

MENDOCINO COUNCIL OF GOVERNMENTS

Executive Committee

Approved MINUTES

February 13, 2024

Primary Location

MCOG / Dow & Associates Offices
525 S. Main St., Suite G, Ukiah

Teleconference Locations

County Administration Center, Conference Room A, 501 Low Gap Rd., Ukiah
City Hall Conference Room, 416 N. Franklin St., Fort Bragg

General Public Teleconference by Zoom

PRESENT: Committee Members: Chair Dan Gjerde, Vice Chair John Haschak, Director Bernie Norvell
MCOG Staff: Nephele Barrett, Lisa Davey-Bates, Janet Orth
Consultants: Maura Twomey and Diane Eidam, Regional Analysis & Planning Services (RAPS)
MTA Staff: Jacob King and Mark Harvey
ABSENT: None

1. Call to Order / Roll Call. The meeting was called to order at 11:10 a.m. with all present, Chair Gjerde presiding. Committee members Dan and Bernie joined from Fort Bragg, while John joined in person at the primary location with staff and consultants. (No one attended from the County Administration Center location.) MTA staff joined via Zoom. Nephele introduced Maura and Diane of RAPS, a non-profit division of the Association of Monterey Bay Area Governments (AMBAG).

2. Public Expression. None.

3. CLOSED SESSION pursuant to Government Code § 54957 – Review and Recommendation of Procurement Process for Public Employee Appointment – Administrative & Fiscal Services and Planning Services. At 11:13 a.m., board members and consultants went into Closed Session. Staff members left the room; MTA staff returned to the Zoom waiting room; the teleconference recording was paused. At approximately 11:45 a.m., staff members were called back in and recording was resumed.
Report of Closed Session per GC 54957.1. Direction was given to RAPS for the procurement process.

4. Report and Discussion – RuralREN (Regional Energy Network) Reorganization and Governance. Nephele summarized background and status of the program, as described in detail in her written staff report. The RuralREN partnership includes eight public agencies and nonprofit organizations in California. MCOG and Lake Area Planning Council have an MOU with Redwood Coast Energy Authority (RCEA), with intent to join as full members. Recently, a dispute arose among the partner groups when the Leadership Team, comprising representatives of each member entity, made a controversial vote to remove RCEA as Portfolio Administrator and replace with San Luis Obispo County as PA. After several attempts to negotiate, three Petitions for Modification (PFMs) of the Public Utilities Commission’s decision last June to approve the RuralREN Energy Efficiency Business Plan and Portfolio have been filed in the public record by RCEA, the southern-most partners, and the CA Public Advocate’s office. Each has a 30-day comment period. RCEA proposes to reduce the membership to just the North Coast and northern Sierra participants. The Advocate calls for a complete restart given the conflicts. There are several possible outcomes. Sierra Business Council has remained neutral. In January, MCOG’s Climate Ad Hoc recommended a neutral position also, to be communicated informally with the partners and not by filing a motion for party status to comment. Discussion and Q&A included:

- Asked Bernie if he agreed with the Ad Hoc’s approach. Yes, so there is consensus. (Dan, Bernie)
- Heard that more petitions may be filed. Will meet today with southern partners for an update from their perspective. (Lisa, Nephele)

- Any possibility of a resubmittal for a North Coast REN? CPUC could vote several ways: keep existing RuralREN whole; reduce to a northern REN as requested by RCEA; or dissolve and start over with a new business plan per the Public Advocate’s position. MCOG and APC could become full partners earlier than originally thought given a reorganization, and the southern partners could potentially be absorbed by other RENs. (Dan, Nephele, Lisa)
- Would any partners join BayREN? No, though possibly 3-C REN as closer neighbors. (Dan, Nephele)
- Timeline of three or more petitions and comment periods may add another year of delay. (Lisa)
- MCOG is a neutral party, but associated with RCEA? Yes. The other partners perceive MCOG and APC’s awkward position while understanding our cooperative intent. (John, Nephele)

No action was taken.

5. Review and Direction to Staff for Potential Budget Amendment – Revised FY 2023/34 Local Transportation Fund (LTF) Estimate. Janet reviewed her written staff report. Dan gave a recap of the January 18 meeting with the Acting County Auditor-Controller/Treasurer-Tax Collector, MCOG and MTA staffs concerning the methods of estimating LTF revenues and a new projected shortfall for 2023/24, from the budget of \$4,901,913 to \$4,243,383, a decrease of \$658,530. He found it beneficial for understanding variations year to year, and observed that two years of Covid sales tax increases were anomalies, now putting the revenues closer to pre-pandemic levels. Janet concurred.

Janet and Nephele had prepared three options for consideration by the committee to address this current-year shortfall. Janet shared her screen and presented each option. Briefly summarized:

- Option A recalculates the LTF Reserve Fund balance allocated at 15% of the LTF Estimate (\$735,000) to 15% of the Revised Estimate (\$637,000), and eliminates the optional 2% Bicycle & Pedestrian allocation of \$86,846; this reduces the shortfall and leaves a balance in Reserve of \$176,632. – *staff recommends*
- Option B recalculates the Reserve balance in the same manner, cuts Bike & Ped., and also reduces allocation to MTA Operations by 6.7%, or half of the 13.4% rate of shortfall compared to original estimate, for a cut of \$215,348; this leaves a Reserve balance of \$391,980. – *not recommended*
- No Action/Status Quo follows adopted policy if no amendments were made, leaving a Reserve balance of \$89,786. – *not recommended*

Discussion and Q&A included:

