- B. RTC vehicles shall be used for official RTC business only.
- C. RTC vehicles may only be operated by authorized individuals who possess a valid California Driver's license for the appropriate class(es) of vehicle(s) and who have approval of the Executive Director or his/her designee.

6.3 Use of Rental Vehicles

For some business travel it may be necessary for an employee to rent

a vehicle while on RTC business. Applicable RTC administrative procedures shall be followed when renting a vehicle. The driver and all passengers must wear seat belts at all times as required by California law and obey State and federal laws, rules and regulations.

6.4 Use of Private Vehicles for RTC Business

RTC employees may use privately owned vehicles for authorized RTC business under the following conditions:

- A. The employee must possess a valid California Driver's license.
- B. The driver and all passengers must wear seat belts at all times as required by California law and obey State and federal laws, rules and regulations.
- C. Employees who use privately owned vehicles for RTC business are fully responsible for bodily injury and/or property damage to others resulting from such privately owned vehicle use.
- D. In the event of an incident during transport to/from RTC business, employees must contact the Internal Services Department for guidance and to receive instructions on the applicable process.
- E. Private vehicles used on RTC business must have and maintain insurance coverage. Employees using private vehicles for RTC business must maintain liability insurance and comply with authorization requirements as stated in their respective bargaining unit MOUs. Property damage resulting from authorized business use may be reimbursed in accordance with the reimbursement provisions of the applicable bargaining unit MOU.

6.5 Official Travel Reimbursement

- A. Mileage and Meal Reimbursement Rates: Reimbursements for mileage in private vehicles and out of Santa Cruz County meals are made at the Internal Revenue Service (IRS) reimbursement rate in effect at the time the expense is incurred. Meals within Santa Cruz County will be reimbursed only if it is part of an official event and was pre-approved by the Executive Director or his/her designee.
- B. Airfare: Only coach class or promotional fares will be paid by RTC
- C. Travel Advances: RTC Employees may request travel advance according to established procedures, which the Executive Director or

his/her designee may revise due to changing conditions.

- D. Bicycle Travel Reimbursement: Employees are encouraged to use bicycles for official business. Reimbursements for mileage on private bicycles will be made in accordance with the reimbursement rate identified in their bargaining unit MOUs and Administrative Procedures Manual.
- E. Transit Travel: Employees are encouraged to use transit to official business and will be reimbursed, consistent with effective RTC travel procedures.
- F. Rideshare Services: Employees may use rideshare services for official RTC business when appropriate. Reimbursement for rideshare travel will be made in accordance with RTC travel procedures and must be supported by receipts.
- G. Other Expenses: Other expenses will be reimbursed at costs evidenced by receipts or invoices, consistent with effective RTC procedures.
- H. RTC Commissioner's and Committee Members: Members of the RTC Commission and Committee may receive reimbursement for traveling and other expenses incurred while on official business of the RTC when such travels and expenses provided these costs are already budgeted. If the expenses are not budgeted, the RTC must seek approval from the Commission before reimbursement can be issued.

SECTION 7. – RTC EQUIPMENT

RTC provides laptops as standard equipment for employees to perform their duties. Wi-Fi modems may be provided on a case by case basis with approval from the Director of Internal Services. Additional equipment, such as external monitors and workstation accessories, may also be issued as needed. The Administrative Services Officer is responsible for coordinating, issuing, and recording all equipment provided to employees. All RTC issued equipment must be returned prior to an employee's separation from RTC.

- A. Employees are responsible for taking reasonable care of RTC issued equipment and ensuring it is used appropriately for RTC business.
- B. Any loss, theft, damage, or malfunction of RTC issued equipment must be reported immediately to the Director of Internal Services and the Administrative Services Officer.
- C. All accessories associated with RTC issued equipment—including chargers, cables, cases, docking stations, and monitors—must also be returned at the time of separation.

SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
(SCCRTC)

Bilingual Language Proficiency and
Language Access Policy



Accepted on _____

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SECTION 1. Purpose

The Santa Cruz County Regional Transportation Commission (RTC or Commission) is committed to providing equitable and effective communication with all members of the public, including Limited English Proficiency (LEP) individuals.

This policy integrates bilingual proficiency standards for employees and a language assistance framework consistent with Title VI of the Civil Rights Act of 1964 (Title VI), and California Government Code §11135 ensuring that RTC programs, services, and activities are accessible to LEP individuals.

SECTION 2. Policy Statement

RTC recognizes that bilingual communication enhances access to public services and strengthens community trust. This policy establishes:

1. Employee bilingual proficiency and certification standards based on American Council on the Teaching of Foreign Languages (ACTFL) guidelines; and
2. Public language access measures provided under Title VI and California Government Code §7290 et seq.

These provisions together ensure that both RTC staff and services meet federal and state expectations for language access and equity.

SECTION 3. Definitions

ACTFL: The American Council on the Teaching of Foreign Languages, which sets nationally recognized language proficiency levels (Novice, Intermediate, Advanced, Superior, Distinguished) with sublevels (Low, Mid, and High).

Bilingual Position: A position formally designated by RTC as requiring the regular use of a non-English language in addition to English to perform essential job duties.

Limited English Proficiency (LEP) Individuals: Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English.

Translation Threshold: Threshold to translate vital documents when a language group constitutes 5% or 1,000 people of the population served, whichever is less.

Vital Documents: Documents that contain information critical for accessing RTC services or benefits, such as complaint forms, notices of rights, and program announcements.

SECTION 4. Bilingual Proficiency Levels

RTC recognizes two bilingual proficiency levels for certification: Levels I and II. Employees are responsible for all costs associated with bilingual proficiency testing required for certification. Testing may be completed during paid work hours with Manager/Director approval, but RTC does not reimburse or subsidize testing expenses.

Level I – Conversational Proficiency

Definition: Ability to converse in a second language, engage in routine conversations and provide basic assistance to the public in English and another language.

Minimum Standard: ACTFL Intermediate Low in Speaking.

Testing: Oral proficiency interview by a qualified testing provider. No written test required. Certification is valid for five (5) years.

Level II – Advanced Proficiency

Definition: Ability to read, write, translate, and interpret technical and non-technical materials accurately in both English and another language, with proficiency sufficient for written correspondence.

Minimum Standard: ACTFL Advanced High in Speaking and Writing.

Testing: Oral and written proficiency testing by a qualified testing provider approved by RTC. Certification is valid for five (5) years.

SECTION 5. Bilingual Pay Differential

This bilingual pay differential applies only to positions formally designated as requiring bilingual skills and does not apply to outreach events, special events, or translation of documents.

RTC shall provide bilingual payment, based on the most recently approved applicable Union Memorandums of Understanding (CORE or RAMM Union MOUs), where the position is designated as requiring bilingual skills at Level I and the employee is certified as qualified at Level I by RTC.

RTC shall provide bilingual payment, based on the most recently approved Union MOUs, where the position is designated as requiring bilingual skills at Level II and the employee is certified as qualified at Level II by RTC.

Bilingual pay shall be initiated at the beginning of the pay period after the criteria outlined herein are met.

Bilingual pay shall be removed when the criteria as outlined herein cease to be met.

SECTION 6. Testing and Certification

All bilingual testing shall be coordinated by the RTC Administrative Services Officer using a qualified testing provider approved by RTC such as ACTFL, Applied Language Testing and Assessment (ALTA) Language Services or Language Testing International (LTI).

All RTC approved qualified testing providers assess language ability in accordance with the ACTFL proficiency standards. Testing may occur during paid work hours, and results will be documented in the employee's personnel file. Employees must achieve minimum ACTFL standards corresponding to their assigned bilingual level.

SECTION 7. Designation of Bilingual Positions

A position may be formally designated as requiring bilingual skills when:

- At least twenty-five percent (25%) of duties require communication in another language;
- Supervisors shall verify that the employee continues to perform bilingual duties for at least 25% of their regular work assignments. Bilingual designation and pay may be reevaluated if usage consistently fall below this threshold;
- The language skill is essential to effective job performance; and
- Designation is needed based on community need and service demand.

SECTION 8. Compensation

Employees certified at Level I or Level II shall receive a bilingual pay differential in accordance with the most recently approved Union MOUs. The differential reflects the employee's proficiency level and scope of duties and continues only while the certification is active, and the employee is assigned to a bilingual-designated position.

- Only one language and one certification level is compensated at a time.
- The actual pay differential amount is determined by department needs rather than certification level.
- The bilingual pay differential will not be paid during periods of unpaid leave, extended leave assignments (such as Federal Emergency Management Agency (FEMA) deployments), or any other absence where bilingual duties are not performed.

SECTION 9. Language Assistance for the Public

RTC will:

- Identify languages meeting translation thresholds (e.g., Spanish in Santa Cruz County);
- Translate all vital documents into those languages;
- Provide free interpretation services to LEP individuals upon request;
- Include bilingual public notices on programs and services;
- Maintain a list of bilingual employees available to assist with interpretation and outreach
- If more than one employee volunteers for an outreach event, every effort will be made to distribute future events equally; and
- Conduct periodic LEP individuals' needs assessments to guide service improvements.

RTC is developing a one-year Language Assistance Pilot Plan under which eligible employees may receive a stipend for performing language assistance duties as listed under Section 9. Compensation for these activities (outlined in section 9) shall be paid only as provided in the approved Pilot Plan or applicable Union MOUs. The bilingual pays differentials described in Compensation (Section 8) do not apply to pilot program activities and will not be paid for any pilot-related language assistance services. All stipend amounts, eligibility requirements, and payment procedures will be defined in the Pilot Plan or applicable Union MOUs and administered accordingly.

SECTION 10. Staff Training

RTC will provide periodic training to employees and supervisors on:

- Identifying LEP individuals and accessing language services;
- Using certified interpreters or translation resources appropriately;
- Communicating respectfully across language and cultural differences; and
- Complying with applicable Title VI, Americans with Disabilities Act (ADA), and state requirements.

SECTION 11. Renewal and Revocation

Bilingual certification must be renewed every five (5) years or sooner if the employee's duties or community language needs change. Certification and associated pay may be revoked if:

- The employee no longer performs bilingual duties;
- Proficiency drops below the required level; or
- The employee refuses bilingual assignments or misrepresents ability.

SECTION 12. Appeals

Employees may appeal testing results or revocation decisions by writing to the RTC Administrative Services Officer within ten (10) business days of the

results or decisions. The RTC Director of Internal Services reviews and issue a final written decision.

SECTION 13. Implementation and Review

This policy applies to all RTC employees and programs. Internal Services will review this policy periodically in coordination with RTC's review of Title VI and applicable guidance for LEP individuals to ensure alignment with ACTFL standards, public service requirements, and language access services provided by comparable regional transportation agencies such as the Transportation Agency for Monterey County (TAMC) and the Santa Clara Valley Transportation Authority (VTA).

**SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
(SCCRTC)**

**Leases, Licenses, Encroachments
and Rights of Entry on Rail Line Right of Way**



Policies Approved by the RTC August 6, 2020

Amended _____

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Overview of the Santa Cruz Branch Rail Line Acquisition

Acquisition and Funding

The Santa Cruz County Regional Transportation Commission (RTC) purchased the Santa Cruz Branch Rail Line (Branch Line) right-of-way to advance regional transportation projects within the rail corridor, such as future passenger rail, through the Zero-Emission Passenger Rail and Trail Project, and a multi-use pedestrian and bicycle path through the Coastal Rail Trail portion of the Monterey Bay Sanctuary Scenic Trail Network (MBSST). Priority projects to expand transportation uses within the corridor are informed by ongoing planning studies led by the RTC. The RTC may undertake future studies to help inform the use, management, and operations within the Branch Line Right of Way (ROW).

In 2012 the RTC finalized the purchase of the Branch Line and the rail corridor became publicly owned. The \$14.2M purchase of the Branch Line right-of-way was funded, in-part, from \$11M in Proposition 116 funds for “rail projects within Santa Cruz County which facilitate recreational, commuter, intercity and intercounty travel.” The California Transportation Commission (CTC) developed policies and requirements for projects funded with Proposition 116 funds. The Proposition 116 funds were provided through a master funding agreement and a program supplement agreement with the State of California and administered by Caltrans.

As part of the purchase, Union Pacific retained a freight easement and the common carrier responsibility for freight shipping. The easement has been transferred to subsequent short line operators who are selected by the RTC and regulated by the Surface Transportation Board (STB). The RTC enters into an administration, coordination and license (ACL) agreements with the

selected rail operators which outline the responsibilities between both parties while providing the operator with a license to operate rail service on the Branch Line. Rail operations on the Branch Line are governed and inspected by the Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC) to help ensure safety.

Section 1 – Purpose

The purpose of this Policy is to establish consistent requirements and procedures for the use, leasing, licensing, permitting, and granting of rights of entry onto the Branch Line corridor or right-of-way (ROW). This Policy is intended to ensure that such uses are consistent with the RTC's ownership and transportation purposes, applicable funding requirements, railroad operations and safety, applicable law, and the short- and long-term plans for the Branch Line.

This Policy also establishes requirements for determining fair market value, approving leases, licenses, and rights of entry, managing existing agreements, addressing encroachments, and protecting the infrastructure and assets that are part of the Branch Line ROW.

