

MENDOCINO COUNCIL OF GOVERNMENTS

Executive Committee Approved MINUTES

February 28, 2018
MCOG Office, 367 N. State Street, Ukiah

Present: Committee Members: Chair Dan Gjerde, Vice Chair Michael Cimolino, Director Steve Scalmanini
MCOG Staff: Phil Dow, Janet Orth, Marta Ford, Alexis Pedrotti
MTA Staff: Carla Meyer, Mendocino Transit Authority

1. **Call to Order** at 10:19 a.m., Chair Gjerde presiding.

2. **Public Expression** - None.

3. **Review & Recommendation on Draft 2018/19 Regional Transportation Planning Agency (RTPA) Budget.** Janet gave an overview of her written staff report as detailed in the following discussion.

- a. Local Transportation Fund (LTF) New Revenue Estimate and Reserve. County Auditor-Controller's fund estimate is \$3,751,508, up 7.4% (\$259,797) from the Fiscal Year 2017/18 initial estimate. Actual revenues this fiscal-year-to-date show an increase of 3.4% compared the same seven months a year ago. Janet reviewed the procedure for calculating the minimum fund balance for the Local Transportation Fund (LTF) Reserve Fund according to adopted policy; five percent of the Auditor's estimate comes to \$188,000 for the Reserve. Discussion included:
 - How effective has the Reserve been since inception? It helped to mitigate a massive shortfall when the Great Recession hit around 2009, and was available again to cover a minor shortfall last year. (Mike, Phil, Janet)
 - The Reserve is a good idea. (Mike)
- b. Administration. Janet reviewed each line item in this budget detail. For FY 2018/19, the Dow & Associates five-year contract is set with an annual COLA adjustment of 2.94% (Consumer Price Index). Other Direct Costs are proposed at \$50,000, down \$6,967 from FY 2017/18 (12%). The total Administration budget proposed from Local Transportation Funds is up \$7,111 (1.6%). She and Phil answered questions. No objections were made to staff's proposal of \$569,884 from LTF (\$442,444), Regional Surface Transportation Program (\$90,000), Service Authority for Freeway Emergencies/SAFE (35,439), and California Energy Commission grant subcontract (\$2,000) funds. Discussion included:
 - The administrative staffing contract is funded from several sources. Does the work relate directly to each fund's projects? Not always, it's a guess, but over the years can even out. (Mike, Phil)
 - Discussion of recent state audit and timesheet reporting. The current five-year proposal was more difficult to prepare than for the previous three-year contracts, mainly due to changing healthcare costs. (Phil, group)
 - The CEC grant of \$2,000 is via a subcontract with Redwood Coast Energy Authority for a small amount of staff time on the North Coast & Upstate Fuel Cell Vehicle Readiness Project. (Janet)
- c. Two Percent Bicycle & Pedestrian Program. Janet reviewed this formula, with 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 \$66,181. 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. Discussion included:
 - This fund is useful for leveraging or matching outside grants. (Dan)
 - What was the most recent award? Mendocino County Department of Transportation was awarded \$131,000 in FY 2015/16 and another \$137,000 earlier this month to complete the Branscomb

Road Pedestrian/Multi-Use Bridge over Ten Mile Creek in Laytonville. The project has turned out to be very costly, but is important to resolve a bottleneck and link up several previous investments in the area, such as Safe Routes to Schools. A brief discussion and questions followed. (Mike, Phil, Janet, others)

- The County's pedestrian bridge is the only outstanding project in the fund; all past awarded projects have been delivered. Until recently there were numerous delays, so it's good to see these caught up. (Janet)

d. Planning Overall Work Program (OWP). Phil reviewed the funding proposal, describing past history of Planning budgets and mentioning recent restrictions on other funding sources, particularly state Rural Planning Assistance (RPA). The LTF funds are necessary to this program for their flexibility. Therefore last year \$122,750 of LTF was budgeted, up from staff's self-imposed \$100,000 level. This year there were more project proposals recommended by the Technical Advisory Committee (TAC), so staff is proposing \$147,816, up \$25,066 (20.4%). Phil gave a brief overview of the Planning program as outlined in the attachment. Discussion included:

- MTA's Transit Designs Guidelines Manual can be funded in the OWP or MTA can fund it themselves in their LTF allocation; it would be from the same source. (Phil) Carla described the need for this planning project. Mike noted Fort Bragg is researching transit stop bench designs that address problems of indigent use.
- MCOG's Zero Emission Vehicle & Alternative Fuels Readiness Plan Update made the TAC's list for LTF funds, however they recommended that MCOG attempt to secure a state RPA grant first. This could release LTF for other purposes. (Phil, Janet)

