

MENDOCINO COUNCIL OF GOVERNMENTS

Executive Committee Approved MINUTES

February 28, 2022
By Zoom Teleconference

Present: Committee Members: Chair Dan Gjerde, Vice Chair Scott Ignacio, Director Tess Albin-Smith
MCOG Staff: Nephele Barrett, Lisa Davey-Bates, Janet Orth, Alexis Pedrotti,
Jody Lowblad
MTA Staff: Jacob King, Mark Harvey

1. **Call to Order** at 10:00 a.m. with all present, Chair Gjerde presiding.
2. **Public Expression** - None.

3. Review & Recommendation on Options for Staffing Services Starting October 1, 2022 and Possible Contract Extensions. Contractor Nephele Barrett referred to her written staff report and proposals in the agenda packet, then presented available options for the staffing contracts with Dow & Associates for Administrative & Fiscal Services and Davey-Bates Consulting for Planning Services. She pointed out the contracts limit CPI inflation increases to four percent unless approved. The present rate is 4.2 percent, however they did not request the additional amount. She emphasized that options are offered, but no recommendation, as staff cannot recommend on their own contracts. If another one-year extension is approved, the term would be October 1, 2022 through September 30, 2023. Contractor Lisa Davey-Bates concurred with the presentation and expressed a desire to be fair and to contain costs, as inflation is expected to rise. The source of the specific CPI rate was identified and briefly noted.

In board discussion, Dan expressed satisfaction with the service provided and asked how the CPI and health benefit increases were applied. Nephele replied the CPI and benefits were reflected in the new year's base rate. It was acknowledged the benefits paid are by agreement between the contractors and their employees.

Tess supported the proposal and was happy with service to date.

Scott also approved and considered the agenda packet well presented. He suggested rewarding staff with the full 4.2 percent increase; Dan agreed. Nephele confirmed the budget had capacity for it.

Recommendation:

Upon motion by Ignacio, seconded by Albin-Smith, and carried on roll call vote (*3 Ayes; 0 Noes; 0 Absent*), the Executive Committee recommended that the Council approve the fourth one-year contract extensions for Administrative & Fiscal Services provided by Dow & Associates and Planning Services provided by Davey-Bates Consulting, including a rate increase of 4.2% consistent with the Consumer Price Index.

4. Review & Recommendation on Draft 2022/23 Regional Transportation Planning Agency (RTPA) Budget. Janet presented the first draft budget, summarizing her written staff report and attachments provided in the meeting packet. Total available revenues from all sources are estimated at nearly \$9 million. With a surplus from the recently closed year and sales taxes coming in very high in the current year to date, several allocation options were available for consideration. (The summary sheet was shared for onscreen viewing.)

- a. Local Transportation Fund (LTF) New Revenue Estimate and Reserves. Janet's report reviewed how the County Auditor-Controller calculated the estimate, noting the trend of high sales tax revenues is expected to level off to about one percent growth in the coming fiscal year. The estimate tends to be conservative, which is desirable as it is more likely to result in a surplus than a shortfall. The fund estimate is \$5,137,383, up 13.5% (\$611,603) from the FY 2021/22 initial estimate.

Staff recommended setting the LTF Reserve at ten percent of the Auditor's estimate, double the policy minimum for a second consecutive year, due to the high unallocated surplus of \$754,417 from audited FY 2020/21 revenues, releasing for allocation \$694,150 in 2022/23 after flowing through the reserve calculation. Janet then reviewed the proposed allocations.