Section 2 – Fair Market Valuation and Value Determination

2.1 Market Rate Requirement

To ensure that there is no gift of public funds, as prohibited under California Constitution Article XVI, Section 3 and 6, new and updated leases shall be established at fair market rate. For purposes of this Policy, fair market rate means the most probable rent that a railroad corridor property should bring in a competitive and open market, reflecting all conditions and restrictions

of the specified lease agreement, including, but not limited to:

- Term;
- Rental rate increases;
- Permitted uses;
- Linear configuration;
- Shared or non-exclusive use;
- Applicable restrictions;
- Access limitations;
- Maintenance and expense obligations; and
- Other conditions affecting the value of the leasehold interest.

The lessee and lessor shall each be presumed to be acting prudently and knowledgeably, with the lease consummated as of a specified date and the leasehold passing from lessor to lessee under conditions whereby:

- The lessee and lessor are typically motivated;
- Both parties are well informed or well advised and acting in what they consider their best interests, which may be aided by a market rental rate survey, broker opinion, or formal appraisal utilized during negotiations;
- Rent is paid in cash in U.S. dollars and expressed as an amount per time period consistent with the payment schedule of the lease contract, with the lessee agreeing to make timely payments and abide by all applicable late-payment provisions; and
- The rental amount represents the normal consideration for the property leased and is unaffected by special fees or concessions granted by anyone associated with the transaction
- The RTC may charge a deposit for lease, licenses, and other agreements as necessary.

2.2 Fair Market Valuation Methods

The RTC may use one or more fair market valuation tools or methods to establish a baseline range or rate for leases, licenses, permits, and rights of entry.

Fair market value may be determined using market evidence, comparable rental agreements, rent surveys, appraisals performed by a licensed appraiser, market studies, valuation models, or other recognized valuation methods appropriate to the property interest and proposed use. The valuation methodology shall be supported by available market data and updated at reasonable intervals to reflect current market conditions.

Actual rates shall be adjusted, as appropriate, to account for site-specific factors, including:

- Size;
- Access limitations;
- Interference with railroad operations;
- Degree of exclusivity; and
- Other site-specific conditions affecting value.

A site-specific appraisal, performed by a licensed appraiser, or other specialized valuation analysis may still be required for unique property conditions, as determined by the RTC on a case-by-case basis.

2.3 Review of Existing Leases

The RTC shall routinely review existing leases to determine whether rental

rates remain consistent with market rates.

For leases determined to be below market rate, the RTC shall work to update the lease to market rates based on a market rental rate survey, formal appraisal, or other appropriate information.

Section 3 – Approval Authority

3.1 RTC Approval

New and updated leases, licenses, and rights of entry having a one-time or annual amount exceeding the procurement authority for a single transaction established in the RTC's Administrative and Fiscal Policies shall be approved by the Commission.

Staff are authorized to approve leases, licenses, permits, and right of entry agreements within their delegated authority.

3.2 Closed Sessions and Lease Negotiations

The Commission may hold closed sessions as permitted by the Ralph M. Brown Act. All closed-session discussions shall comply with the notice, description, and reporting requirements of Government Code sections 54950–54963.

Section 4 – Standard Terms and Conditions

4.1 Consistency with RTC Purposes, Plans, Agreements, and Law

Leases, licenses, rights of entry, and other agreements for use of the

Branch Line ROW shall be consistent with applicable legal and funding requirements, the RTC's purposes and adopted plans and policies for the right-of-way, existing and planned transportation, trail, and railroad uses, and applicable safety and operational requirements.

4.2 Rental Rate Escalation

Leases shall include provisions for escalation of rental rates consistent with market conditions.

4.3 Termination

Leases, licenses, and rights of entry shall include appropriate termination provisions to ensure that such agreements do not unduly impact the development of transportation projects on the Branch Line ROW.

4.4 Fees for Licenses and Rights of Entry

Licenses and rights of entry shall include fees payable to the RTC and, as applicable, the rail service operator to reimburse the RTC and rail service operator for the costs of providing administration and related services, in addition to a determined or negotiated market rate for the right of use provided by the license or right of entry.

4.5 Fee Reductions or Waivers

If a license or right of entry will provide a service to the RTC that benefits its ownership, management, maintenance, improvement, or operation of the Branch Line ROW, or provides a demonstrated and measurable public benefit, fees may be reduced or waived by the Executive Director as

applicable, provided that the reduction or waiver does not result in a gift of public funds or an improper private benefit.

4.6 Rail Service Operator Coordination

Any lease, license, or right of entry that crosses or otherwise temporarily affects the rail service operator's easement or railroad operations shall be coordinated with the rail service operator.

Rights of entry and licenses shall include a requirement for notification to the rail service operator prior to entering the property as authorized by the agreement.

4.7 Indemnification

Leases, licenses, and rights of entry shall include appropriate indemnification provisions protecting the RTC and, as applicable, the rail service operator.

4.8 Insurance

Rights of entry shall include appropriate insurance requirements to protect the interests of the RTC and, as applicable, the rail service operator.

4.9 Alterations to RTC Property

Leases, licenses, and rights of entry shall prohibit alteration of RTC property except as specifically authorized by the applicable lease, license, or right-of-entry agreement.

Section 5 – Revenue and Use of Proceeds

Revenues received from leases, licenses, and rights of entry shall be used to cover the RTC's costs to negotiate, produce, and implement such leases, licenses, and rights of entry, as well as costs associated with the RTC's responsibility to manage, maintain, operate, and improve the Branch Line.

Section 6 – Encroachment Management

6.1 Identification and Resolution of Encroachments

Any encroachment onto the Branch Line ROW shall be resolved through removal of the encroachment or conversion of the encroachment to an appropriate long-term lease, license, or right of entry.

As resources allow and needs arise, the RTC will work to identify and address encroachments on the Branch Line ROW. Encroachments may also be brought to the attention of the RTC by members of the public, adjacent property owners, or other parties, or may be discovered inadvertently.

6.2 Prioritization

Identification and resolution of encroachments shall prioritize encroachments that:

- Impact the uses, operations, inspections, or maintenance of the Branch Line ROW;
- Impact implementation of projects by the RTC or RTC partner agencies on or in the vicinity of the Branch Line ROW; and/or
- Create or increase liabilities to the RTC.

6.3 Unauthorized Encroachments

Encroachments that are not the subject of an approved lease, license, or right of entry or other use permit in accordance with this Policy are not permitted and are subject to removal in accordance with applicable law.

Depending on the nature of the encroachment, and at the sole discretion of the RTC, available options may include:

- Immediate removal by the owner within 30 days of notice from the RTC;
- Removal within another period specified by the RTC;
- Modification of the encroachment;
- Development of a lease, license, or right of entry consistent with this Policy and based on the nature, duration, exclusivity, permanence, and risk associated with the proposed use; and/or
- Filing or pursuing trespass, ejection, or other legal actions as necessary to abate the encroachment.

6.4 Removal or Relocation of Encroachments

Where an encroachment has been identified and the encroaching party elects to remove or relocate the encroachment to its property boundary, a qualified surveyor may be required to establish and mark the applicable property boundary and ensure that the encroachment has been properly abated.

The encroaching party shall coordinate with RTC to determine whether a formal survey is necessary, and they shall bear the expense of any required

survey.

A party that reestablishes an improvement without obtaining a formal survey assumes the risk that the improvement may need to be relocated in the future if it encroaches on RTC property.

6.5 Alternative Payment Structures

Parties with encroaching property on the RTC Branch Line ROW who elect to enter into an agreement permitting such use may apply for alternative payment structures including, but not limited to:

- Monthly billing;
- Fee deferral;
- Hardship waiver

Any alternative payment structure request shall be supported by supplemental information that is required, verified, and accepted by the RTC under Real Property program guidelines, which shall be consistent with generally accepted public-agency practices for evaluating financial hardship and public benefit. Alternative payment structures may be approved by the Executive Director consistent with delegated authority thresholds.

Section 7 – Agreements with Public Entities

Where an adjacent or nearby landowner is a public entity and there is a demonstrated public benefit and benefit to the RTC, the RTC may enter into a no-cost agreement for the use and management of rail property, provided the agreement complies with applicable agency policies and requirements.

Where revenue is generated from such an agreement, the revenue shall be reinvested in the management and maintenance of the property, consistent with applicable RTC policies and agreements.

Section 8 – General Administration

All leases, licenses, rights of entry, and other agreements authorized under this Policy shall be administered in a manner consistent with the RTC's responsibilities as owner and manager of the Branch Line ROW and with the applicable funding agreements, transportation plans, railroad requirements, and laws and regulations identified in this Policy.

Section 9 – Trail Use and Public Access

Portions of the Branch Line ROW designated for public trail use may be opened to the public subject to applicable RTC policies, operating agreements, safety requirements, and temporary closures. Public access to a designated trail does not authorize entry into portions of the ROW outside the designated public-use area or authorize activities that would otherwise require a lease, license, permit, or right of entry.

Section 10 – Emergency Access

The Executive Director or designee may authorize temporary entry onto the Branch Line ROW without prior execution of a standard agreement when reasonably necessary to address an immediate threat to life, public safety, property, railroad operations, transportation infrastructure, or environmental resources. Such authorization shall be documented as soon as practicable.

Section 11 – Possessory Interest Tax

To the extent permitted by applicable law, any lessee, licensee, permittee, or other authorized user of the Branch Line ROW shall be responsible for any possessory interest tax or other property tax imposed as a result of its use or occupancy of RTC property.

DRAFT

**SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
(SCCRTC)**

Railroad Crossing Responsibility Policy



Policies Approved by the RTC _____

1. Purpose and Background

RTC owns the Santa Cruz Branch Rail Line (SCBRL), a corridor that predates most of the roads, streets, and highways that now cross it. Those crossings exist because public and private entities have extended their road and highway networks across an already-established rail corridor for their own convenience and access. This policy sets RTC's general position on how responsibility, including cost, design review, permitting, safety oversight, and coordination, is allocated for the construction, maintenance, and repair of SCBRL crossings, consistent with common Class I railroad practice and regulatory guidance.

2. Definitions

- **RTC:** The Santa Cruz County Regional Transportation Commission, owner of the SCBRL right-of-way.
- **Rail Carrier:** Any operator providing freight or passenger rail service on the SCBRL under agreement with RTC.
- **Railroad:** Collectively, RTC and/or the Rail Carrier, as context requires.
- **Road or Highway Owner:** The public or private entity with ownership or maintenance jurisdiction over a road, street, or highway crossing the SCBRL (e.g. a city, the County of Santa Cruz, an HOA, or Caltrans).
- **At-Grade Crossing:** A crossing where the roadway and tracks share the same grade.
- **Grade-Separated Crossing:** An overcrossing or undercrossing structurally separating the roadway from the tracks.

3. General Policy Statement

Because a crossing exists for the road or highway owner's convenience and access, the road or highway owner is responsible for the design, permitting, and construction of the crossing, and for its ongoing maintenance and repair and bears the full cost, unless RTC determines that Railroad participation in performing a portion of that work is in the Railroad's interest.

This reflects the general practice of Class I Railroads, which likewise hold that the requesting agency bears project and ongoing responsibility and cost for crossings serving its roadway network, while the railroad retains approval authority and safety standard-setting responsibility over its right-of-way.

4. Responsibilities of the Railroad

Regardless of which party bears the cost, the Railroad is responsible for:

1. **Standards:** Setting the design, construction, and safety standards applicable to SCBRL crossings, consistent with regulatory requirements

which may include AREMA, CPUC, FRA, or other rail industry or RTC standards.

2. **Review and Approval:** Timely review and written approval of crossing plans submitted by a road or highway owner, plans shall be submitted by the road or highway owner with at least 6 weeks provided for review and comment by Railroad.
3. **Flagging and Oversight:** Providing qualified personnel to flag and oversee work on or near active portions of the right-of-way.
4. **Track and Signal Maintenance:** Maintaining the track structure, specifically rail track, ties, and ballast, and rail signal systems.
5. **Safety Monitoring:** Monitoring crossing conditions and promptly notifying the road or highway owner of hazards requiring its attention.
6. **Incident Reporting:** Participating in incident investigations and any required regulatory reporting.

5. Responsibilities of the Road or Highway Owner

Unless RTC determines otherwise under Section 6, or per an existing crossing agreement, the road or highway owner is responsible for:

1. **Design, Permitting, and Construction:** All engineering, environmental review, permitting, and construction costs, including any Railroad flagging or oversight, billed at actual incurred cost, in accordance with the RTC's Policy for Capital Projects by Others along the SCBRL. All improvements must be in compliance with American Disabilities Act standards.
2. **Crossing Surface and Approaches:** The roadway surface within the SCBRL right-of-way, including surfaces between and around the track structure, drainage, striping, and approach grades.
3. **Traffic Control Devices:** Signage and warning devices serving the roadway, and their maintenance, except where integrated with Railroad signal systems under a separate arrangement.
4. **Ongoing Maintenance and Repair:** All maintenance and repair of the crossing improvements above, for the life of the crossing.
5. **License Fees:** Any fees for the owner's use of RTC right-of-way.
6. **Insurance and Indemnification:** Coverage and indemnification of the Railroad for crossing-related claims at the minimum levels determined by Railroad.
7. **Permits and Notification:** Obtaining all required permits, and giving the Railroad advance notice of work and prompt notice of any observed hazard.
8. **Signal Coordination:** Coordinating any traffic-signal preemption or interconnection with Railroad warning devices to Railroad standards.

