

MENDOCINO COUNCIL OF GOVERNMENTS

Executive Committee Approved MINUTES

February 20, 2019

MCOG / Dow & Associates Conference Room
367 N. State Street, Ukiah

Present: Committee Members: Chair Dan Gjerde, Vice Chair Michael Carter, Director Richey Wasserman
MCOG Staff: Nephele Barrett, Janet Orth, Marta Ford, Alexis Pedrotti
MTA Staff: Absent

1. **Call to Order** at 2:01 p.m., Chair Gjerde presiding.

2. **Public Expression** - None.

3. **Review & Recommendation on Draft 2019/20 Regional Transportation Planning Agency (RTPA) Budget.** Janet's written staff report was provided in the meeting packet. Total available revenues from all sources are estimated at over \$8 million, higher than ever at 28% above this time last year. For the coming fiscal year, MCOG will be able to fund programs of the Regional Transportation Planning Agency and Mendocino Transit Authority, with an increase of TDA revenues accelerating under the economic recovery, augmented by new SB 1 revenues.

Nephele gave a brief introduction, noting options for the Administration and Planning staff contracts, which expire September 30, 2019.

- a. Local Transportation Fund (LTF) New Revenue Estimate and Reserve. Janet reviewed the general economic trend, the estimate, and how the reserve is calculated, then proceeded through the proposed allocations. County Auditor-Controller's fund estimate is \$3,852,643, up 2.7% (\$101,135) from the Fiscal Year 2018/19 initial estimate. Actual revenues this fiscal-year-to-date show an increase of 5.8% compared the same seven months a year ago.
- b. Administration. Janet briefly reviewed each line item in this budget detail. The total Administration budget proposal is up 4.9% (\$21,622), pending uncertainties of the staffing contract. LTF costs for Administration remain steady at 12% of the Auditor's estimate. As a percentage of total revenues from all sources, Administration is under 6%. Staff's proposal is \$591,278 from: LTF (\$464,066), Regional Surface Transportation Program (\$90,000), and Service Authority for Freeway Emergencies/SAFE (37,211).

Janet and Nephele explained how the contract was calculated. A 5% increase was added to cover unknowns, as a placeholder in the event a Request for Proposals is issued for new contracts; alternatively the Consumer Price Index (CPI) inflation rate and a healthcare increase would be proposed with a contract extension. Staff handed out the alternate preliminary calculation (about \$3,000 less). Questions and discussion included:

- Is this amount consistent with past increases? No, the past four years followed the negotiated agreements, so it does not compare accurately.
- Background: the 2013 Caltrans audit precipitated a separation of Administration and Planning into two separate contracts and a procurement of new staffing contracts. (Dan)
- Discussion of various CPI rates, such as Bay Area, Western region, California, and urban. Tracking closest to Mendocino County, after research and analysis by the retirement board, was the Western region. MCOG has been using the California All Urban Consumers rate, within perhaps a half-percent difference. (Dan, group)
- Discussion of healthcare rates: staff researched and used 11.5%, consistent with past years. MCOG board is not involved in healthcare plan decision making under the contracts. If bids were solicited, the process would self-regulate the costs. The difference between public employees and private contracts was noted. Today's agenda does not cover more discussion; suggestion of another committee meeting to look into that issue if desired. Overall healthcare trends statewide could be reviewed without looking at the contract. (Dan, Nephele, Richey)

- In 2014 a round number was used, then the budget was amended after contracts were established. (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 \$67,772. 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). Janet and Nephele reviewed the funding proposal prepared by Loretta Ellard, Deputy Planner, noting one change from the detail sheet: Planning, Programming & Monitoring (PPM) carryover is now LTF carryover (funds identified by audit). There is no increase to the LTF proposal over last year, at \$147,816. Nephele discussed the planning grant applications pending; \$368,285 is shown as a placeholder until Caltrans announces awards in April. The total initial OWP proposal amounts to \$905,377.
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 \$3,548,623, up \$ 394,818 (12.5%) from FY 2018/19. Janet reviewed the fund estimate for State Transit Assistance (STA), which continues to rise after years of decline. A preliminary estimate of \$946,179 is up 39% over last year's preliminary estimate. Together with MCOG's unclaimed fund balance, a total of \$1,410,136 from STA is available. New Senate Bill 1 revenues are the primary reason STA has nearly tripled from its low point. Total revenues for transit are \$5,765,420.

Recommendation:

Upon motion by Carter, seconded by Wasserman, and carried unanimously (*3 Ayes; 0 Noes; 0 Absent*), the Executive Committee recommended approval of staff's recommended Draft 2019/20 Regional Transportation Planning Agency (RTPA) Budget, with potential adjustment for the pending Administration staffing contract, for further development during the annual budget process, including:

- The LTF Reserve minimum fund balance of five percent, \$193,000, according to policy, releasing for allocation \$375,634
- A reserved balance of LTF one-time unallocated revenues of \$29,135
- \$464,066 LTF for Administration
- \$67,772 LTF for 2% Bicycle & Pedestrian Program, allocating the full optional 2%
- \$147,816 LTF for the Planning program
- \$3,548,623 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.*

4. Review & Recommendation on Proposed FY 2018/19 Budget Amendment – Contracted Planning Staff Time for Service Authority for Freeway Emergencies (SAFE). Nephele explained the reason for this request. Implementation of the SAFE plan is incomplete. Alexis reviewed operational challenges of the motorist aid call box system, with changes from analog to digital, and now Verizon shifting from 3G and 4G to the new 5G (fifth generation) protocol. Due to our rural area, quite a few of the call boxes use roaming, since upgrade to 5G would cut off the boxes that need US Cellular for reception in remote areas. She noted Sheriff's activities to monitor the call boxes. Nephele clarified that the proposed budget amendment would add funds to cover the extended planning activities as well as those that fell behind in the past year due to outside factors. Funds are available in the SAFE account, and only actuals costs would be claimed.

