

MENDOCINO COUNCIL OF GOVERNMENTS

Approved MINUTES
Monday, March 5, 2012
Ukiah City Council Chambers

The Mendocino Council of Governments (MCOG) meets as the Board of Directors of:
Mendocino Regional Transportation Planning Agency (RTPA) and
Mendocino County Service Authority for Freeway Emergencies (SAFE)

1. Call to Order / Roll Call. The meeting was called to order at 1:35 p.m. with Directors Jackman (Caltrans/PAC), Terry Hughey, Holly Madrigal, Mari Rodin, John Pinches, Susan Ranochak, Carre Brown, and Dan Gjerde present; Chair Gjerde presiding. (All attended in person, with no audioconference.)

Staff present: Phil Dow, Executive Director; Janet Orth, Deputy Director for Administration; Loretta Ellard, Assistant Executive Director; and Nephele Barrett, Senior Planner.

2. Convene as RTPA

3. Recess as RTPA - Reconvene as Policy Advisory Committee.

Public Expression. None.

4 - 6. Regular Calendar.

4. Caltrans Fiscal Year 2012-13 Transportation Planning Grant Program. Ms. Ellard described the annual grant program and notification process. Two requests were received for MCOG's support. A group from Anderson Valley requested sponsorship, as they were not eligible to apply on their own. Mendocino County Department of Transportation (MCDOT) was eligible and requested only matching funds for their project.

- a. Approval of Local Matching Funds for County of Mendocino's Application for Community Based Transportation Planning Grant – "Orchard Avenue Extension (Ukiah Area) Feasibility Study."

Mr. Bob Parker of MCDOT described the proposed project, location and scope. Ms. Ellard stated that letters of support had been received last year when the department first applied for the same project.

- b. Adoption of Resolution Authorizing Application and Local Matching Funds for Community Based Transportation Planning or Environmental Justice Grant – "Anderson Valley Trail Project."

Melissa Meader, representing Cycked and Anderson Valley Community Services District (AVCSD), described the proposal and community support for the project, then invited questions. Discussion included:

- How would a trail appear, for example between Boonville and Philo; separation from road? This is yet to be defined; ideas and alternatives have been suggested, to be explored further during the grant's community planning process. The project area could be described as the "128 Corridor" so as not to be confined to the state highway, comparable

to the Westport Area Multi-Use Coastal Trail Plan. A combination of solutions can be expected. (Rodin, Meader, Dow)

- Community members in Boonville were interested in bikeways and trails when MCOG staff facilitated public workshops there recently for another planning effort. (Dow)
- Staff requested flexibility to work with the group and to modify the proposal as needed, including budget details and amount of local match required. The resolution was drafted such that MCOG could apply for either of two types of planning grants under this program, as best fits the proposal. (Ellard)

Upon motion by Madrigal, second by Rodin, and carried unanimously on roll call vote (*8 Ayes – Jackman/PAC, Hughey, Madrigal, Rodin, Pinches, Ranochak, Brown, and Gjerde; 0 Noes; 0 Abstaining; 0 Absent*): IT IS ORDERED that staff’s recommendation is approved to:

- Contribute the required ten percent local matching funds of \$18,000 for County of Mendocino’s application for a Community Based Transportation Planning Grant to fund “Orchard Avenue Extension (Ukiah Area) Feasibility Study” and direct staff to work with the County to refine the application to meet specific grant objectives;
- Authorize MCOG’s grant application on behalf of Cycked/Anderson Valley CSD and approve commitment of up to \$15,000 local matching funds by the following resolution:

Resolution No. M2012-02

Authorizing Application for Caltrans FY 2012-13
Community Based Transportation Planning Grant or
Environmental Justice Grant

for the Anderson Valley Trail Project

(Reso. #M2012-02 is incorporated herein by reference)

- Direct staff to work with Cycked/Anderson Valley CSD to select the appropriate grant program (as above) and finalize the application and budget for submission to Caltrans by the April 2, 2012 due date; and
- Direct staff to program the Valley Trail project and Orchard Avenue Extension Feasibility Study in the Final FY 2012/13 Overall Work Program.