6. RTC Discretion to Participate

RTC may fund, perform work, or maintain part of a crossing where doing so is in the Railroad's best interest, including where:

- The work supports the RTC's Zero Emission Passenger Rail & Trail development rather than existing solely for roadway access;
- The Railroad needs the improvement for train speed, capacity, or operating efficiency;
- Bundling with other work achieves material cost savings for RTC;
- Grant funding requires RTC's participation; or
- Consolidation or closure of a crossing, reducing long-term Railroad liability, is achieved;

Any such participation requires written authorization by the RTC Executive Director or Commission as applicable or as documented in the governing crossing agreement.

The RTC may perform repairs if the road or highway owner does not perform necessary maintenance, especially in cases of public safety, in an emergency response, or as required by State or Federal regulatory entities. RTC reserves the right to bill Road or Highway Owner for actual incurred costs. Emergency repair and response procedures shall be created by RTC staff and shared with the road or highway owner to address expected response, noticing, and cost recovery, as it aligns with this policy.

7. New and Grade-Separated Crossings

Consistent with Class I Railroad practice, RTC discourages new at-grade crossings in favor of consolidation, closure, or grade separation. No new at-grade crossings may be built without RTC's prior written authorization, and RTC may condition approval on consolidating nearby crossings. The road or highway owner bears all actual Railroad costs of reviewing and overseeing a new crossing including approvals by regulatory agencies.

The same cost and responsibility principles in Section 3 apply to grade-separated crossings (overcrossings and undercrossings): the road or highway owner is responsible for the structure's design, construction, and long-term maintenance, including required bridge inspection, and for any shoring or flagging needed to protect rail operations, unless RTC determines participation is warranted under Section 6. Any structure occupying airspace above or subsurface area below RTC right-of-way requires a license agreement, at the owner's cost.

8. Agreements and Administration

No at-grade or grade-crossing construction, reconstruction, or material modification may proceed without a written agreement between the Railroad and the road or highway owner addressing scope, cost allocation, maintenance responsibility, and, as applicable, flagging, insurance, real estate terms, and

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

CODE OF CONDUCT

1. PURPOSE

The Santa Cruz County Regional Transportation Commission (“RTC”) is committed to conducting the public’s business in a manner that promotes integrity, transparency, accountability, professionalism, and public trust.

The purpose of this Code of Conduct is to establish standards of behavior and expectations for Commissioners, Alternate Commissioners, Advisory Committee Members, and appointed representatives serving the RTC. These standards are intended to support effective governance, respectful deliberation, sound decision-making, and productive working relationships among elected officials, committee members, staff, stakeholders, and members of the public.

This Code supplements and does not replace applicable federal, state, and local laws, including but not limited to the Political Reform Act, the Ralph M. Brown Act, conflict-of-interest laws, the Rules and Regulations, and policies.

2. APPLICABILITY

This Code applies to:

- Commissioners
- Alternate Commissioners
- Members of advisory committees
- Members of ad hoc committees, working groups, or task forces established by the RTC

3. GUIDING PRINCIPLES

Members shall strive to:

A. Serve the Public Interest

Act in the best interests of the residents of Santa Cruz County and the RTC’s statutory mission.

B. Conduct Themselves with Integrity

Demonstrate honesty, fairness, accountability, and ethical conduct in all RTC-related activities.

C. Foster Respectful Deliberation

Encourage thoughtful discussion and the exchange of differing viewpoints while maintaining respect for all participants.

D. Promote Public Trust

Recognize that their actions reflect upon the RTC and the transportation programs and projects entrusted to the agency.

4. PROFESSIONAL CONDUCT

Members shall:

A. Treat Others with Respect

Treat fellow Commissioners, committee members, staff, consultants, stakeholders, and members of the public with dignity, courtesy, and professionalism.

B. Support Civil Discourse

Engage in debate while avoiding:

- Personal attacks
- Harassment
- Bullying
- Intimidation
- Discriminatory conduct
- Derogatory remarks
- Misleading statements

C. Listen Actively

Allow others to speak without interruption and consider differing viewpoints before reaching conclusions.

D. Maintain Professional Decorum

Conduct themselves in a manner that promotes productive meetings and effective governance.

5. BOARD-STAFF RELATIONSHIPS

A. Respect Organizational Roles

The RTC Board establishes policy and provides strategic direction. The Executive Director manages agency operations and directs staff.

B. Direction to Staff

Individual Commissioners and advisory committee members shall not direct, supervise, evaluate, or discipline staff. Requests for information or assistance should be made through the Executive Director or designee.

C. Professional Treatment of Staff

Members shall:

- Treat staff respectfully.
- Refrain from public criticism of individual employees.
- Raise concerns regarding employee performance through the Executive Director.

D. Support a Healthy Workplace

Members shall contribute to a workplace culture that values professionalism, psychological safety, inclusion, accountability, and mutual respect.

6. MEETING CONDUCT

Members shall:

A. Prepare for Meetings

Review meeting materials in advance and participate meaningfully in discussions.

B. Promote Efficient Meetings

Remain focused on agenda items and assist in maintaining orderly proceedings.

C. Respect the Chair

Follow meeting procedures established by the Chair and the Rules and Regulations.

D. Respect Public Participation

Treat all speakers courteously and recognize the public's right to express differing opinions.

7. COMMUNICATIONS AND PUBLIC REPRESENTATION

A. Distinguish Personal Views from Official Positions

Members may express personal opinions but shall clearly distinguish those opinions from official RTC positions unless authorized to speak on behalf of the RTC. Personal attacks, deliberate actions, comments, or harassment that provokes anger or derails constructive debate, or spreading of unverified claims to manipulate community discussions is prohibited.

B. Respect Board Decisions

Once the RTC has taken official action, members shall accurately represent the action taken regardless of their personal vote.

C. Media Communications

Only designated spokespersons may speak on behalf of the RTC unless otherwise authorized by the Executive Director or Commission.

D. Social Media Conduct

Members shall exercise professionalism and civility in social media communications related to RTC matters. Members should avoid statements that undermine public trust, misrepresent agency actions, or create confusion.

8. ETHICS AND CONFLICTS OF INTEREST

Members shall:

A. Comply with Applicable Laws

Comply with all conflict-of-interest, disclosure, ethics, and campaign-related laws.

B. Avoid Improper Influence

Not use their position for personal gain or to secure special advantages for themselves or others.

C. Disclose Conflicts

Promptly disclose actual or potential conflicts of interest and recuse themselves when required by law.

D. Complete Required Training

Maintain all legally required ethics, harassment prevention, and Brown Act training.

9. BROWN ACT COMPLIANCE

Members shall:

- Comply with all provisions of the Ralph M. Brown Act.
- Avoid serial meetings and prohibited communications.
- Refrain from using electronic communications in a manner that violates open meeting requirements.
- Consult legal counsel when questions arise regarding compliance.

10. CONFIDENTIAL INFORMATION

Members shall not disclose confidential information obtained through their service with the RTC unless authorized by law, the Commission, or RTC policy.

Confidential information may include:

- Closed session discussions
- Personnel matters
- Pending litigation
- Real estate negotiations
- Other legally protected information

11. USE OF RTC RESOURCES

Members shall ensure RTC resources are used solely for authorized public purposes.

Members shall not use RTC resources for:

- Personal business
- Political campaigning
- Private financial gain
- Unauthorized purposes

12. ADVISORY COMMITTEE MEMBER RESPONSIBILITIES

In addition to the requirements above, advisory committee members shall:

A. Understand Their Advisory Role

Recognize that advisory committees provide recommendations and technical advice to the RTC but do not establish RTC policy.

B. Participate Constructively

Focus on issues before the committee and contribute to collaborative problem-solving.

C. Represent Recommendations Accurately

Accurately communicate committee recommendations without misrepresenting committee actions or positions.

D. Maintain Attendance

Attend meetings regularly and notify staff when unable to participate.

13. COMMITMENT TO DIVERSITY OF VIEWPOINTS

The RTC values diverse perspectives and recognizes that effective transportation planning benefits from the thoughtful consideration of differing opinions. Members shall foster an environment in which all participants feel welcome to contribute to discussions and decision-making processes.

14. RESOLUTION OF CONCERNS

Informal Resolution

Whenever practical, concerns regarding conduct should first be addressed through respectful discussion and informal resolution.

Formal Concerns

Alleged violations may be brought to the attention of:

- Executive Director
- Committee Chair, as applicable
- Commission Chair, as applicable

The Executive Director or Chair may consult with legal counsel regarding appropriate actions. Possible responses may include:

- Counseling
- Training
- Verbal reminder
- Written reminder
- Censure by Commission action
- Recommendation to the appointing authority regarding committee membership, where applicable

Nothing in this Code alters statutory authority held by appointing agencies or elected officials.

15. ANNUAL ACKNOWLEDGMENT

Commissioners and advisory committee members shall acknowledge receipt of this Code upon appointment and thereafter as part of periodic ethics and governance training.

16. EFFECTIVE DATE

This Code shall become effective upon adoption by resolution of the Santa Cruz County Regional Transportation Commission and shall be incorporated into the Rules and Regulations.

AGENDA: October 8, 2026

TO: Budget and Administration/Personnel Committee

FROM: Marim Pearson, Finance and Budget Officer

RE: Amendments to the Fiscal Year 2026-27 Regional Transportation Commission Budget & Work Program and Measure D Budget

RECOMMENDATIONS

Staff recommends that the Budget and Administration/Personnel (B&A/P) Committee recommend that the Regional Transportation Commission (RTC) approve the proposed amendments to the RTC Fiscal Year (FY) 2026-27 budget and work program and Measure D FY 2026-27 budgets as shown on Attachment 1.

BACKGROUND

On April 2, 2026, the RTC adopted a FY 2026-27 Budget and Work Program based on revenue projections from:

- Santa Cruz County Auditor-Controller for Transportation Development Act (TDA) revenue, a ¼ cent general sales tax collected statewide;
- Hinderliter de Llamas (HdL) for Measure D revenue, a county wide ½ cent transaction and use tax; and
- State Controller's Office for State Transit Assistance and State of Good Repair revenue allocation estimates for the FY 2026-27.

In the fall, the RTC amends the budget and work program to incorporate information from prior year-end balances, new projects or funds, updated estimates, and other necessary changes. The budget is also amended as necessary during other times of the budget year.

DISCUSSION

The proposed amended FY 2026-27 budget (Attachment 1) is balanced and implements the RTC's priority projects, ongoing programs and Measure D funding, projects and activities. Proposed budget changes are discussed below. Explanations for specific line items in the budget are included as notes.

The RTC utilizes the services of HdL to forecast and audit Measure D sales tax revenues used for budgeting and planning purposes.

Proposed RTC Budget Amendments

Several expenditure and funding lines have been updated to reflect current estimates for revenues and expenditures. A summary of changes to the RTC's FY 2026-27 budget is shown on page 1 of Attachment 1.

Freeway Service Patrol p. 2– The state allocation is \$9,975 lower than estimated. Towing expenditures have increased by \$4,661 consistent with the amendment to Agreement No. TP2138 approved in June 2026.

Rail p. 3 – The budget for the rail corridor projects reflects updated project costs based on current project needs and schedules. Measure D revenue in the Rail Capital Projects budget is reduced by approximately \$2,348,727 to align with the FY 2026-27 Measure D Rail category programming.

Highway pp. 4 through 6 – The budget for the highway corridor projects includes proposed changes to the Measure D 5-year plans amending labor and project costs based on project status and phase. The larger State Park Drive to Freedom Boulevard Auxiliary Lanes, Bus on Shoulders, and Coastal Rail Trail Segment 12 project has been split into two projects: State Park Drive to Freedom Boulevard Auxiliary Lanes/Bus on Shoulders and Coastal Rail Trail Segment 12. Construction and construction support costs have also been split between the two projects. Both projects are funded by Measure D Highway and Active Transportation funds.

Active Transportation/Coastal Rail Trail pp. 7 through 9–

The budget for the trail includes proposed changes to the Measure D 5-year plans amending labor and project costs based on project status and phase. Costs associated with Segment 12 are added based on current project cost estimates. General Network and Maintenance costs are updated based on updated project costs, and Coastal Rail Trail Southern Segments project costs are reduced to reflect the later-than-anticipated contract award and revised contract schedule, which extend project activities over a longer period.

Planning Program Budget pp. 10 and 11 - The Planning budget increases to reflect a new \$651,954 Sustainable Transportation Planning grant for the Climate Resilience Plan for South County Rail, along with related Measure D funding and associated staffing, consultant, and future-year project costs. The amendment also reallocates existing planning resources among work elements based on current program needs, including increased funding for

the Overall Work Program development and bicycle/pedestrian planning, reduced Regional Transportation Plan activities, and removal of funding for the completed North Coast TDM Plan to reflect its completion.