- b. Administration. The total Administration budget proposal is up 3.0% (\$18,531) from all sources. LTF costs continue a downward trend from around 11% of the Auditor's estimate to less than 10%. As a percentage of total revenues from all sources, Administration has been consistently about five percent. Other Direct Costs (i.e. not in the contract) drop from \$54,000 to \$48,000, a reduction from past levels of \$50-\$60,000. This is due to cost savings during the pandemic. Staff's proposal is \$640,079 from: LTF (\$460,494), RSTP (\$92,918), and Service Authority for Freeway Emergencies/SAFE (41,585). This would need to be adjusted for the additional 0.2% added in the contract recommendation if approved. There were no objections to the proposed Administration budget.
- c. Two Percent Bicycle & Pedestrian Program. This amount is a calculated formula for an optional allocation up to two percent, according to Transportation Development Act (TDA) law. After Administration is subtracted, 2% of the new LTF fund estimate comes to \$92,578. MCOG issues a call for eligible projects every two years to the Technical Advisory Committee and awards are made by the Council. There were no objections to allocating the full two percent.
- d. Planning Overall Work Program (OWP). The funding proposal was prepared by Planning staff. Alexis presented the draft program details. There is a proposed increase to the LTF proposal, from \$147,701 last year to \$314,438 (increase of \$166,737 or 113%), primarily due to a Project Reserve of \$150,000 for needed MTA planning studies, pending outcome of a grant application. The draft OWP is reviewed annually by the Technical Advisory Committee (TAC) for recommendation to the Council. After comments are received from Caltrans, the final OWP is presented to the Council in the May budget workshop, for adoption in June. There were no objections to the proposed OWP budget.
- e. Balance Available for Transportation. The balance of LTF available to MTA for claiming comes to \$4,886,888, up \$815,221 (20%) from FY 2021/22. This will be the second successive year that LTF for transit exceeds \$4 million.

The preliminary fund estimate for State Transit Assistance (STA), from fuel taxes, is \$868,476, added to the audited unallocated fund balance of \$163,120 and a projected 2021/22 balance of \$135,779, for a total available to claim of \$1,167,375. Including LTF, STA, Capital Reserve, and State of Good Repair funds, total revenues for transit are \$6,656,632.

Questions and discussion included:

- What is included in the multimodal work element? A wide range of support activities includes bicycle, pedestrian, rail and transit planning. Discussion of bike share systems, ways to get more people to use alternative transportation modes, and incentives to build more sidewalks. Walking and cycling may be cheaper than transit services. Deputy Planner Loretta Ellard is currently in contact with Walk & Bike Mendocino about available grants through the California Air Resources Board's Clean Mobility program. Planning funds can be used to study the issues and educate local officials. (Dan, Alexis, Nephele)
- What is intended for the OWP Project Reserve of \$150,000? In the near term, MTA needs a five-year Short Range Transit Development Plan, as the last one expired several years ago and the next update has been unfunded. An application is pending for a Caltrans planning grant. The reserve would fund either the plan or a transit hub feasibility study. As part of the effort, MTA could also use local funds for a Caltrans Intercity plan to better connect northern counties with MTA services. (Jacob, group)
- Conditions have changed since the last time MTA investigated transit center locations; now there is a rail trail through the area that could connect cyclists with bus service. Several connection points have been identified. Connectivity is appropriate for an interregional transit center project, including park and ride, electric vehicle charging, bicycle storage and other services. (Dan, Jacob, Nephele)
- Questions about MTA's capital program, which is mostly planned for the zero emission bus fleet program, a new transit hub, and a contactless payment system. (Scott, Jacob)
- The revised senior centers formula distribution of LTF funds begins in 2022/23, as contracted with MTA for specialized services. It will be good to start when funding is at a high level. (Nephele)
- In general discussion it was noted that MTA's ridership is on the rise again after the long downturn.
- Consideration of an optimal level for LTF Reserve; support for reserving more than ten percent. 15% would come to \$771,000 and release for allocation \$437,150. Balance of LTF available for transit would be \$4,657,106, still more than half a million over last year. Agreement to increase LTF Reserve to 15%. (Dan, Janet, group)

Recommendation:

Upon motion by Ignacio, seconded by Albin-Smith, and carried on roll call vote (*3 Ayes; 0 Noes; 0 Absent*), the Executive Committee recommended approval of staff's recommended Draft 2022/23 Regional Transportation Planning Agency (RTPA) Budget, adjusted for inflation and the increased reserve, for further development during the annual budget process, including:

- LTF Reserve fund balance of 15 percent, \$771,000, triple the minimum allowed under policy, releasing for allocation \$437,150
- A reserved balance of LTF prior-year unallocated revenues of \$29,135
- \$509,379 LTF for Administration
- \$92,560 LTF for 2% Bicycle & Pedestrian Program, allocating the full optional 2%
- \$315,488 LTF for the Planning program
- \$4,657,106 LTF for Transit
- Allocations from other sources for the Transportation Planning Overall Work Program (OWP) as recommended by staff and Technical Advisory Committee
- Allocations from the Surface Transportation Block Grant (STBG) Program according to policy and the staffing contract (preliminary estimate pending).