5. Executive Committee Recommendations of February 29, 2012:

- a. Acceptance of 2010/11 Fiscal Audit of Mendocino Council of Governments. Ms. Orth reported a clean fiscal audit report and briefly described the funds audited. Vice Chair Pinches noted there were no “audit exceptions” in the auditor’s report. Committee members confirmed their recommendation of acceptance.

Upon motion by Rodin, second by Ranochak, and carried unanimously (*8 Ayes; 0 Noes; 0 Abstaining; 0 Absent*): IT IS ORDERED that the 2010/11 Fiscal Audit of MCOG is accepted.

- b. Award of Fiscal Auditor Engagement for MCOG and Mendocino Transit Authority Audits, Fiscal Years 2011/12 through 2015/16. Ms. Orth summarized her written staff report of her research into standards for auditor rotation and the reasons for developing and issuing a Request for Proposals. Four proposals were received and ranked by a panel consisting of herself and MTA’s Finance Manager. The top-ranked CPA firm was Burr Pilger Mayer, Inc. (BPM) based in San Jose, California. MCOG and MTA’s current auditor, R. J. Ricciardi,

ranked in second place. She also reported BPM's cost proposal. Executive Committee members concurred with staff's recommendation.

Upon motion by Madrigal, second by Ranochak, and carried unanimously on roll call vote (8 Ayes –*Jackman/PAC, Hughey, Madrigal, Rodin, Pinches, Ranochak, Brown, and Gjerde*; 0 Noes; 0 Abstaining; 0 Absent): IT IS ORDERED that the engagement of Burr Pilger Mayer, Inc., Certified Public Accountants, is approved to conduct annual fiscal audits of MCOG and MTA, for up to five fiscal years ended June 30, 2012 through June 30, 2016, and the Executive Director is authorized to execute annual agreements for this five-year period.

- c. Report of Draft Fiscal Year 2012/13 Budget. Ms. Orth reported highlights of the draft budget. Both the fiscal-year-to-date sales tax revenues and the County Auditor-Controller's official budget estimate reflect a gradual economic recovery over the past two years, an increase of more than six percent. The committee's recommendation includes restoring a reserve fund according to policy. She advised the Council of upcoming steps in MCOG's budget timeline from now until adoption in June.

No action was taken.

- d. Consideration of MCOG Bylaws Section 5.3, Technical Advisory Committee (TAC) Membership Composition. Ms. Ellard reported results of staff's research into composition of similar rural COG's technical advisory committees, as requested by Director Pinches, and focus of the Executive Committee's discussion. A letter had been received from North Coast Railroad Authority asking that the rail seat be retained. Staff's position is that currently there is coordination needed with NCRA relative to the Rails With Trails Corridor Plan, so although they have not attended many meetings to date, it would not be timely to eliminate the rail authority's representation. The recommendation (2-1 vote) was to remove the rail seat from TAC membership. Public comment included:

John McCowen, NCRA Board Member, stated that he was not speaking officially for NCRA in this case, however based on recent conversations up to today with Executive Director Stogner, they would not object to MCOG either retaining or removing the seat and would be glad to participate in some manner going forward. He called for more communication and collaboration between the two agencies. The public is best served with an attitude of teamwork, especially when funds are scarce.

Mr. Bob Parker of Redwood Valley, speaking only for himself, commented on his personal background with the railroad, noting the history and role of railroad infrastructure in communities and rural environments. County of Mendocino often interacts with NCRA. For these reasons he supported continuing to include rail membership on the TAC.

Mr. McCowen (returning to podium), affirmed NCRA's long-term goal to extend service as far north as Willits and commented on NCRA's strong link to local communities throughout Mendocino County.

Board discussion:

- Vice Chair Pinches explained his reasons for raising this issue, objecting to even an advisory voting membership for NCRA. He discussed the railroad's exemption from federal excise tax and vehicle license fees, making a case that voting TAC membership should be limited to those agencies that contribute tax revenues. Another objection concerned ways in which NCRA controls the public right-of-way within the rail corridor. Lastly he noted that public trails may not be desired by adjacent property owners.