Regional Surface Transportation Program Exchange pp. 12 and 13 - The budget reflects updated project programming and funding allocations for several projects, including \$138,000 for Santa Cruz Metro's ParaCruz van program, consistent with funding approved as part of the November 6, 2025 Consolidated Grants Program. The budget includes programming amendments that the Commission has approved since the April budget adoption including projects for Cities of Santa Cruz and Capitola.

State Transit Assistance (STA) and State of Good Repair (SGR) p. 14 - The budget reflects updated August 2026 State Controller's Office revenue estimates. STA revenues increased by approximately \$1,981,205 and SGR revenues increased by approximately \$47,909. Corresponding allocations to Santa Cruz Metro and Community Bridges are also updated to reflect current available funding and approved programming.

Low Carbon Transit Operations Program (LCTOP) p. 14 - The budget includes \$284,110 in FY 2025-2026 Cycle B LCTOP regional funds released by the State Controller's Office in August 2026. These funds are currently unallocated and will be programmed through a future allocation process.

Administration p. 16 - The budget increases by \$73,149, including \$43,149 in prior-year accounting and audit costs carried forward and \$30,000 in additional professional services.

Measure D (pp. 19 through 24)

A summary of changes to the Measure D FY 2026-27 budget is shown on page 19 of Attachment 1.

Staff recommends that the Budget and Administration/Personnel Committee recommend that the Santa Cruz County Regional Transportation Commission (RTC) approve the proposed FY 2026-27 RTC amended budget and work program and Measure D budget as shown on Attachment 1.

FISCAL IMPACT

The budget has been updated based on the prior fiscal year carryover, project schedules and cost estimates, and current proposed Measure D

programming, as described above.

Staff will continue to monitor all revenues, including TDA, seek additional revenues, and manage costs to maintain a sound budget.

SUMMARY

The proposed FY 2026-27 budget for the RTC includes continuation of ongoing RTC projects and programs, continued oversight of the Highway 1 projects, and the administration and implementation of Measure D. Staff recommends that the Budget and Administration/Personnel (B&A/P) Committee recommend that the RTC approve the proposed FY 2026-27 RTC budget and work program and proposed Measure D budget (Attachment 1).

RTC staff will present the proposed Measure D 5-year plan to the Elderly & Disabled Transportation Advisory Committee (E&D TAC) and the Interagency Technical Advisory Committee (ITAC) in October, followed by a presentation to the Commission in November. Staff will also recommend a budget adjustment based on the proposed 5-year plan.

ATTACHMENTS

1. FY 2026-27 Amended Budget and Work Programs



ATTACHMENT 1

SCCRTC BUDGET – PROPOSED AMENDMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2027

Proposed October 8, 2026

Marim Pearson

mpearson@scrtc.org



Budget Summary by Purpose, Program or Project (with allocated labor and overhead)

Fiscal Year FY 2026/27
October 8, 2026
Proposed

Proposed Revenue and Expenditure																																		
Object	Cruz S11		DIFF	SAFE		DIFF	FSP		DIFF	Rail		DIFF	Hwy		DIFF	MBSST		DIFF	Planning		DIFF	Hwy 9-SLV		DIFF	Admin		DIFF	Total		DIFF				
	FY			FY			FY			FY			FY			FY			FY			FY			FY									
	FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27								
Revenues	4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		
1 TDA Revenue	40172	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	917,378	917,378	-	-	-	-	1,000,000	1,000,000	-	1,917,378	1,917,378	-	-	-	-	
2 Measure D	40186	243,000	243,000	-	50,000	50,000	-	231,000	231,000	-	4,503,622	2,504,895	(1,998,727)	28,804,912	28,353,750	(451,162)	16,505,449	12,919,394	(3,586,055)	1,690,814	1,781,161	90,347	1,642,521	1,642,521	-	795,807	795,807	-	54,487,125	48,541,528	(5,945,597)	-	-	
3 Local Assistance (MTC)	40384	-	-	-	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000	-	-	-	-	
4 Interest	40430	4,000	4,000	-	1,000	1,000	-	-	-	-	13,428	13,428	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,428	18,428	-	-	-	-	
5 Leases, Licenses & Other Rev	40440	-	-	-	-	-	-	-	-	-	100,072	100,072	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,072	100,072	-	-	-	-	
6 SB 1	40465	-	-	-	-	-	-	140,985	140,985	-	-	-	-	889,858	-	(889,858)	-	-	-	-	-	-	-	-	-	-	-	1,030,843	140,985	(889,858)	-	-	-	
7 DMV Fees	40754	-	-	-	257,750	257,750	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	257,750	257,750	-	-	-	-	
8 RSTP Exchange/STBG	40761	26,414	26,414	-	-	-	-	-	-	-	-	-	-	-	-	-	125,000	125,000	-	312,573	312,573	-	-	-	-	-	-	463,987	463,987	-	-	-	-	
9 STIP	40770	-	-	-	-	-	-	-	-	-	-	-	300,000	300,000	-	-	-	-	-	225,839	225,839	-	-	-	-	-	-	525,839	525,839	-	-	-	-	
10 Rural Planning Assistance (RPA)	40786	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	466,500	466,500	-	-	-	-	-	-	466,500	466,500	-	-	-	-	
11 2023 Federal Earmark	40786	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,188,000	1,188,000	-	-	-	-	1,188,000	1,188,000	-	-	-	-	
12 Caltrans FSP	40884	-	-	-	-	-	-	163,110	153,135	(9,975)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163,110	153,135	(9,975)	-	-	-	
13 State-Other	40894	-	-	-	-	-	-	-	-	-	666,667	666,667	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14 Climate Resilience Plan for South County Rail	40786	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,821,784	1,821,784	-	-	-	-	2,488,451	2,488,451	-	-	-	-	
15 CofR from Other Funds	42367	80,000	80,000	-	-	-	-	-	-	-	100,000	-	(100,000)	-	-	-	-	-	-	-	-	-	651,954	-	651,954	-	-	-	-	651,954	651,954	-	-	-
16 Other revenue	42384	-	-	-	-	-	-	-	-	-	-	300,000	300,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	180,000	80,000	(100,000)	-	-	-	
Total Revenues	353,414	353,414	-	358,750	358,750	-	535,095	525,120	(9,975)	5,383,789	3,585,062	(1,798,727)	28,994,770	28,653,750	(3,341,020)	16,735,449	13,149,394	(3,586,055)	5,434,888	6,177,189	742,301	2,850,521	2,850,521	-	1,795,807	1,795,807	-	63,442,483	57,449,007	(5,993,476)	-	-		
19 Salaries, Benefits & Overhead																																		
20 Allocated Labor Costs	51070	109,042	109,042	-	91,707	91,707	-	44,943	44,943	-	519,588	545,568	25,979	434,199	324,743	(109,457)	389,266	686,467	297,201	953,360	980,118	26,759	36,247	36,247	-	557,432	557,432	-	3,135,785	3,376,268	240,483	-	-	
21 Allocated Overhead	62354	100,820	100,820	-	84,793	84,793	-	41,557	41,557	-	480,412	504,432	24,021	401,461	300,257	(101,203)	359,916	634,708	274,792	881,476	906,218	24,742	33,514	33,514	-	515,401	515,401	-	2,899,349	3,121,700	222,351	-	-	
Total Salaries, Benefits & Overhead	209,862	209,862	-	176,500	176,500	-	86,500	86,500	-	1,000,000	1,050,000	50,000	835,660	625,000	(210,660)	749,182	1,321,175	571,993	1,834,836	1,886,336	51,500	69,761	69,761	-	1,072,833	1,072,833	-	6,035,134	6,497,967	462,833	-	-		
24 Services & Supplies																																		
25 Telephone & Mobile Device	61221	500	500	-	5,000	5,000	-	2,000	2,000	-	500	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,000	11,000	-	19,000	19,000	-	
26 Office Equipment	61312	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	-	5,000	5,000	-	
27 Liability Insurance	61535	-	-	-	5,250	5,250	-	4,200	4,200	-	33,000	33,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	254,100	254,100	-	296,550	296,550	-	
28 Office Equip Repair/Maint	61725	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	-	5,000	5,000	-	
29 Other Equip Repair/Maint	61730	-	-	-	6,450	6,450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,450	6,450	-	-	-	
30 Repairs & Maintenance	61848	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31 Membership	62020	675	675	-	-	-	-	-	-	-	-	-	-	-	-	-	1,599,079	1,895,665	296,586	-	-	-	-	-	-	-	-	16,000	16,000	-	1,615,079	1,911,665	296,586	
32 Duplicating	62214	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,675	20,675	-	20,675	20,675	-	
33 Computer Software	62219	-	-	-	-	-	-	-	-	-	21,100	21,100	-	-	-	-	21,000	21,800	-	-	-	-	-	-	-	-	-	1,500	1,500	-	1,500	1,500	-	
34 Postage	62221	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500	2,500	-	2,500	2,500	-	
35 General Supplies & Expenses	62223	2,000	2,000	-	2,000	2,000	-	4,000	4,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,000	9,000	-	17,000	17,000	-	
36 Accounting & Audit	62301	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,105	88,254	43,149	45,105	88,254	43,149	
37 County Mainframe/Intranet	62325	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,000	7,000	-	7,000	7,000	-	
38 Commissioners' Stipend	62327	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,880	14,880	-	14,880	14,880	-	
39 Legal Fees	62359	-	-	-	1,000	1,000	-	1,000	1,000	-	146,250	146,250	-	29,401	52,025	22,624	120,000	200,000	80,000	-	-	-	-	-	-	-	-	156,000	156,000	-	453,651	556,275	102,624	
40 Professional & Special Serv	62381	116,000	116,000	-	1,500	1,500	-	-	-	-	1,575,617	1,498,817	(76,800)	1,065,195	3,477,956	2,412,761	364,112	2,114,078	1,749,966	1,701,653	1,886,653	185,000	1,636,712	1,636,712	-	185,000	135,000	30,000	6,567,789	10,868,716	4,300,927			
41 Office Rent	62610	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,013	200,013	-	200,013	200,013	-	
42 Adv. Promo and Incent for Public Engagement	62601	105,069	105,069	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	241,239	241,239	-	356,308	356,308	-	
43 Contingency/Special Exp	62856	19,944	19,944	-	150,000	150,000	-	5,000	5,000	-	155,000	239,498	84,498	27,269,714	24,498,769	(2,770,945)	-	132,600	132,600	777,434	1,378,235	600,801	900,809	900,809	-	44,000	44,000	-	29,321,901	27,368,855	(1,953,046)			
44 Subscriptions	62890	3,300	-	(3,300)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,300	-	(3,300)	-	-	
45 Towing	62893	-	-	-	-	-	-	431,395	436,056	4,661	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-									

Freeway Service Patrol (FSP)		FY 2026/27	FY 2026/27	Difference	Note
	Object	Approved 4/2/26	Proposed 10/8/26		
1	Measure D	40186	231,000	231,000	-
2	SB 1	40465	140,985	140,985	-
3	Caltrans FSP	40884	163,110	153,135	(9,975) FY 26-27 Caltrans FSP27-6149 (141), effective 7/1/26
4	Total Revenues	535,095	525,120	(9,975)	
5					
6	Salaries, Benefits & Overhead				
7	Allocated Labor Costs	51070	44,943	44,943	-
8	Allocated Overhead	62354	41,557	41,557	-
9	Total Salaries, Benefits & Overhead	86,500	86,500	-	
10					
11	Services & Supplies				
12	Telephone & Mobile Device	61221	2,000	2,000	-
13	Liability Insurance	61535	4,200	4,200	-
14	General Supplies & Expense	62223	4,000	4,000	-
15	Legal Fees	62359	1,000	1,000	-
16	Contingency/Special Exp	62856	5,000	5,000	-
17	Towing	62893	431,395	436,056	4,661 Resolution 60-26
18	Transp/Travel/Educ	62914	1,000	1,000	-
19	Total Services & Supplies	448,595	453,256	4,661	
20					
21	Total Expenditures:	535,095	539,756	4,661	
22					
23	To/(From) reserves:	-	(14,636)	(14,636)	

