

# MENDOCINO COUNCIL OF GOVERNMENTS

## Approved MINUTES

Monday, June 3, 2013

County Administration Center, Board of Supervisors Chambers

### ADDITIONAL AUDIOCONFERENCE LOCATION:

Caltrans District 1, 2430 6<sup>th</sup> St., Eureka

**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 1:40 p.m. with Directors Benj Thomas, Holly Madrigal, Doug Hammerstrom, John Pinches, Susan Ranochak, and Dan Gjerde present; Chair Gjerde presiding. Director Rex Jackman (Caltrans/PAC) joined by conference phone soon after. Director Terry Hughey was absent.

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

**2. Public Hearing: Adoption of Resolution Approving 2013 Regional Housing Needs Allocation (RHNA).** Ms. Barrett summarized her written report and this five-year plan update. Total allocations by household income level are assigned to each region by State Department of Housing & Community Development, based on a formula of projected housing needs from the most recent census. MCOG conducted a public process to develop further allocation to the five member jurisdictions; all had an opportunity to review and comment. No appeals of the proposed allocation had been received to date.

The Chair opened the public hearing at 1:44 p.m.

Director Pinches asked for comparable numbers from the last cycle. Ms. Barrett referred to the 2008 plan and reported total numbers of housing units to be accommodated was 3,495 countywide, compared to 250 for the proposed 2013 plan. Director Pinches noted that County of Mendocino had been involved in lawsuits over its housing element. Discussion followed on the issues and numbers involved. The distribution among jurisdictions has changed since the last plan. Generally infill development is an issue of concern for cities, while land availability is greater in the county unincorporated areas but without established utilities.

With no one from the public coming forward to speak, the hearing was closed at 1:50 p.m.

**A motion was made** by Director Madrigal, seconded by Director Ranochak, to approve the resolution and to direct the adopted plan to State Department of Housing & Community Development as recommended in the staff report. **Discussion on the motion:** Director Thomas reported issues for City of Ukiah of low- and moderate-income housing availability. Public testimony heard by the City is that people cannot afford to live in the area. Director Madrigal suggested a likely explanation that while the City is not required to build, only to make parcels available, insufficient construction of housing has occurred. Ms. Barrett concurred, adding that desired housing types may not be available. Director Pinches thought problems may be similar nationwide, where policies and infrastructure are in place, but no private entities are doing the building. In further discussion, other agencies dealing with these issues were identified as resources. Director Hammerstrom asked about housing needs distribution throughout California and whether any small regions prepare a combined regional housing element; staff had not observed that anywhere, as each agency is required to develop a separate housing element. Director Pinches discussed relationships between housing and transportation.

**The motion carried** unanimously on roll call vote (*6 Ayes – Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey*): IT IS ORDERED that the following resolution is adopted.

**Resolution No. M2013-08**  
Adopting the 2013 Mendocino County  
Regional Housing Needs Plan  
(Reso. #M2013-08 is incorporated herein by reference)

### **3. Convene as RTPA**

**4. Recess as RTPA - Reconvene as Policy Advisory Committee.** Director Jackman (PAC) was connected to the audioconference. Mr. Brad Mettam (present in person) was introduced as the newly appointed Caltrans Deputy District 1 Director of Planning & Local Assistance. He briefly summarized his background, having worked for Caltrans 14 years, with his most recent post for District 9 at Bishop in the eastern Sierra desert. Originally from Half Moon Bay, he is new to this area. Chair Gjerde made a few welcoming remarks, encouraging Mr. Mettam to get to know the local planners.

**Public Expression.** Freddie Long, resident of Brooktrails Township, handed out to the board members copies of Senate Bill 45 enacted in 1997 and a summary of the bill. She stated her understanding of the bill as having to do with STIP (State Transportation Improvement Program) funds and that there have been misconceptions about how STIP funds may be used. She read from the bill the various projects for which funds may be spent, including local roads. She said to date all of MCOG's STIP funds have been given to Caltrans, and that in a recent Brooktrails meeting, the Township's attorney told its board of directors that STIP funds could be used only for state highways and freeways. She emphasized the funding needs for local roads countywide and requested that MCOG from this point forward use these STIP funds for local needs.