- Director Madrigal explained her lone “no” vote on this issue at the Executive Committee. The NCRA representative present at that meeting had stated her desire and intention to attend TAC meetings more regularly. Also the railroad runs through her jurisdiction (City of Willits) and she is generally supportive of it; she would value having NCRA’s official position on issues as they arise. Although NCRA had just recently come to MCOG with a funding request, they had made clear their wish not to compete with MCOG members and MTA for those funds.
- There was a discussion of the Ukiah rail depot property, its potential future use as a courthouse site, and whether that could affect rail operations on the site. (Rodin, Pinches)
- Staff answered questions about the TAC’s official status, record of any split votes (not often), and quorum/action requirements. (Hughey, Madrigal)
- Director Rodin supported increased NCRA participation with MCOG, rather than discontinuing TAC membership. She emphasized the relationship to rail-trail corridor plans currently in progress.
- Kendall Smith, MCOG Alternate Director, speaking from the podium, suggested a compromise of offering to NCRA a non-voting membership on the TAC.
- Chair Gjerde suggested logistics and privileges for such a non-voting position. In a brief discussion, it was clarified that staff would return to the Council with a draft bylaws amendment.

Upon motion by Madrigal, second by Rodin, and carried unanimously (*8 Ayes; 0 Noes; 0 Abstaining; 0 Absent*): IT IS ORDERED that status of the seat designated for a Rail representative on MCOG’s Technical Advisory Committee is changed to non-voting membership, and staff is directed to draft an amendment to the Bylaws accordingly and return to the Council for approval of the Bylaws amendment.

- e. Consideration of Project Eligibility in MCOG’s Regional/State Transportation Improvement Program (RTIP and STIP) Policies – Streets & Roads. Mr. Dow introduced this issue originating from Mr. Parker’s personal comments at last September’s Council meeting that objected to an aspect of MCOG’s regional policies adopted in August 2011. A standing policy was reinforced that made road rehabilitation and maintenance ineligible for programming in MCOG’s RTIP. The Executive Committee recommended no change to existing policy (*2 ayes, 1 abstaining – Pinches*).

Mr. Dow confirmed that pavement overlays are not consistent with the adopted policy and cited reasons as laid out in his written staff report. He summarized history of the State’s program as intended for capital purposes. The California Transportation Commission (CTC) must approve regional programming to be funded. There is a large backlog of unfunded rehabilitation projects all over the state, approved by the CTC only for regions where no state highway capital projects exist. It is difficult for agencies with a high level of capital improvement projects to make a case, and such proposals are consistently rejected time after time. MCOG staff continues work to identify funding sources and has done more than any other rural agency in California to raise its own revenues for these needs, in the form of dedicated, voter-approved sales taxes by its “self-help cities.”

The Chair invited public comment.

Mr. Bob Parker (again speaking as a private citizen), commented that while the CTC may reject important rehabilitation projects, the regional council should not parrot the State agency’s position. He asked that MCOG remain silent on the subject, leaving options open.

Mr. Dow responded with a specific example of how this system works as a practical matter, noting that Technical Advisory Committee members such as Mr. Parker do not normally witness the full process that plays out before the state commission.

Board discussion:

- Vice Chair Pinches gave reasons he did not support changing the policy.
- Chair Gjerde noted he shares Director Pinches' and Madrigal's concerns about road maintenance needs and sees the wisdom of funding projects outside the STIP when necessary. He recommended that when capital projects arise that are among CTC priorities, rather than advancing only one cost estimate, review lower-cost phasing options.
- Director Madrigal stated why she was convinced not to modify the policy, while generally in favor of rehabilitation projects. She agreed that options are needed, however Mr. Dow put forward persuasive argument that ultimately MCOG might receive less State money over time as a result of allowing proposals to be considered in the regional program that are likely to be rejected. However, over the longer term she believes it will be more difficult to fund many capital projects at all, so flexibility will be needed.
- Chair Gjerde commented that the worst case would be to send a message to member agencies that the only relief is to submit a total reconstruction project for funding. The message should be to economize on projects whenever possible.
- Mr. Dow noted the CTC does not like local reconstruction projects much either, but he is not suggesting excluding those.

No action was taken.