Santa Cruz Branch Rail Line		FY 2026/27	FY 2026/27		
GL Key 722100		Approved	Proposed	Difference	Notes
Real Property		4/2/2026	10/8/2026		
Revenues					
1 Measure D	40186	21,100	21,100	-	
2 Leases, Licenses & Other Revenue	40440	100,072	100,072	-	
3 Transfer from TC Funds	42367	100,000	-	(100,000)	Transfer from planning will be used for planning grants local match
4	Total Revenues	221,172	121,172	(100,000)	
Expenditures					
6 Allocated Labor Costs	51070	51,959	51,959	0	
7 Allocated Overhead (indirect costs)	62354	48,041	48,041	0	
8	Total Salaries, benefits, & overhead	100,000	100,000	0	
9 Liability Insurance	61535	33,000	33,000	-	
10 Telephone	61221	500	500	-	
11 PC Software Purchases	62219	21,100	21,100	-	
12 Legal Counsel	62359	120,000	120,000	-	
13 Professional Services	62381	50,000	50,000	-	
14 Training	62914	10,000	10,000	-	
15	Total Services, Supplies & Other	234,600	234,600	-	
16	Total Expenditures	334,600	334,600	0	
17					
18					
19	To/(From) Reserves Real Property:	(113,428)	(213,428)	(100,000)	
Santa Cruz Branch Rail Line		FY 2026/27	FY 2026/27		
GL Key 722100		Approved	Proposed	Difference	Notes
Capital Projects		4/2/2026	10/8/2026		
Revenues					
1 Measure D	40186	4,482,522	2,133,795	(2,348,727)	Align with the FY 2026-27 Measure D Rail category allocation
2 Measure D Active Transportation	40186	-	350,000	350,000	
3 Interest	40430	13,428	13,428	-	
4 TIRCP SB125 Formula Funds (RTIP 2023)	40894	666,667	666,667	0	
5 Other Revenue	42384	-	300,000	300,000	Settlement
6	Total Revenues	5,162,617	3,463,890	(1,698,727)	
Expenditures					
8 Allocated Labor Costs	51070	467,630	493,609	25,979	
9 Allocated Overhead (indirect costs)	62354	432,370	456,391	24,020	
10	Total Salaries, benefits, & overhead	900,000	950,000	50,000	
11 Legal Counsel	62359	26,250	26,250	-	
12 Professional Services	62381	1,525,617	1,448,817	(76,800)	
13 Contingency-General	62856	155,000	239,498	84,498	Based on updated project costs
14 Construction	86110	2,442,322	2,577,322	135,000	
15	Total Services, Supplies & Other	4,149,189	4,291,887	142,698	
16	Total Expenditures	5,049,189	5,241,887	192,698	
17					
18	To/(From) Reserves Capital Projects:	113,428	(1,777,997)	(1,891,424)	
19	Total To/(From) Reserves Rail Fund:	(0)	(1,991,425)	(1,991,425)	
20					

Highway 1 Corridor		FY 2026/27	FY 2026/27			
GL Key 722261		Approved	Proposed	Difference	Notes	
41st Avenue to Soquel Drive		4/2/2026	10/8/2026			
1	Revenues	Object				
2	Measure D	40186	399,663	2,179,663	1,780,000	Financed with Measure D Series 2026 bond proceeds for eligible costs
3	SB1 SSCP 41st/Soquel	40465	353,965	-	(353,965)	Updated to reflect current funding assumptions
4	Total Revenues	753,628	2,179,663	1,426,035		
5	Expenditures					
6	Allocated Labor Costs	51070	109,742	25,979	(83,763)	
7	Allocated Overhead (indirect costs)	62354	101,468	24,021	(77,447)	Updated project costs in accordance with updated estimates for 5-Year Plan
8	Total Salaries, benefits, & overhead	211,210	50,000	(161,210)		
9	Project Management Consultant	62381	28,302	-	(28,302)	
10	Pub Info, materials, & meetings	62381	16,000	3,000	(13,000)	Updated project costs in accordance with updated estimates for 5-Year Plan
11	Right of Way Capital and Support	62856	126,663	126,663	-	
12	Construction Capital	62856	371,453	2,000,000	1,628,547	
13	Total Services & Supplies	542,418	2,129,663	1,587,245		
14						
15	Total Expenditures	753,628	2,179,663	1,426,035		
16						
17	To/(From) Reserves:	-	-	-		

Highway 1 Corridor		FY 2026/27	FY 2026/27			
GL Key 722262		Approved	Proposed	Difference	Notes	
Bay/Porter to State Park Drive		4/2/2026	10/8/2026			
1	Revenues	Object				
2	Measure D	40186	14,920,282	15,622,226	701,944	Financed with Measure D Series 2026 bond proceeds for eligible costs
3	SB1 SSCP Bay/Porter to State Park	40465	<u>535,893</u>	-	<u>(535,893)</u>	Updated to reflect current funding assumptions
4		Total Revenues	15,456,175	15,622,226	166,051	
5	Expenditures					
6	Allocated Labor Costs	51070	134,807	64,949	(69,859)	
7	Allocated Overhead (indirect costs)	62354	<u>124,643</u>	<u>60,051</u>	<u>(64,591)</u>	Updated project costs in accordance with updated estimates for 5 Year Plan
8	Total Salaries, benefits, & overhead		259,450	125,000	(134,450)	
9	Legal Fees	62359	19,401	-	(19,401)	
10	Engineering Consultant	62381	535,893	-	(535,893)	
11	Project Management Consultant	62381	115,000	50,000	(65,000)	Updated project costs in accordance with updated estimates for 5 Year Plan
12	Pub Info, materials, & meetings	62381	-	30,000	30,000	
13	Construction Capital	62856	13,826,431	13,997,920	171,489	
14	Contingency	62856	<u>700,000</u>	<u>1,419,306</u>	<u>719,306</u>	
15	Total Services & Supplies		15,196,725	15,497,226	300,501	
16						
17	Total Expenditures		<u>15,456,175</u>	<u>15,622,226</u>	<u>166,051</u>	
18						
19	To/(From) Reserves:		-	-	-	

Highway 1 Corridor		FY 2026/27	FY 2026/27		
GL Key 722263		Approved	Proposed	Difference	Notes
State Park Drive to Freedom Boulevard		4/2/2026	10/8/2026		
1	Revenues	Object			
2	Measure D - Highway	40186	13,484,967	8,111,861	(5,373,106)
3	Measure D - Active Transportation	40186	-	2,440,000	2,440,000
4	STIP	40770	300,000	300,000	-
5	Total Revenues	13,784,967	10,851,861	(2,933,106)	
6	Expenditures				
7	Allocated Labor Costs	51070	189,650	233,815	44,165
8	Allocated Overhead (indirect costs)	62354	175,350	216,185	40,835
9	Total Salaries, benefits, & overhead	365,000	450,000	85,000	
11	Bond Issuance Cost	62381	794,800	794,800	-
12	Legal Fees	62359	10,000	52,025	42,025
13	Professional Services	62381	360,000	2,540,156	2,180,156
14	Pub Info, materials, & meetings	62381	10,000	60,000	50,000
15	Right of Way Capital and Support	62856	4,240,000	6,398,301	2,158,301
16	Construction Capital	62856	8,005,167	300,000	(7,705,167)
17	Contingency	62856	-	256,579	256,579
18	Total Services & Supplies	13,419,967	10,401,861	(3,018,106)	
19					
20	Total Expenditures	13,784,967	10,851,861	(2,933,106)	
21					
22	To/(From) Reserves:	-	-	-	

MBSST Coastal Rail Trail		FY 2026/27	FY 2026/27		
GL Key 722280		Approved	Proposed	Difference	Notes
General Network and Maintenance	Object	4/2/2026	10/8/2026		
Revenues					
1 Measure D	40186	2,774,373	3,100,959	326,586	Includes PY Carryover
2	Total Revenues	2,774,373	3,100,959	326,586	
Expenditures					
4 Allocated Labor Costs	51070	306,132	306,132	-	
5 Allocated Overhead (indirect costs)	62354	<u>283,050</u>	<u>283,050</u>	-	
6	Total Salaries, benefits, & overhead	589,182	589,182	-	
7 Maintenance	61848	1,325,079	1,621,665	296,586	Updated based on funds carried over from prior fiscal year
8 PC Software Purchases	62219	21,000	21,000	-	
9 Legal Fees	62359	120,000	200,000	80,000	Updated project costs
10 Professional Services	62381	364,112	464,112	100,000	
11 Training	62914	5,000	5,000	-	
12 Transfer to Other Funds	75233	<u>350,000</u>	<u>350,000</u>	-	
13	Total Services, Supplies & Other	2,185,191	2,661,777	476,586	
14				-	
15	Total Expenditures	<u>2,774,373</u>	<u>3,250,959</u>	<u>476,586</u>	

MBSST Coastal Rail Trail GL Key		FY 2026/27	FY 2026/27		
722283		Approved	Proposed	Difference	Notes
Coastal Rail Trail Southern Segment		4/2/2026	10/8/2026		
Revenues					
1	Measure D	40186	7,043,700	1,886,959	(5,156,741) Updated to align with revised project cost estimates
2	Total Revenues		7,043,700	1,886,959	(5,156,741)
3	Expenditures				
4	Allocated Labor Costs	51070	20,784	162,108	141,324 Based on updated project costs
5	Allocated Overhead (indirect costs)	62354	19,216	149,885	130,669
6	Total Salaries, benefits, & overhead		40,000	311,993	271,993
7	Professional Services	62381	-	1,574,966	1,574,966
8	City of Watsonville	75206	7,003,700	-	(7,003,700) Based on updated project costs
9	Total Services, Supplies & Other		7,003,700	1,574,966	(5,428,734)
10					-
11	Total Expenditures		7,043,700	1,886,959	(5,156,741)
12					
13	To/(From) Reserves:		-	-	-

MBSST Coastal Rail Trail		FY 2026/27	FY 2026/27		
GL Key 722286		Approved	Proposed	Difference	Notes
Seg. 12	Object	4/2/2026	10/8/2026		
Revenues					
1 Measure D Active	40186	-	819,100	819,100	Added for Segment 12 based on updated project cost estimates, financed with Measure D Series 2026 bond proceeds for eligible costs
2 Measure D Highway	40186	-	425,000	425,000	
3	Total Revenues	-	1,244,100	1,244,100	
4 Expenditures					
5 Allocated Labor Costs	51070	-	155,877	155,877	
6 Allocated Overhead (indirect costs)	62354	-	144,123	144,123	
7	Total Salaries, benefits, & overhead	-	300,000	300,000	
8 Professional Services	62381	-	25,000	25,000	Updated Segment 12 project costs in accordance with current estimates and the revised Measure D 5-Year Plan
9 Construction Support & Capital	62856	-	736,500	736,500	
10 Contingency & Supplies	62856	-	132,600	132,600	
11 Pub Info, materials, & meetings	62381	-	50,000	50,000	
12	Total Services, Supplies & Other	-	944,100	944,100	
13					
14	Total Expenditures	-	1,244,100	1,244,100	
15					
16	To/(From) Reserves:	-	(0)	(0)	

Planning	Object	FY 2026/27	FY 2026/27	Difference	Notes
		Approved 4/2/26	Proposed 10/8/26		
1 Revenues					
2 TDA Planning	40172	917,378	917,378	-	
3 Measure D	40186	1,690,814	1,781,161	90,347	Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
4 RSTP Exchange	40761	312,573	312,573	-	
5 STIP for Planning (PPM)	40770	225,839	225,839	-	
6 Rural Planning Assistance (RPA)	40786	466,500	466,500	-	
7 Climate Resilience Plan for South County Rail	40786	-	651,954	651,954	Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
8 SB125-TIRCP (for program administration)	40894	296,861	296,861	-	
9 State TNC Access Fee Funds	40786	112,000	112,000	-	
10 Climate Adaptation - SHA	40894	<u>1,412,923</u>	<u>1,412,923</u>	-	
11	Total Revenues	5,434,888	6,177,189	742,301	
12					
13 Salaries, Benefits & Overhead by Program					
14 Regional Planning Coordination		164,000	164,000	-	
15 Work Program		54,000	84,000	30,000	Work Element is undergoing updates and additional staff time is needed to coordinate update and review with Caltrans
16 Public Information		60,000	60,000	-	
17 Bicycle/Pedestrian Planning		80,000	225,000	145,000	More work associated with bicycle planning with a particular focus on achieving Vision Zero goal
18 Specialized Transportation		85,000	85,000	-	
19 Regional Transp Plan for MTP		340,000	195,000	(145,000)	Less work anticipated for development of the Regional Transportation Plan in FY26-27 since the prior version was adopted in June 2026 and work on the next RTP will begin in Winter/Spring 2027
20 Transp Improv Program (TIP)		320,000	320,000	-	
21 Highway & Roadway Planning		80,000	80,000	-	
22 Scotts Creek Marsh Restoration		25,000	25,000	-	
23 TNC Access for All		10,000	10,000	-	
24 Anticipated Planning Grants		176,000	176,000	-	
25 SB125-TIRCP Administration		60,000	60,000	-	
26 Coastal Resiliency Plan - Waddell & San Vicente		90,836	90,836	-	
27 SCC North Coast TDM Plan		30,000	-	(30,000)	SCC North Coast TDM project complete and closed out with Caltrans
28 Climate Res for ZEPRT Corridor		260,000	260,000	-	
29 Climate Resilience Plan for South County Rail		-	51,500	51,500	Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
30	Allocated Labor Costs 51070	953,360	980,118	26,759	
31	Allocated Overhead (indirect costs) 62354	881,476	906,218	24,742	
32	Subtotal Staff and Overhead	1,834,836	1,886,336	51,500	

