



January 7, 2014

George Dondero, Executive Director
Santa Cruz Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

RE: STOP WORK ORDER ON GRANT 9-36, CARPOOL INCENTIVE PROGRAM

Dear Mr. Dondero:

Based in part on our discussion at your office on November 11, 2013, the District has decided to issue a Stop Work Order and subsequent Notice of Termination for the AB2766 grant 09-36: Carpool Incentive Program.

The last submitted reimbursement request from the Santa Cruz Regional Transportation Commission (SCCRTC) for this grant was received on March 14, 2012 and was paid on April 14, 2012. A budget expenditure and performance analysis was done by District staff and is summarized below:

Budget Expenditure Analysis:

	Grant 09-36 Activity	Billed to Date	Grant Budget	% Expended
1.	Develop	\$ 17,110.25	\$ 17,500.00	97%
2.	Promote	\$ 7,454.30	\$ 12,600.00	59%
3.	Implement	\$ 9,171.87	\$ 82,900.00	11%
4.	Evaluate/Report	\$ --	\$ 7,000.00	0%
	Total Costs	\$ 33,736.42	\$120,000.00	28%

Performance Analysis:

Activity 1: Develop countywide carpool incentive program including a marketing plan

- This activity is the only one to date that was nearly completed as shown in the table.
- SCCRTC stated that the main cause for the delay was in launching the online portion of the plan, which required a trip diary for participants to log carpool events. However, the SCCRTC Commute Solutions website for the "Cash for Carpools" has been and remains inactive.

Activity 2: Promote and market carpool incentive program

- The trip diary portal is still active, however, the diary links to an active reward incentive program for Bay Area 511 commuters only. As stated above, the Cash for Carpools webpage has been disabled.

- As of March 2012, there were 40 qualified carpool incentive program participants, which yielded 962 trips and a VMT reduction of 12,966 miles (well short of the two year projection of 8.2 million miles as stated in the grant agreement).
- Per Section I (attachment one, page 2) of the grant agreement, SCCRTC was to have collected vehicle trips and VMT reduced by the project using the following metrics:
 - Number of new carpools formed
 - Occupancy number for each carpool
 - One way trip lengths
 - Frequency of travel
 - Duration or life of carpools formed
- None of the data mentioned above to date has been reported to the District.

Activity 3: Implement incentive program, register participants, survey, process travel logs and conduct outreach

- Based on the conversation with SCCRTC in a meeting held on 11/15/13, the Cash for Carpools program has been offline for some time as indicated by only 11% of the allocated grant budget expended.

Activity 4: Conduct evaluation and prepare final report

- None of the allocated budget for this activity has been expended nor will be as confirmed by SCCRTC at the 11/15/13 meeting.

The Stop Work Order and Notice of Termination are invoked per page 3, Section J, paragraph 1 of the grant agreement.

In the interest of time, as this grant is set to expire on February 5, 2014, this letter will serve as a Stop Work Order and Notice of Termination on Grant 9-36.

The District is willing to review any unexpended reimbursement requests for grant work provided that adequate documentation is presented that is reasonable and verifiable under the terms of the grant agreement. In addition, the District would like to discuss the grant activities that have been reimbursed to date to determine to what extent that they satisfy the grant agreement requirements.

Please feel free to contact me if you have any questions or to discuss this matter further.

Sincerely,



Richard A. Stedman
Air Pollution Control Officer