Recommendation:

A motion was made by Carter, seconded by Wasserman, to approve the recommendation. Discussion on the motion: Janet showed where this item appears in the budget (Resolution #2018-03, Exhibit D). The adopted budget allocated no funds to the Davey-Bates Consulting (DBC) Planning budget. The motion carried unanimously (*3 Ayes; 0 Noes; 0 Absent*): the Executive Committee recommended approval of an amendment to the FY 2018/19 MCOG Budget not to exceed \$17,000 for SAFE Planning work.

5. Review & Recommendation on Options for Comprehensive Staffing Services Starting October 1, 2019.

Nephele gave background of staff's consultations with Maura Twomey, a transportation professional and former Caltrans auditor considered an expert (credentials noted) about contract extensions acceptable to the State. Ms. Twomey has done further research and considers acceptable the existing contracts that specify up to five one-year extensions. Nephele noted two basic contract options available: extend the contracts or issue new Requests for Proposals (RFP). If extensions are approved, additional optional actions include 1) consultation with legal counsel to establish reasonable basis, and 2) before a second extension, issue a "Request for Interest" to gauge the level of competition (refer to staff report). Discussion followed.

Recommendation:

Upon motion by Wasserman, seconded by Carter, and carried unanimously (*3 Ayes; 0 Noes; 0 Absent*), the Executive Committee recommended a one-year extension of both staffing contracts and appointment of an ad hoc committee to take the next step, for the March 4 Council agenda.

Dan left for another meeting at 3:30 p.m.

6. Reports and Information – No Action. Mike reported the Laytonville Area Municipal Advisory Council (LAMAC) met to address a paving need in Laytonville. Thermal crosswalk markings have deteriorated and must be removed, to be replaced with better, more visible ones. The project starts from the Chevron station downtown.

7. Members' Concerns. None.

8. Adjournment. The meeting was adjourned at 3:38 p.m.

Submitted by Janet Orth, Deputy Director / CFO

Mendocino Council of Governments

Regional Transportation Planning Agency - Fiscal Year 2019/20 Budget

Administration, Bicycle & Pedestrian, Planning, and Transit Allocations - Executive Committee Recommendation as of 2/20/2019

REVENUES	LOCAL			STATE			FEDERAL		Local Match	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	RSTP	Other		
2019/20 LTF Official County Auditor's Estimate	3,852,643									3,852,643
2018/19 Auditor's Anticipated Unrestricted Balance	163,519									163,519
Total Local Transportation Fund (LTF) Estimate	4,016,162									4,016,162
2018/19 Auditor's Anticipat'd Unrestricted Balance - Reversal	-163,519									-163,519
Reserved LTF prior-year unallocated revenues	29,135									29,135
Carryover - Planning Overall Work Program	5,276									5,276
2019/20 State Transit Assistance - SCO's Preliminary Estimate		946,179				131,815	SGR			1,077,994
State Transit Assistance - Fund Balance Available for Allocation		463,957		Includes 2018/19 revised SCO estimate						463,957
MCOG's Capital Reserve Fund - Balance Available for Transit			674,846							674,846
MTA Requested Carryover from 2018/19		pending								0
2019/20 STIP Planning, Programming & Monitoring (PPM)				90,000						90,000
2019/20 Rural Planning Assistance					294,000					294,000
2019/20 State Active Transportation Program (ATP) - grants & carryover						pending				0
2019/20 State Planning Grants - requested						368,285				368,285
Regional Surface Transportation Program - State Exchange Estimate-preliminary							780,992			780,992
LTF Reserve:										
2017/18 LTF Unrestricted Balance - audit pending	378,614									
LTF Reserve Balance as of 6/30/2018 - audit pending	250,018									
Less LTF Reserve Allocated for FY 2018/19	59,998									
Subtotal	568,634									
Less LTF Reserve Minimum Balance per Policy adopted 4/2/2001	193,000	(Per policy, Reserve shall be 5% of County Auditor's estimate of new revenue, to nearest 1,000.)								
Amount Available for Allocation in FY 2019/2C	375,634									375,634
TOTAL REVENUES	4,262,688	1,410,136	674,846	90,000	294,000	500,100	780,992	0	0	8,012,762
ALLOCATIONS										
Reserved LTF prior-year unallocated revenues	29,135									
2019/20 Administration	464,066						90,000			554,066
2% Bicycle & Pedestrian - 2018/19 LTF less Admin. x .02	67,772									67,772
2019/20 Planning Overall Work Program (OWP) - New Funds	147,816				90,000	294,000	368,285	0	0	
Carryover Funds - See OWP Summary	5,276									Total OWP: 905,377
Total Administration, Bike & Ped., and Planning	714,065	0	0	90,000	294,000	368,285	90,000	0	0	1,527,215
BALANCE AVAILABLE FOR TRANSIT	3,548,623	1,410,136	674,846	0	0	131,815	0	0	0	5,765,420
2019/20 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			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							590,992			590,992
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						pending				
TOTAL ALLOCATIONS	714,065	0	0	90,000	294,000	368,285	780,992	0	0	2,247,342
Balance Remaining for Later Allocation	3,548,623	1,410,136	674,846	0	0	131,815	0	0	0	5,765,420