– *Summary of recommended budget is attached.*

5. Reports / Information / Members' Concerns. Nephele advised that another Executive Committee meeting would be needed to address issues with startup of participation in the new RuralREN (Regional Energy Network), once approved by the California Public Utilities Commission.

6. Adjournment. The meeting was adjourned at 11:39 a.m.

Submitted by Janet Orth, Deputy Director & CFO

Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2022/23 Budget

Administration, Bicycle & Pedestrian, Planning, Transit Allocations and Reserves - Executive Committee Recommendation - February 28, 2022

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2022/23 LTF Official County Auditor's Estimate - pending, based on disc'n	5,137,383									5,137,383
2021/22 Auditor's Anticipated Unrestricted Balance	566,800									566,800
Total Local Transportation Fund (LTF) Estimate	5,704,183									5,704,183
2021/22 Auditor's Anticipat'd Unrestricted Balance - Reversal	-566,800									-566,800
Reserved LTF prior-year unallocated revenues	29,135									29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	27,360							240,656		268,016
2022/23 State Transit Assistance - SCO's Preliminary Estimate		868,476								868,476
2022/23 State of Good Repair - SCO's Preliminary Estimate						143,044				143,044
STA and SGR - Fund Balance Available for Allocation		298,899				-12,072				286,827
MCOG's Capital Reserve Fund - Balance Available for Transit			701,179							701,179
Federal Transit Administration (FTA) Sec. 5311 Program - CRRSAA									To Info Supp.	0
FTA Section 5311 Program - Annual Regional Apportionment									pending 5311	0
2022/23 STIP Planning, Programming & Monitoring (PPM)			131,000							131,000
2022/23 Rural Planning Assistance					294,000					294,000
2022/23 State Active Transportation Program (ATP) - grants & carryover										0
2021/22 Transportation Planning Program carryover										0
2021/22 Local Road Safety Plans (LRSP) carryover										0
Surface Transportation Block Grant Program										0
HCD Regional Early Action Planning (REAP) Housing Funds - carryover										374,274
LTF Reserve:										
2020/21 LTF Unrestricted Balance - audit in progress	754,417									
LTF Reserve Balance as of 6/30/2021 - audit in progress	472,034									
Less LTF Reserve Allocated for FY 2021/22	18,301									
Subtotal	1,208,150									
Less LTF Reserve Minimum Balance per Policy adopted 4/2/2001 - triple at 15%	771,000	(Per policy, Reserve is 5% of County Auditor's estimate of new revenue, to nearest 1,000.)								
Amount Available for Allocation in FY 2022/23	437,150									437,150
TOTAL REVENUES	5,631,028	1,167,375	701,179	131,000	294,000	505,246	240,656	0	0	8,670,484
ALLOCATIONS										
Temporary Reserves - LTF prior-year unallocated revenues	29,135									29,135
2022/23 Administration	509,379									602,475
2% Bicycle & Pedestrian - 2022/23 LTF Estimate less Admin. x .02	92,560									92,560
2022/23 Planning Overall Work Program (OWP) - New Funds	315,488			131,000	294,000					0
Carryover Funds - See OWP Summary	27,360			pending	pending		0			Total OWP: 767,848
Total Administration, Bike & Ped., and Planning	973,922	0	0	131,000	294,000	0	93,096	0	0	1,492,018
BALANCE AVAILABLE FOR TRANSIT	4,657,106	1,167,375	701,179	0	0	130,972	0	0	0	6,656,632
2022/23 Mendocino Transit Authority Claim - due April 1:										
MTA Operations										0
Unmet Transit Needs										0
Senior Centers Operations										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year										0
Capital Program, Senior Centers Current Year										0
Capital Program, Long Term (Five Year Plan)										0
Total Transit Allocations	0	0	0						0	0
Other Allocations - RSTP for MCOG Partnership Fund										100,000
Other Allocations - RSTP for County & Cities Projects by Formula										pending
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail										pending
Other Allocations - REAP for Admin., County & Cities Projects by Formula										374,274
TOTAL ALLOCATIONS	973,922	0	0	131,000	294,000	0	93,096	pending	0	1,492,018
Balance Remaining for Later Allocation	4,657,106	1,167,375	701,179	0	0	505,246	pending	0	0	7,030,906