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 \$3,155,065, up \$132,444 (4.4%) from FY 2017/18. Janet noted the few budget areas available to add funds. She reviewed the fund estimate for State Transit Assistance (STA), which is up significantly after years of decline. A preliminary estimate of \$680,635 is up \$325,302 (48%), nearly double last year's preliminary estimate. The FY 2017/18 revised STA estimate was increased to \$575,975, adding to the available fund balance. Much of the increases can be attributed to new Senate Bill 1 revenues. Questions and discussion included:

- How was the projected increase for transit calculated? (Carla) Comparison to last year's original budget; \$380,000 additional allocation to MTA was not included in the increase figure. (Janet) Discussion. The RouteMatch project is expected come in under budget, with elimination of a module. (Carla, group)
- Discussion of Senate Bill 1, the Road Repair & Accountability Act of 2017, and efforts to repeal it. Projects and programs must be publicized as benefits, in defense of SB1. (Phil, Dan, Carla, Janet)
- MTA is interviewing candidates for the position of CFO. (Carla)

Carla left the meeting at approximately 11:30 a.m.

Recommendation:

Upon motion by Scalmanini, seconded by Cimolino, and carried unanimously (*3 Ayes – Gjerde, Cimolino, and Scalmanini; 0 Noes; 0 Absent*), the Executive Committee recommended approval of staff's recommended Draft 2018/19 Regional Transportation Planning Agency (RTPA) Budget, for further development during the annual budget process, including:

- The LTF Reserve minimum fund balance of five percent, \$188,000, according to policy, releasing for allocation \$59,998
- A temporarily reserved balance of LTF one-time unallocated revenues of \$29,135

- \$442,444 LTF for Administration
- \$66,181 LTF for 2% Bicycle & Pedestrian Program, allocating the full optional 2%
- \$147,816 LTF for the Planning program
- \$3,155,065 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 Regional Surface Transportation Program (RSTP) according to policy and the staffing contract.

– *Summary of recommended budget is attached.*

Alexis left the meeting at approximately 11:35 a.m.

4. Report and Discussion: Covelo State Route 162 Corridor Multi-Purpose Trail Project - CEQA Challenge. Phil provided an update regarding the status of this litigation and answered questions of committee members. No action was taken.

5. Reports and Information – Administrative Staff – No Action.

- a. Schedule for Procurement of Comprehensive Staffing Services FY 2019/20 - 2023/24. Phil summarized his written report advising the committee that FY 2018/19 is the final year of current contracts for Administrative & Fiscal Services and Planning Services. Word from the State, pending written confirmation, is that Caltrans auditors will insist on a complete new Request for Proposals. Extensions will not be acceptable, as they do not want to see any contracts of more than five years. The Council will need to prepare and decide how to conduct the process. Discussion included:
 - What is the procurement mechanism? Last time the County handled the RFP on behalf of all the JPA members. (Mike, Dan)
 - Staff time costs of the member agencies to conduct an RFP should be shared. (Mike)
 - The process could be streamlined by using the same materials. Has anything changed? Yes, MCOG is building a project for the first time (Covelo trail), also has completed a major project (Willits bypass), so now will be able to work on some other things. (Mike, Phil)
 - Consistent staff representation in Sacramento and statewide is essential to capturing funds. (Phil)Staff agreed to advise of any changes that should go into the scope of work. No action was taken.
- b. Miscellaneous. None.

6. Members' Concerns – No Action. Steve brought up a transportation issue relative to City of Ukiah's recent half-cent sales tax for streets and roads. He received a presentation on a proposal for expenditure, not to fill potholes, but to redesign the intersection at Perkins Street & Orchard Avenue. It appears inconsistent with the voters' intent to repair pavement. He asked whether the other members had any similar experience. In discussion, Mike reported City of Fort Bragg's Chestnut Street project that was problematic; it depends on how the initiative or expenditure plan was written. Steve said Ukiah's measure appears somewhat ambiguous. Suggestions were offered by the group, such as further discussion with the City Manager or a public works committee that includes councilmembers. The public should be informed of plans early on. Find other funds for the questionable project. At least for the first year, focus expenditures on clearly approved projects (e.g. pavement), to help the case for later renewal of the tax. Steve thanked committee and staff for their advice.

7. Adjournment. The meeting was adjourned at 12:55 p.m.

/s/

Submitted by Janet Orth, Deputy Director / CFO