- f. Report of Discussion on Rural Northern California Representation on California Transportation Commission. The Executive Committee had not yet addressed this matter, as staff needed more time to respond to the Council's directive to seek local candidates. Mr. Dow answered questions, confirming that commissioners cannot be elected officials, these are not paid positions, and since commissioners are appointed by the Governor, eligibility would include some political credentials.

At staff's request, the Chair continued this item to a future agenda.

- g. Commitment of Future Regional Improvement Program (RIP) Shares for Phase I, U.S. 101 Bypass of Willits. Mr. Dow stated the reason for this agenda item, summarizing his written report. When the U.S. Army Corps of Engineers was near conclusion of its permit review, Caltrans reviewed project costs and funding, resulting in a revised cost estimate. An increase of \$14 million is anticipated. Under terms of SB 45 regional and state negotiated cost sharing, MCOG's share is 15% or \$2.1 million, from future STIP cycles. He advised making a commitment of regional shares before the CTC allocates funds to the project on March 29. He noted that no aspect of this project has been easy and hoped this would be the last painful hurdle to overcome. If costs come in lower, it is possible the entire estimated amount might not be needed to complete project.

Questions and discussion:

- How would funds be returned to MCOG if actual costs are less than estimated? In a complicated process, funds are fully allocated, a series of project segments follows, and possibly not all funds would need to be used for each segment. Would cost savings be eligible for MCOG to reprogram? (Gjerde, Dow)

- Matt Brady, Deputy Director, Caltrans District 1: 2012 STIP Guidelines indicate that if contract bids come in at 80% of the construction estimate or lower, dollars can be refunded in the form of reduced STIP fund shares by MCOG's request within 90 days. A similar process was done for Humboldt's regional agency.
- Contingency amount? Roughly ten percent of construction. (Madrigal, Brady)
- Bids are not expected to be as low as in recent years, but still good. (Dow)
- Discussion of the Corridor Mobility Improvement Account (CMIA) bond program; unless the Legislature extends the December 2012 deadline, some of those projects will fail to be delivered; pros and cons of funding through the CMIA versus STIP. The Commission makes this decision. The historic level of MCOG's regional shares were noted. (Madrigal, Dow, Gjerde)
- This is the most important decision before MCOG today, the project is too far along to withhold support now. As the largest construction project in Mendocino County, it is extremely important to send a message to the CTC of our unwavering support. (Pinches)
- It is exciting to see this project move forward to completion, having heard about it for much of a lifetime. Many in this county will use it. We need to get it done. (Brown)

Public comment:

Mr. Bob Parker, made remarks on behalf of Mendocino County Department of Transportation (MCDOT) and himself. This commitment will tie up available regional funds for many years, yet he supports this important project. He would recommend full funding of both phases of project at once, but understands administrative and political questions. Having known Mr. Dow more than 17 years, Mr. Parker complimented him on his vision and foresight, commitment and hard work on this project over all of that time.

Action was taken under the following Agenda Item #6.

6. Adoption of Resolution Committing Future Regional Improvement Program (RIP) Shares for Phase I, U.S. 101 Bypass of Willits. Upon motion by Pinches, second by Brown, and carried unanimously on roll call vote (*8 Ayes –Jackman/PAC, Hughey, Madrigal, Rodin, Pinches, Ranochak, Brown, and Gjerde; 0 Noes; 0 Abstaining; 0 Absent*): IT IS ORDERED that the following resolution is adopted.

Resolution No. M2012-03

Committing Future Regional Improvement Program Shares
for Completion of Phase I of the
U.S. 101 Bypass of Willits Project
(Reso. #M2012-03 is incorporated herein by reference)

Project Manager Dave Kelley of Caltrans, seated in the audience, was recognized for his work and perseverance on this important project.