Planning Continued		FY 2026/27 Approved 4/2/26	FY 2026/27 Proposed 10/8/26	Difference	Notes
	Object				
1	Services & Supplies				
2	Passthrough Programs				
3	Bike To Work and School Program (Ecology Action)	62856	72,000	72,000	-
4	HSA Vision Zero Bike and Pedestrian Safety Program	62856	156,000	156,000	-
5	Ecology Action - Bike Smart and Walk Smart	62856	300,000	300,000	-
6	Ecology Action - Safe Route to Schools	62856			
7	Project Paseo (Bike SC County)	62856	12,573	12,573	-
8	Professional Services (contracts)				
9	Legislative Assistant	62381	50,000	50,000	-
10	Eng and Other Tech Consultants	62381	25,000	25,000	-
11	Coastal Resiliency Plan - Waddell & San Vicente	62381	554,163	554,163	-
12	Climate Res for ZEPRT Corridor	62381	920,490	920,490	-
13	Climate Resilience Plan for South County Rail	62381	-	90,000	90,000 Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
14	TNC Access for All	62381	102,000	102,000	-
16	Traffic Monitoring services	62381	30,000	30,000	-
17	Printing Documents & Pub Engagement Activities	62381	20,000	20,000	-
18	Transfer to Rail/Trail Authority	75233	95,000	(95,000)	Funds will be used as a local match for anticipated grants.
19	Anticipated Planning Grants	62381	-	95,000	95,000
20	Subtotal Services & Supplies		2,337,226	2,427,226	90,000
21	Other & for Future Fiscal Years				
22	Highway 17 Wildlife Crossing Construction to Caltrans	75230	1,349,324	1,349,324	-
23	SB125-TIRCP Administration Future Years	62856	236,861	236,861	-
24	Climate Resilience Plan for South County Rail for Future Years	62856	-	600,801	600,801 Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
25					
26	Total Expenditures		5,758,247	6,500,548	742,301
27					
28	To/(From) Reserves:	(323,359)	(323,359)	-	
	Note:				

RSTPX	FY 2026/27	FY 2026/27	Difference	Notes
	Approved 4/2/26	Proposed 10/8/26		
1 RSTPX revenues programmed	10,569,203	8,218,273	(2,350,930)	Updated to reflect FY 2025/26 actual project payments and revised outstanding RSTPX project balances
2 RSTPX Exchange Funds - Carryover	11,886,084	4,976,761	(6,909,323)	
3 Current Year Revenues:				
4 State RSTPX Exchange Funds	4,079,834	4,079,834	-	
5 Interest	200,000	200,000	-	
6 Total RSTPX funding for projects	26,735,121	17,474,868	(9,260,253)	
7				
8 Approved RSTPX Exchange - All Projects				
9 Allocations budgeted for disbursement in fiscal year:				
10 City of Capitola				
11 Upper Pacific Cove Parking Lot Pedestrian Trail and Depot	200,000	-	(200,000)	Payment completed in FY 25-26
12 41st Avenue Pavement Rehabilitation and Multimodal Improvements	1,000,000	1,000,000	-	
13 Bay Avenue Corridor - Design	500,000	350,000	(150,000)	Resolution No. 64-26
14 Capitola Complete Streets Sidewalk Infill	117,559	67,559	(50,000)	Resolution No. 64-26
15 Kennedy Drive Sidewalk	179,441	-	(179,441)	Payment completed in FY 25-26
16 City of Capitola Total	1,997,000	1,417,559	(579,441)	
17 City of Santa Cruz				
18 Bay Corridor Design	319,103	75,877	(243,226)	Partial oavment completed in FY 25-26
19 Bay Street Paving	875,000	875,000	-	
20 Bethany Culvert Replacement	1,500,000	967,457	(532,543)	Resolution No. 52-26; Bethany completed at 967,457; remaining \$532,543 reallocated to West Cliff projects
21 Coastal Rail Trail Segments 8/9 Preconstruction	970,000	970,000	-	
22 Escalona Complete Streets	169,656	656	(169,000)	Partial payment completed in FY 25-26
23 West Cliff Drive Multiuse Path Maintenance (m400819)	-	299,543	299,543	Resolution No. 52-26; Reallocated from Bethany Culvert
24 800 West cliff Relocation (c402515)	-	233,000	233,000	Resolution No. 52-26; Reallocated from Bethany Culvert
25 City of Santa Cruz Total	3,833,759	3,421,533	(412,226)	
26 City of Scotts Valley				
27 Bean Creek Road Rehab	-	-	-	
28 Granite Creek Rd Overcrossing	1,429,769	1,429,769	-	
29 Scotts Valley Dr. Corridor Improvements	500,000	500,000	-	
30 Mount Hermon Road Improvements	523,000	523,000	-	
31 City of Scotts Valley Total	2,452,769	2,452,769	-	
32 City of Watsonville				
33 Freedom Blvd Plan Line (Green Valley to Buena Vista)	-	1,800,000	1,800,000	Approved amount per Consolidated Grants Program - Resolution 22-26
34 Road Rehab/Reconstruction (various locations)	880,432	880,432	-	
35 Pennsylvania Dr Trail Rehabilitation Project	719,408	719,408	-	
36 Conplete Streets Downtown	352,000	352,000	-	
37 Clifford Ave Road Rehab & Traffic Calmino	160,000	160,000	-	
38 Green Valley Road Rehabilitation	1,833,000	1,833,000	-	
39 City of Watsonville Total	3,944,840	5,744,840	1,800,000	

RSTPX Current FY Revenues and Unallocated		FY 2026/27	FY 2026/27		
		Approved	Proposed	Difference	Notes
Continued		4/2/26	10/8/26		
1	<u>County of Santa Cruz</u>				
2	Hwy 1 Mar Vista Overcrossing (co-op)	32,899	32,899	-	
3	Hwy 17 to Soquel Corridor Resurfacing	335,356	335,356	-	
4	Holohan Road Resurfacing	53,554	-	(53,554)	Project has been completed and paid
5	Corralitos Corridor Resurfacing (Amesti Rd & Corralitos Rd)	-	1,500,000	1,500,000	Approved amount per Consolidated Grants Program - Resolution 20-24
6	Emergency Routes Phase 2 Resurfacing	2,140,000	2,140,000	-	
7	Green Valley Road Multi-Use Path	2,000,000	2,000,000	-	
8	Intercounty Routes Resurfacing	1,022,000	1,022,000	-	
9	Interlaken Routes Resurfacing Phase 1	-	436,000	436,000	Approved amount per Consolidated Grants Program - Resolution 22-26
10	Rio Del Mar Resurfacing	-	300,000	300,000	Approved amount per Consolidated Grants Program - Resolution 20-24
11	Soquel Drive Multimodal Project - Preconstruction	1,900,000	1,900,000	-	
12	Robertson Street and Soquel Drive Signalization	1,595,536	1,595,536	-	
13	County of Santa Cruz Total	9,079,345	11,261,791	2,182,446	
14					
15	<u>Santa Cruz Metro</u>				
16	ParaCruz Vans	-	138,000	138,000	Resolution 22-26
17					
18	Santa Cruz Metro Total	-	138,000	138,000	
19					
20	<u>SCCRTC</u>				
21	MBSST - North Coast Phase 2 Environmental Review	19,756	19,756	-	
22	Project Paseo (Bike Santa Cruz County)	12,573	12,573	-	
23	Capitola Trestle- Professional Services	-	180,000	180,000	Resolution 64-26
24	Capitola Trestle- Labor Costs	-	20,000	20,000	
25	Youth Safe Route to Schools bike/pedestrian education - Ecology Action	300,000	300,000	-	
26	EA - bike Safe Walk Safe	-	100,000	100,000	Resolution 22-26
27	Davenport - Highway 1 Crosswalk	125,000	125,000	-	
28	State Route 1-41st to Soq HOV EIR	250,000	250,000	-	
29	State Route 1-Freedom to State Park Aux Lanes, Bus in Shoulder, Coastal Rail Trail Segment 12	25,000	25,000	-	
30	Go Santa Cruz County Bicycle Incentives Program	305,100	305,100	-	
31	SCCRTC Total	1,037,429	1,337,429	300,000	
32	Total All Projects	22,345,142	25,773,921	3,428,779	
33					
34	Loan to RTC for 2017 Storm Damage/FEMA	3,589,038	3,589,038	-	To be repaid to RSTPX from Measure D -Rail if not reimbursed by FEMA
35	Loan to RTC for 2023 Storm Damage/FEMA	1,260,159	1,269,160	9,001	
36	Loan Receivable from SCCRTC	4,849,197	4,858,198	9,001	
37	Funds not Programmed/Appropriated*	4,389,979	(8,299,053)	(12,689,032)	

Revenues for Apportionment		FY 2026/27	FY 2026/27		
		Approved	Proposed	Difference	Notes
	Object	4/2/26	10/8/26		
1	<u>Transportation Development Act (TDA) GL Key 721950:</u>				
2	1/4 Cent Sales Tax	40172	12,662,525	12,662,525	-
3	Prev FY Rev Carryover	40172	661,000	661,000	-
4	Interest	40430	165,000	165,000	-
5	Total TDA		13,488,525	13,488,525	-
6	<u>State Transit Assistance (STA) & State of Good Repair (SGR) GL Key 721755 Revenues:</u>				
7	Interest	40430	250	1,000	750
8	STA Sec 99313-RTC Discretionary	40886	2,396,998	3,210,684	813,686
9	STA Sec 99314-Santa Cruz Metro	40886	2,198,166	3,365,685	1,167,519
10	SGR Sec 99313-RTC Discretionary	40894	469,725	463,861	(5,864)
11	SGR Sec 99314-Santa Cruz Metro	40894	432,481	486,254	53,773
12	Total STA		5,497,620	7,527,484	2,029,864
13	<u>State Transit Assistance (STA) & State of Good Repair (SGR) GL Key 721755 Allocation:</u>				
14	Santa Cruz Metro - STA	75302	4,535,614	6,576,369	2,040,755
					85% of STA sec. 99313 + 15% of STA sec. 99313 (discretionary) and 100% of STA sec. 99314
15	Santa Cruz Metro - SGR	75365	-	800,115	800,115
16	Community Bridges - STA	75302	-	-	-
17	Community Bridges - SGR	75365	-	150,000	150,000
18	Total		4,535,614	7,526,484	2,990,870
19	Unallocated		962,006	1,000	(961,006)
20	<u>Low Carbon Transit Operations Program (LCTOP) GL Key 721756 Allocation:</u>				
21	Interest	40430	-	-	-
22	LCTOP Revenues 99313	40894	-	284,110	284,110
					FY 25/26 LCTOP Cycle B release 8/31/26; RTC PUC 99313 is not yet programmed
23	Total LCTOP Revenues		-	284,110	284,110
24	Allocated				
25	Community Bridges	75365	-	-	-
26	Total		-	-	-
27	Unallocated		-	284,110	284,110
28	<u>Transit Intercity Capital Program (TIRCP) GL Keys 721757 and 721758 Allocation:</u>				
29	SB862 TIRCP Competitive Program	40894	-	-	-
30	SB125 TIRCP Formula Program	40894	-	-	-
31			-	-	-
32	Allocated				
33	RTC ZEPRT Project SB125	75301	666,667	666,667	-
34	Santa Cruz Metro SB862	75365	-	-	-
35	Santa Cruz Metro SB125	75365	13,604,429	13,604,429	-
36	Total		14,271,096	14,271,096	-
37	Unallocated		(14,271,096)	(14,271,096)	-
38	<u>Zero Emission Transit Capital Program (ZETCP) GL Key 721759</u>				
39	SB125 ZETCP Formula Program	40894	1,486,567	1,486,567	-
40			1,486,567	1,486,567	-
41	Allocated				
42	SB125 Program Administration (RTC)	75301	346,861	346,861	-
43	Santa Cruz Metro SB125	75365	2,973,134	2,973,134	-
44	Total		3,319,995	3,319,995	-
45	Unallocated		(1,833,428)	(1,833,428)	-

Cruz 511 Rideshare		FY 2026/27	FY 2026/27	Difference	Notes
	Object	Approved 4/2/26	Proposed 10/8/26		
1 Measure D	40186	243,000	243,000	-	
2 Interest	40430	4,000	4,000	-	
3 RSTP Exchange/STBG	40761	26,414	26,414	-	
4 Contr from Other Funds	42367	80,000	80,000	-	
5	Total Revenues	353,414	353,414	-	
6					
7 Salaries, Benefits & Overhead					
8 Allocated Labor Costs	51070	109,042	109,042	-	
9 Allocated Overhead	62354	100,820	100,820	-	
10	Total Salaries, Benefits & Overhead	209,862	209,862	-	
11					
13 Services & Supplies					
14 Telephone & Mobile Device	61221	500	500	-	
15 Membership	62020	675	675	-	
16 Postage	62221	1,000	1,000	-	
17 General Supplies & Expenses	62223	2,000	2,000	-	
18 Professional & Special Serv	62381	116,000	116,000	-	
19 Adv, Promo and Incent for Public	62801	105,069	105,069	-	
20 Contingency/Special Exp	62856	19,944	19,944	-	
21 Subscriptions	62890	3,300	-	(3,300)	Updated program costs
22 Transp/Travel/Educ	62914	2,000	2,000	-	
23	Total Services & Supplies	250,488	247,188	(3,300)	
24					
25	Total Expenditures:	460,350	457,050	(3,300)	
26					
27	To/(From) Reserves:	(106,936)	(103,636)	3,300	

Measure D Administration & Implementation budget detail included in RTC Administration Budget