- The Acting County Auditor-Controller intends to provide quarterly updates to the estimate. (Nephele)
- Why not consider reducing the \$50,000 Unmet Transit Needs allocation for new service; is it required by law? Not required, however the new stops on US-101 connecting with Humboldt Transit to-from the north, and reinstating another Route 65 round trip to the coast for later workforce trips, have already been met so the funds are considered expended. (Dan, Jacob, group)
- Discussion of funding levels to keep in Reserve in 2024/25 and future. (Group)
- Option A seems realistic and the least painful way to amend. Agreed. (John, Dan)
- Concurrence with Option A and thanks to MCOG staff for preparing this analysis. (Jacob/MTA)

Recommendation:

Upon motion by Haschak, seconded by Norvell, and carried on roll call vote (3 Ayes; 0 Noes; 0 Absent), the Executive Committee recommended “Option A” for a FY 2023/24 budget amendment in response to the Acting County Auditor-Controller/Treasurer-Tax Collector’s revised Local Transportation Fund revenue estimate. – *proposed budget amendment summary page attached*

6. Reports / Information / Members’ Concerns. Janet noted another Executive Committee meeting will be needed in late February to review the first draft FY 2024/25 MCOG budget as usual. The Transportation Development Act (TDA) requires the Area Apportionment notice to be published by March 1, indicating the amount available for the transit operator (MTA) to claim. It was agreed to select a date by email.

7. Adjournment. The meeting was adjourned at 12:49 p.m.

Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2023/24 Budget

Fourth Amendment - Executive Committee Recommendation of February 13, 2024 - "Option A"

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2023/24 LTF Official County Auditor's Estimate - <i>revised 1/18/2024</i>	4,243,383									4,243,383
2022/23 Auditor's Anticipated Shortfall	-185,956									-185,956
Total Local Transportation Fund (LTF) Estimate	4,057,427									4,057,427
2022/23 Auditor's Anticipat'd Unrestricted Balance - Reversed	185,956									185,956
LTF 2014/15 prior-year unallocated revenues - <i>reserved 2017/18</i>	29,135									29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	122,868						278,545			401,413
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881								1,073,881
2023/24 State of Good Repair - SCO's Preliminary Estimate						154,817				154,817
STA and SGR - Fund Balance Available for Allocation		369,690								369,690
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462							705,462
Federal Transit Administration (FTA) Sec. 5311 Programs - CARES, CRRSAA, ARPA								To Info Supp.		0
FTA Section 5311 Program - Annual Regional Apportionment								pending		0
2023/24 STIP Planning, Programming & Monitoring (PPM)				141,000						141,000
2023/24 Rural Planning Assistance					319,000					319,000
2023/24 State Active Transportation Program (ATP) - grants & carryover						2,672,000				2,672,000
2022/23 Transportation Planning Program carryover				118,750	0	22,133				140,883
Surface Transportation Block Grant Program							811,848			811,848
HCD Regional Early Action Planning (REAP) Housing Funds - est. carryover						348,736				348,736
SHOPP Complete Streets Program - SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
Rural Counties Task Force - Membership Dues									38,500	38,500
LTF Reserve:										
Audited 2021/22 LTF Unrestricted Balance	384,429									384,429
Audited LTF Reserve Balance as of 6/30/2023	788,712									788,712
Less Accounts Payable 2022/23 - <i>audited</i>	-327,342									-327,342
Less Withdrawal from Reserve to Cover Remaining 2022/23 Shortfall - <i>audited</i>	-266,047									-266,047
Subtotal - Reserve Cash Balance 12.31.2023	579,752									579,752
Less LTF Reserve per Policy amended 8.14.2023 - 15% of Revised Est.	637,000									637,000
<i>(Per policy, minimum Reserve is 5% of County Auditor's estimate of new revenue, to nearest 1,000.)</i>										
Amount to Replenish Reserve in FY 2023/24 - revised	-57,248									-57,248
TOTAL REVENUES	4,338,138	1,443,571	705,462	259,750	319,000	7,025,686	1,090,393	0	38,500	15,220,500
ALLOCATIONS										
2023/24 Administration - <i>inc. staffing contract at max. 7.3% COLA</i>	559,626						101,116		38,500	699,242
Optional 2% Bicycle & Pedestrian - 2023/24 LTF Estimate less Admin. x .02	0									0
2023/24 Planning Overall Work Program (OWP)	141,479				141,000	319,000				601,479
Temporary Reserves - LTF prior-year unallocated revenues requested for Planning OWP	29,135									29,135
Carryover Funds - See OWP Summary	122,868				118,750	0	22,133			263,751
Total Administration, Bike & Ped., and Planning	853,108	0	0	259,750	319,000	22,133	101,116	0	38,500	1,593,607
BALANCE AVAILABLE FOR TRANSIT	3,485,030	1,443,571	705,462	0	0	154,817	0	0	0	5,788,880
2023/24 Mendocino Transit Authority Claim - revised Oct. 20, 2023:										
MTA Operations	3,214,150	1,443,571								4,657,721
Unmet Transit Needs	50,000									50,000
Senior Centers Operations	681,249									681,249
Transit Planning										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year			705,462							705,462
Capital Program, Long Term (Five Year Plan)			0							0
Total Transit Allocations	3,945,399	1,443,571	705,462					0		6,094,432
Other Allocations - RSTP for MCOG Partnership Fund							100,000			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							621,848			621,848
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						2,672,000				2,672,000
Other Allocations - REAP for Admin., County & Cities Projects by Formula						348,736				348,736
Other Allocations - SHOPP Complete Streets for SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
TOTAL ALLOCATIONS	4,798,507	1,443,571	705,462	259,750	319,000	6,870,869	822,964	0	38,500	15,258,623
Balance Remaining for Later Allocation / Over-allocation - <i>Draw from Reserve</i>	-460,369	0	0	0	0	154,817	267,429	0	0	-38,123