7 - 8. Consent Calendar. Upon motion by Ranochak, second by Pinches, and carried unanimously on roll call vote (*8 Ayes –Jackman/PAC, Hughey, Madrigal, Rodin, Pinches, Ranochak, Brown, and Gjerde; 0 Noes; 0 Abstaining; 0 Absent*): IT IS ORDERED that consent items are approved:

7. Approval of February 6, 2012 Minutes – as written

8. Approval of Mendocino Transit Authority’s Revised Claim for Fiscal Year 2011/12 Funds – *State Transit Assistance funds, based on the State Controller’s Revised Estimate, are expected to be available at \$536,624 (partially received to date) in addition to MCOG’s fund balance; MTA claims an additional \$182,993. MTA claims additional Capital Reserve Funds of \$206,366 from available fund balance of \$578,974. FY 2011/12 revised allocation summary:*

Local Transportation Fund (LTF)		
MTA Operations	1,980,954	
Unmet Transit Needs	0	
Senior Center Operations	367,556	
Total LTF		2,348,510
State Transit Assistance (STA)		
MTA Operations	345,445	
MTA & Senior Center Capital	0	
MTA Capital - Carryover	312,277	
Total STA		657,722
Capital Reserve Program		
MTA - Current Year	324,101	
Senior Centers – Current Year	0	
Long Term (Five Year Plan)	254,873	
Total Capital Reserve		578,974
Total Transit Allocations		3,585,206

9. Recess as Policy Advisory Committee - Reconvene as RTPA - Ratify Action of Policy Advisory Committee. Upon motion by Madrigal, second by Pinches, and carried unanimously (7 Ayes; 0 Noes; 0 Abstaining; 0 Absent): IT IS ORDERED that the actions taken by the Policy Advisory Committee are ratified by the MCOG Board of Directors.

10. Reports - Information

- a. Mendocino Transit Authority. Bruce Richard, General Manager reported that the previous week several of MTA’s management team visited the Gillig bus manufacturing plant in Hayward, California, to see how their busses are assembled. MTA has a \$2.5 million grant from Proposition 1B Public Transit Modernization program bonds to include replacement of four of their oldest busses. Their order will begin production within a year; his plan calls for hybrid-electric drive vehicles, subject to MTA board approval. Also, the major construction shop project is moving forward, and the next related project is imminent, to install solar photovoltaic canopies over the bus parking lot, providing weather protection and enough electricity to run MTA’s offices. The new shop’s solar rooftop will provide energy for operations. By end of this summer, their PG&E bill should be at nearly zero.
- b. North Coast Railroad Authority. There was no further NCRA news to report. In a related matter, Ms. Ellard announced that MCOG will host a public meeting March 13 in Ukiah, as the third and final Rails With Trails Corridor Plan workshop, for comments on the draft plan.
- c. MCOG Administration & Planning Staff
 1. *Summary of Meetings.* Dow referred to his written staff report.

2. *Regional Blueprint - Vision Mendocino 2030 Update.* There was no new information ready to report at this time. Data is still being refined and corrected before presentation materials will be available.
3. *Miscellaneous.* Mr. Dow reminded the Council of its semiannual transportation tour scheduled for next fall in Gualala and Point Arena, and also announced that a town meeting in Gualala is planned for this Saturday, March 10, to pursue solutions and funding for projects identified in the Community Action Plan.

He and Mr. Brady answered questions about the newly installed cable retention system on U.S. 101 in Ukiah Valley, a safety project amended into the 2010 State Highway Operations & Protection Program (SHOPP), funded by the American Recovery & Reinvestment Act (ARRA). The collision rate had reached an average daily figure that triggered construction of this project, according to Caltrans' policies.

- d. MCOG Directors. Chair Gjerde reminded the Council of the semiannual transportation tour scheduled for April 2 in Fort Bragg, followed by MCOG's regular meeting in Town Hall. The last Fort Bragg tour was in 2008, so progress will be shown resulting from the City's leveraging of various funding sources since then. He noted MCOG's participation in funding of those transportation projects.

Director Brown asked about Form 700, Statement of Economic Interests, filing requirements for MCOG directors. Director Ranochak, as County Clerk-Recorder, confirmed that the appointment may be listed on the same form as that submitted for elected positions; only one form is required.

- e. California Association of Councils of Governments (CALCOG) Delegates. The delegate and alternate were notified of the 19th Annual Regional Issues Forum, April 25-27 in Monterey. Staff plans to attend.

11. Adjournment. The meeting was adjourned at 3:28 p.m.

Submitted: PHILLIP J. DOW, EXECUTIVE DIRECTOR

By Janet Orth, Deputy Director for Administration