		FY 2026/27		Difference	Notes
		Object	Approved 4/2/2026	Proposed 10/8/2026	
1	Meas D Admin	51070	327,530	327,530	-
2	Meas D Implementation Labor	51070	73,492	73,492	-
3	Meas D Admin Overhead	62354	370,785	370,785	-
4	Total Salaries, Benefits & Overhead		771,807	771,807	-
5					
6	Meas D Services & Supplies				
7	Materials and supplies	62856	5,000	5,000	-
8	Accounting & Audit Services	62856	16,500	16,500	-
9	Advertisement/Publication	62856	2,500	2,500	-
10	Total Services & Supplies		24,000	24,000	-
11	Total Measure D Administration		795,807	795,807	-
Administration RTC and Measure D		FY 2026/27		Difference	Notes
		Object	Approved 4/2/2026	Proposed 10/8/2026	
1	TDA Revenue	40172	1,000,000	1,000,000	-
2	Measure D	40186	795,807	795,807	-
3	Contr from Other Funds	42367	-	-	-
4	Total Revenues		1,795,807	1,795,807	-
5	Salaries, Benefits & Overhead				
6	TDA Administration				
7	Allocated Labor Costs	51070	156,410	156,410	-
8	Allocated Overhead	62354	144,616	144,616	-
9	Meas D Admin Labor	51070	327,530	327,530	-
10	Meas D Implementation Labor	51070	73,492	73,492	-
11	Meas D Admin Overhead	62354	370,785	370,785	-
12	Total Salaries, Benefits & Overhead		1,072,833	1,072,833	-
13	Services & Supplies				
14	Telephone & Mobile Device	61221	11,000	11,000	-
15	Office Equipment	61312	5,000	5,000	-
16	Liability Insurance	61535	254,100	254,100	-
17	Office Equip Repair/Maint	61725	5,000	5,000	-
19	Repairs & Maintenance	61848	16,000	16,000	-
20	Membership	62020	20,000	20,000	-
21	Duplicating	62214	1,500	1,500	-
22	Computer Software	62219	99,778	99,778	-
23	Postage	62221	1,500	1,500	-
24	General Supplies & Expenses	62223	9,000	9,000	-
25	Accounting & Audit	62301	45,105	88,254	43,149 Includes PY Carryover
26	Computer Prof Svcs	62316	37,000	37,000	-
27	County Mainframe/Intranet	62325	7,000	7,000	-
28	Commissioners' Stipend	62327	14,880	14,880	-
29	Legal Fees	62359	156,000	156,000	-
30	Professional & Special Serv	62381	105,000	135,000	30,000
31	Office Rent	62610	200,013	200,013	-
32	Adv, Promo and Incent for Public Engaqement	62801	10,000	10,000	-
33	Contingency/Special Exp	62856	44,000	44,000	-
34	Transp/Travel/Educ	62914	100,000	100,000	-
35	Vehicle Maint, Rentals & Serv	62920	7,820	7,820	-
36	Utilities	63070	1,000	1,000	-
37	Mobile Equipment	86209	-	-	-
38	Office Equipment	86210	20,000	20,000	-
39	Total Services & Supplies		1,170,696	1,243,845	73,149
40					
41	Total Expenditures		2,243,529	2,316,678	73,149
42					
43	To/(From) reserves:		(447,722)	(520,871)	(73,149)

Staffing - Costs

FY 2026/27 FY 2026/27

GL KEY 721100

		Approved	Proposed		
		4/2/26	10/8/26		
	Object			Note	
1	Regular Pay	51000	4,127,989	4,501,923	373,934
2	Overtime Pay	51005	35,000	35,000	-
3	Social Security and Medicare	52010	269,226	297,994	28,768
4	Employer Current Contributions	52015	374,546	421,110	46,564
5	UAL required payment*	52015	169,834	169,834	-
6	Unfund Acc Liab-UAL addt'l pmt**	52015	-	-	-
7	Total Retirement		544,380	590,944	46,564
8					
9	Employee Insur and Benefits	53010	971,056	971,056	-
10	Unemployment Insurance	53015	17,550	17,550	-
11	Workers Comp Insurance	54010	19,801	22,194	2,393
12	Other -Compensation***	55021	50,207	52,691	2,484
13	Temporary Contract Services	62395	10,000	15,000	5,000
14	Unfund Acc Liab-UAL OPEB****	75273	125,388	125,388	-
15	Retiree Health Contr to PERS	75273	148,361	148,361	-
16			6,318,959	6,778,101	459,142

* The Unfunded Accrued Liability (UAL) required payment is calculated using the fiscal year liability and amortization base schedule by asset and non-asset gains/losses (20-30 years).

** The most recent valuation for the RTC's Classic and PEPRA Plan UAL as of June 30, 2024, is \$2,174,725 and is 85.4% funded, this is up from 83.8% as of June 30, 2023. As funding becomes available staff will include an additional Discretionary Payment (ADP) toward the UAL and a contribution to a Section 115 Trust to prefund the pension liability in the Budget. Additional payments are not included in this proposed budget.

***Includes employer contribution to employee 457 deferred compensation plan as part of employment agreement and benefit in lieu of Social Security, auto allowance, cell phone and bike commute benefit.

****Other Post-Employment Benefit (OPEB) contribution to prefund the retiree health liability

Classification	FTE Authorized Positions	FTE Budgeted Positions	Positions by Classification	FTE
Executive Director	1.00	1.00	Management	
Director of Planning, Programming, and Trans Services	1.00	1.00	Executive Director	1.00
Director of Capital Projects	1.00	1.00	Director of Planning, Programming, and Transportation Services	1.00
Director of Internal Services	1.00	1.00	Director of Capital Projects	1.00
Budget & Finance Officer	1.00	1.00	Director of Internal Services	1.00
Administrative Services Officer	1.00	1.00	Budget & Finance Officer	1.00
Senior Transportation Engineer	2.00	2.00	Administrative Services Officer	1.00
Supervising Transportation Planner	2.00	2.00	Senior Transportation Engineer	2.00
Transportation Planner I-IV	6.00	6.00	Total Management	8.00
Transportation Engineers-Project Manager	3.00	3.00	Planning & Project Delivery	
Communications Specialist	1.00	1.00	Supervising Transportation Planner	2.00
Accountant I-III	2.00	2.00	Transportation Planner I-IV	6.00
Accounting Technician	0.50	0.50	Transportation Planning Tech	2.00
Administrative Assistant I-II	1.00	1.00	Transportation Engineer	3.00
Contract Specialist	1.00	1.00	Paid Intern Planning	0.50
Real Property Specialist I-II	1.00	1.00	Paid Intern Engineering	0.50
Real Property Technician	1.00	1.00	Total Planning & Project Delivery	14.00
Transportation Planning Tech	2.00	2.00	Internal Services	
Paid Intern* 3	1.50	1.50	Communications Specialist	1.00
Total Positions	30.00	30.00	Accountant I-III	2.00
Note: FTE= full-time equivalent			Accounting Technician	0.50
			Administrative Assistant I-III	1.00
			Contract Specialist	1.00
			Real Property Specialist I-II	1.00
			Real Property Technician	1.00
			Paid Intern Communications	0.50
			Total Internal Services	8.00
			Total Positions	30.00
			Note: FTE= full-time equivalent	



MEASURE D BUDGET – PROPOSED AMENDMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2027

PROPOSED October 8, 2026



Measure D Regional Funding Program and Project Budget Summary

Administration and Implementation by RTC - Proposed Budget

Fiscal Year FY 2026/27

Proposed October 8, 2026

	Object	Admin & Impl		DIFF	Hwy 9		DIFF	Hwy 17 Wildlife Crossing		DIFF	Highway Corridor		DIFF	Active Transp		DIFF	Rail Corridor		DIFF	Total		DIFF			
		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27		FY 2026/27	FY 2026/27	FY 2026/27
		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026		4/2/2026	10/8/2026	
1	Measure D	40186	795,807	795,807	-	333,333	333,333	-	166,667	166,667	-	6,734,048	6,734,048	-	4,579,153	4,579,153	-	2,154,895	2,154,895	-	14,763,903	14,763,903	-		
2	Interest	40430	1,000	1,000	-	-	-	-	-	-	-	50,000	50,000	-	10,000	10,000	-	-	-	-	61,000	61,000	-		
3	Loan Proceeds	42506	-	-	-	-	-	-	975,109	975,109	-	-	-	-	-	-	-	-	-	-	975,109	975,109	-		
4	Total Revenues		796,807	796,807	-	333,333	333,333	-	1,141,776	1,141,776	-	6,784,048	6,784,048	-	4,589,153	4,589,153	-	2,154,895	2,154,895	-	15,800,012	15,800,012	-		
5																									
6	Salaries, Benefits & Overhead																								
7	Allocated Labor Costs	51070	401,022	401,022	-	3,200	3,200	-	520	520	-	424,551	543,714	119,163	389,266	533,529	144,263	519,588	519,588	-	1,738,147	2,001,573	263,426		
8	Allocated Overhead	62354	370,785	370,785	-	2,959	2,959	-	480	480	-	392,540	502,717	110,177	359,916	487,646	127,730	480,412	480,412	-	1,607,091	1,844,999	237,907		
9	Total Salaries, Benefits & Overhead		771,807	771,807	-	6,159	6,159	-	1,000	1,000	-	817,091	1,046,431	229,340	749,182	1,021,175	271,993	1,000,000	1,000,000	-	3,345,238	3,846,571	501,333		
10																									
11	Services & Supplies								-	-	-	-	-	-	1,599,079	1,745,665	146,586	-	-	-	1,599,079	1,745,665	146,586		
12	Repairs & Maintenance	61848	-	-	-	-	-	-	-	-	-	-	-	-	1,599,079	1,745,665	146,586	-	-	-	1,599,079	1,745,665	146,586		
13	PC Software Purchases	62219	-	-	-	-	-	-	-	-	-	-	-	-	21,100	21,000	(100)	21,100	21,100	-	42,200	42,100	(100)		
14	General Supplies & Expenses	62223	5,000	5,000	-	-	-	-	-	-	-	4,000	4,000	-	-	-	-	-	-	-	9,000	9,000	-		
15	Accounting & Audit	62301	16,500	16,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,500	16,500	-		
16	Design and Eng Consult	62340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
17	Legal Fees	62359	-	-	-	-	-	-	-	-	-	30,401	38,025	7,624	120,000	240,000	120,000	26,250	26,250	-	176,651	304,275	127,624		
18	Professional & Special Services	62381	-	-	-	514,314	514,314	-	-	-	-	1,077,800	3,325,956	2,248,156	369,112	2,134,425	1,765,313	858,950	894,648	35,698	2,820,176	6,869,343	4,049,167		
19	Adv & Promo Materials	62801	2,500	2,500	-	-	-	-	-	-	-	40,069	40,069	-	-	-	-	-	-	-	42,569	42,569	-		
20	Contingency/Special Exp	62856	-	-	-	241,239	241,239	-	-	-	-	27,015,051	22,153,769	(4,861,282)	-	3,219,100	3,219,100	155,000	177,000	22,000	27,411,290	25,791,108	(1,620,182)		
21	Towing	62893	-	-	-	-	-	-	-	-	-	203,500	208,161	4,661	-	-	-	-	-	-	203,500	208,161	4,661		
22	Transportation/Travel/Education	62914	-	-	-	-	-	-	-	-	-	1,000	1,000	-	-	-	-	-	-	-	1,000	1,000	-		
23	Interest on Bonds	74310	-	-	-	-	-	-	-	-	-	-	1,049,236	1,049,236	-	419,710	419,710	-	-	-	-	-	-		
24	Funds to City of Santa Cruz	75204	-	-	-	-	-	-	-	-	-	-	-	-	1,501,646	1,501,646	-	-	-	-	1,501,646	1,501,646	-		
25	Funds to City of Watsonville	75206	-	-	-	-	-	-	-	-	-	-	-	-	7,003,700	-	(7,003,700)	-	-	-	7,003,700	-	(7,003,700)		
26	Contribution to Other Agency	75230	-	-	-	-	-	-	1,349,324	1,349,324	-	-	-	-	-	-	-	-	-	-	1,349,324	1,349,324	-		
27	Transfer to Other Funds	75233	-	-	-	-	-	-	-	-	-	-	-	-	350,000	350,000	-	-	-	-	350,000	350,000	-		
28	CHP Operations	75280	-	-	-	-	-	-	-	-	-	50,000	50,000	-	-	-	-	-	-	-	50,000	50,000	-		
29	Funds to SC County	75303	-	-	-	-	-	-	-	-	-	-	-	-	2,891,730	2,891,730	-	-	-	-	2,891,730	2,891,730	-		
30	Construction	86110	-	-	-	900,809	900,809	-	-	-	-	-	-	-	1,900,000	1,900,000	-	2,442,322	2,252,322	(190,000)	5,243,131	5,053,131	(190,000)		
31	Intra-Fund Transfer/Program Loan	95046	-	-	-	-	-	-	-	-	-	975,109	975,109	-	-	-	-	-	-	-	975,109	975,109	-		
32	Total Services & Supplies		24,000	24,000	-	1,656,362	1,656,362	-	1,349,324	1,349,324	-	29,396,930	27,845,325	(1,551,605)	15,756,367	14,423,276	(1,333,091)	3,503,622	3,371,320	(132,302)	51,686,605	47,200,661	(4,485,944)		
33																									
34	Total Expenditures:		795,807	795,807	-	1,662,521	1,662,521	-	1,350,324	1,350,324	-	30,214,021	28,891,756	(1,322,265)	16,505,549	15,444,451	(1,061,098)	4,503,622	4,371,320	(132,302)	55,031,843	52,516,178	(2,515,665)		
35																									
36	Excess of Revenues over Expenditures:		1,000	1,000	-	(1,329,188)	(1,329,188)	-	(208,548)	(208,548)	-	(23,429,973)	(22,107,708)	1,322,265	(11,916,396)	(10,855,298)	1,061,098	(2,348,727)	(2,216,425)	132,302	(39,231,831)	(36,716,167)	2,515,665		
37	Other Financing Sources (uses) series 2026 Bond Proceeds		-	-	-	-	-	-	-	-	-	-	50,429,671	-	-	20,172,202	-	-	-	-	-	70,601,874	70,601,874	-	
38	Beginning Fund Balance (estimate):		459,936	579,180	119,245	2,714,322	2,589,593	(124,729)	208,548	240,982	32,434	2,688,234	8,100,425	5,412,192	9,009,157	9,997,036	987,879	3,794,448	4,851,944	1,057,496	18,874,645	26,359,161	7,484,517		
39	Ending Fund Balance (estimate):		460,936	580,180	119,245	1,385,134	1,260,405	(124,729)	-	32,434	32,434	(20,741,739)	36,422,389	57,164,127	(2,907,239)	19,313,940	22,221,180	1,445,721	2,635,520	1,189,798	(20,357,186)	60,244,868	80,602,055		

Measure D Active Transportation GL Key 729500		FY 2026/27 Approved 4/2/26	FY 2026/27 Proposed 10/8/26	Difference	Notes
Object					
1 Revenues					
2 Measure D	40186	4,579,153	4,579,153	-	
3 Interest	40430	10,000	10,000	-	
4 Total Revenues		4,589,153	4,589,153	-	
5 Expenditures					
6 MBSST Corridor and Electric Transit & Trail RTC Oversight					
7 Allocated Labor Costs	51070	389,266	533,529	144,263	
8 Allocated Overhead (indirect)	62354	359,916	487,646	127,730	
9 Total Salaries, Benefits & Overhead		749,182	1,021,175	271,993	
10 Services and Supplies:					
11 Corridor encroach & maint	61848	1,325,079	1,471,665	146,586	Updated based on funds carried over from prior fiscal year
12 PC Software Purchases	62219	21,100	21,000	(100)	
13 Professional Services	62381	-	90,347	90,347	Sustainable Transportation Planning New Grant Awarded; Resolution 75-26
14 Legal Fees	62359	120,000	200,000	80,000	Updated project costs
15 Bond Consultants	62381	270,200	270,200	-	
16 Technical Assistance	62381	98,912	198,912	100,000	Updated project costs
17 Electric Rail Transit & Trail	75233	350,000	350,000	-	
18 Subtotal Services & Supplies		2,185,291	2,602,124	416,833	
19 MBSST North Coast Segment 5 (RTC Oversight):		-			
20 Maintenance	61848	274,000	274,000	-	
21 Construction & Contingency	86110	1,900,000	1,900,000	-	
22 Subtotal Services & Supplies		2,174,000	2,174,000	-	
23 MBSST City of Santa Cruz:					
24 RTC Oversight Segments 7, 8 & 9					
25 Technical Assistance	62381	-	-	-	
26 City of Santa Cruz Segments 7, 8 & 9 Project Sponsor					
27 Segment 7 Phase 2 to City of Santa Cruz	75204	-	-	-	
28 Segments 8&9 to City of Santa Cruz	75204	1,450,646	1,450,646	-	
29 Ongoing Maintenance	75204	51,000	51,000	-	
30 Subtotal Services & Supplies		1,501,646	1,501,646	-	

1	Measure D Active Transportation - Continued		FY 2026/27	FY 2026/27		
2	Active Transportation		Approved	Proposed	Difference	Note
3	GL Key 729500	Object	4/2/26	10/8/26		
4	MBSTT County of Santa Cruz:					
5		RTC Oversight Segments 10&11				
6	Technical Assistance	62381	-	-	-	
7		RTC Oversight Segment 12				
8	Legal Fees	62359		40,000	40,000	
9	Right of Way Capital	62856	0	3,219,100	3,219,100	
10		Subtotal Services & Supplies	0	3,259,100	3,259,100	
11		County of Santa Cruz Segments 10 & 11 Project Sponsor				
12	Env Review and Design to SCC	75303	2,891,730	2,891,730	-	
13		Subtotal Services & Supplies	2,891,730	2,891,730	-	
14		RTC Oversight City of Capitola				
15						
16	Legal Fees	62359	-	-	-	
17	Technical Assistance	62381	-	-	-	
18		Subtotal Services & Supplies	-	-	-	
19		RTC Oversight City of Watsonville				
20	Technical Assistance	62381	-	1,574,966	1,574,966	Based on updated project costs
21	Segment 18 Environmental Document	75206	7,000,000	-	(7,000,000)	Resolution 76-26
22	Ongoing Maintenance	75206	3,700	-	(3,700)	
23		Subtotal Services & Supplies	7,003,700	1,574,966	(5,428,734)	
24	MBSTT City of Capitola City Hall to Monterey Ave:					
25	RTC					
26	Legal Fees	62359	-	-	-	
27	Tech Asst (envl, surv, EHS, etc.)	62381	-	-	-	
28		Subtotal Services & Supplies	-	-	-	
29	Interest on bonds	74310	-	419,710	419,710	
30						
31	Total Salaries, Benefits & Overhead		749,182	1,021,175	271,993	
32		Subtotal Services & Supplies	15,756,367	14,003,566	(1,752,801)	
33						
34	Total Expenditures:		16,505,549	15,444,451	(1,061,098)	
35						
36	To/(From) Reserve Funds		(11,916,396)	(10,855,298)	1,061,098	
37	Other financing sources (uses)- series 2026 Bond proceeds		-	20,172,202	20,172,202	Resolution 77-26
38	Beginning Fund Balance (estimate):		9,009,157	9,997,036	987,879	
39	Ending Fund Balance (estimate):		(2,907,239)	19,313,940	22,221,180	

Measure D		FY 2026/27	FY 2026/27		
Highway Corridor		Amended	Proposed	Difference	Notes
GL Key 729300	Object	4/2/26	10/8/26		
1 Revenues					
2 Measure D	40186	6,734,048	6,734,048	-	
3 Interest	40430	50,000	50,000	-	
4	Total Revenues	6,784,048	6,784,048	-	
5					
6 Program and Project Expenditures					
7 Freeway Service Patrol (FSP)					
8 Allocated Labor Costs	51070	8,573	8,573	-	
9 Allocated Overhead (indirect costs)	62354	7,927	7,927	-	
10	Salaries, Benefits & Overhead	16,500	16,500	-	
11 Supplies	62223	4,000	4,000	-	
12 Legal Fees	62359	1,000	1,000	-	
13 Contingency/Special Exp	62856	5,000	5,000	-	
14 Towing	62893	203,500	208,161	4,661	Resolution 60-26
15 Transportation/Travel/Education	62914	1,000	1,000	-	
16	Subtotal Services & Supplies	214,500	219,161	4,661	
17 SAFE					
18 CHP	75280	50,000	50,000	-	
19	Subtotal Services & Supplies	50,000	50,000	-	
20 Cruz 511				-	
21 Allocated Labor Costs	51070	54,521	54,521	-	
22 Allocated Overhead (indirect costs)	62354	50,410	50,410	-	
23	Salaries, Benefits & Overhead	104,931	104,931	-	
24 Advertisement & Promotion Materials	62801	40,069	40,069	-	
25 Commute Manager	62381	48,000	48,000	-	
26 Transportation Demand Management	62381	50,000	50,000	-	
27	Subtotal Services & Supplies	138,069	138,069	-	
28 41st to Soquel Aux Lanes & Bike/Ped Xing:					
29 Allocated Labor Costs	51070	37,000	25,979	(11,020)	Updated project costs; in accordance with updated estimates for 5 Year Plan
30 Allocated Overhead (indirect costs)	62354	34,210	24,021	(10,190)	
31	Salaries, Benefits & Overhead	71,210	50,000	(21,210)	
32 Pub Info, materials, & meetings	62381	-	3,000	3,000	
33 Right of Way Capital and Support	62856	-	126,663	126,663	Updated project costs; in accordance with updated estimates for 5 Year Plan
34 Construction & Contingency	62856	238,453	2,000,000	1,761,547	
35	Subtotal Services & Supplies	238,453	2,129,663	1,891,210	

Measure D Highway Corridor - Continued

		FY 2026/27	FY 2026/27		
		Amended	Proposed	Difference	Notes
	Object	4/2/26	10/8/26		
1	State Park Dr to Bay Porter Aux Lanes and Mar Vista Overcrossing:				
2	Allocated Labor Costs	51070	134,807	64,949	(69,859)
3	Allocated Overhead (indirect costs)	62354	124,643	60,051	(64,591)
4	Salaries, Benefits & Overhead		259,450	125,000	(134,450)
5	Legal Fees	62359	19,401	-	(19,401)
6	Engineering & Project Management	62381	115,000	50,000	(65,000)
7	Pub Info, materials, & meetings	62381	-	30,000	30,000
8	Contingency & Supplies	62856	700,000	1,419,306	719,306
9	Construction Capital	62856	13,826,431	13,997,920	171,489
10	Subtotal Services & Supplies		14,660,832	15,497,226	836,394
11	Freedom to State Park Dr Aux Lanes:				
12	Allocated Labor Costs	51070	189,650	233,815	44,165
13	Allocated Overhead (indirect costs)	62354	175,350	216,185	40,835
14	Salaries, Benefits & Overhead		365,000	450,000	85,000
15	Legal Fees	62359	10,000	12,025	2,025
16	PA/ED Consultant	62381	-	2,124,764	2,124,764
17	Bond Consultant	62381	794,800	794,800	-
18	Project Management Consultant	62381	60,000	115,392	55,392
19	Pub Info, materials, & meetings	62381	10,000	60,000	50,000
20	Right of Way Support & Capital	62856	4,240,000	3,998,301	(241,699)
21	Contingency & Supplies	62856	8,005,167	256,579	(7,748,588)
22	Construction Capital	62856	-	300,000	300,000
23	Subtotal Services & Supplies		13,119,967	7,661,861	(5,458,106)
24					
25	Seg. 12:				
26	Allocated Labor Costs	51070	-	155,877	155,877
27	Allocated Overhead (indirect costs)	62354	-	144,123	144,123
28	Salaries, Benefits & Overhead		-	300,000	300,000
29					
30	Legal Fees	62359	-	25,000	25,000
31	Pub Info, materials, & meetings	62381	-	50,000	50,000
32	Contingency & Supplies	62856	-	50,000	50,000
33	Subtotal Services & Supplies		-	125,000	125,000
34					
35	Interprogram loan to Highway 17	95046	975,109	975,109	-
36	Interest on Bonds	74310	-	1,049,236	1,049,236
37	Total Salaries, Benefits & Overhead		817,091	1,046,431	229,340
38	Subtotal Services & Supplies		28,421,821	25,820,980	(2,600,841)
39					
40	Total Expenditures:		30,214,021	28,891,756	(1,322,265)
41					
42	To/(From) Reserves:	(23,429,973)	(22,107,708)	1,322,265	
43	Other Financing Sources (Uses) Series 2026 Bond Proceeds:	-	50,429,671	50,429,671	Resolution 77-26
44	Beginning Fund Balance (estimate):	2,688,234	8,100,425	5,412,192	
45	Ending Fund Balance (estimate):	(20,741,739)	36,422,389	57,164,127	
46					

Meas D Rail Corridor		FY 2026/27	FY 2026/27	Difference	Notes
	Object	Amended 4/2/26	Proposed 10/8/26		
1 Measure D	40186	<u>2,154,895</u>	<u>2,154,895</u>	-	
2	Total Revenues	2,154,895	2,154,895	-	
3					
4 Salaries, Benefits & Overhead					
5 Allocated Labor Costs	51070	519,588	519,588	-	
6 Allocated Overhead	62354	<u>480,412</u>	<u>480,412</u>	-	
7	Total Salaries, Benefits & Overhead	1,000,000	1,000,000	-	
8 Services & Supplies					
9 PC Software Purchases	62219	21,100	21,100	-	
10 Legal Fees	62359	26,250	26,250	-	
11 Professional & Special Services	62381	858,950	894,648	35,698	Based on updated project costs
12 Contingency/Special Exp	62856	155,000	177,000	22,000	Based on updated project costs
13 Construction	86110	<u>2,442,322</u>	<u>2,252,322</u>	<u>(190,000)</u>	Based on updated project costs
14	Total Services & Supplies	3,503,622	3,371,320	(132,302)	
15					
16	Total Expenditures:	<u>4,503,622</u>	<u>4,371,320</u>	<u>(132,302)</u>	
17					
18	To/(From) Reserve Funds	(2,348,727)	(2,216,425)	132,302	
19	Beginning Fund Balance (preliminary 6/30/26):	3,794,448	4,851,944	1,057,496	
20	Ending Fund Balance (estimate):	1,445,721	2,635,520	1,189,798	
21					