Director Pinches asked the Chair to permit the Executive Director to respond. Mr. Dow thought that all who had served on MCOG's board were aware of how the funds had been used, as a matter of priorities. His analysis, before the most recent STIP allocation, showed MCOG had programmed about 60 percent of these funds for local projects to date. Now it is likely close to 50 percent. He cited several examples in various parts of the county. MCOG has been the only regional transportation planning agency that has dedicated a portion of its share exclusively to bicycle and pedestrian projects, with a separate competition for those. He reminded the Board that "this money does not come to us, it is held by the State," and MCOG is provided with a fund estimate for programming. Some years ago, MCOG programmed local street and road rehabilitation projects for all five member entities. When there is a substantial amount of money available in the STIP, there can be an opportunity to fund local roads. He asked that when members of the public have questions about the program they come to the source of information, i.e. this agency.

Rosamund Crowder, resident of Willits, asked for clarification on the STIP funding. She asked a series of questions about the number of STIP cycles under SB 45, available funding, and how funds were programmed. Mr. Dow responded as to each cycle. Ms. Crowder made a point relative to scale, where 60 percent of lesser funded cycles would not add up to as much as the others. Chair Gjerde noted the 60 percent reference was cumulative. Ms. Crowder summarized and closed with remarks urging MCOG to think more locally.

### **5 - 9. Regular Calendar.**

**5. Presentation of MCOG Triennial Performance Audit by Pacific Municipal Consultants, dba PMC.** Mr. Dow reviewed the purpose of this audit, which is required for administration of the Transportation Development Act (TDA), but which customarily has delved deeper into all aspects of agency operations. Ms. Orth introduced Mr. Derek Wong of PMC, noting that in addition to the required reviews, he has been a knowledgeable and helpful resource to staff for advice on various matters. She then distributed copies of the audit report.

In Mr. Wong's oral presentation he reported that "all tests were quite favorable" of the 14 compliance measures from the statewide guidebook for audits. He provided advice for improving compliance with the requirement for annual fiscal audits of non-transit local claimants of TDA funds. Status of prior recommendations was reported, both of which had been implemented. Operational trends and policies were reviewed. Under the functional review he found the Board's strategic planning process a very positive framework for activities during the audited period, noting adoption of mission, vision, and priorities. A regional project manager was hired to assist the member agencies, providing a valuable service during a time of staffing shortages. Interviews with Board and Technical Advisory Committee members gave overall high ratings and satisfaction with the COG's activities and support provided. Major undertakings included the successfully completed Regional Transportation Plan update, as well as the Vision Mendocino 2020 Blueprint planning process. The COG is commended for continuing its formal unmet transit needs procedure annually. Four recommendations resulted from the analysis, all of which arose from staff's inquiries early in the audit. He summarized the audit recommendations, then invited questions, including the following:

- What are the non-transit functions subject to audit? (Madrigal) TDA funds may be allocated to planning and to bicycle and pedestrian projects.
- Relative to senior centers, what is the difference between Article 4.5 and Article 8 in TDA? Can agencies choose how they are funded? (Hammerstrom) 4.5 is limited to certain types of projects and limited to five percent of overall TDA funds, which MCOG has not elected to use. Article 8 is the last step in the allocation priorities, available for streets and roads after transit needs are met. MCOG gives all remaining funds to Mendocino Transit Authority. A share of MTA's allocation goes to senior centers contracts. He discussed recommendations for a more reasonable funding formula involving performance incentives.
- Senior center volunteers in Fort Bragg are given free rides to the center as a form of compensation. How would Mr. Wong's formula take that into account? (Gjerde) Any kind local match raised by the centers for transportation services, in contrast to only fare revenues, could be part of such an incentive formula.

The Chair invited questions from the audience:

- Judy Berdis, occupational therapist in Willits, described her work in home health throughout the county and discussed transportation needs of seniors and productivity requirements for healthcare providers. She cautioned against using a frame of reference with opposing issues of productivity demands and service needs. She commended MCOG for continuing transit service for seniors in Willits, Laytonville and Covelo. Director Pinches recommended she talk with MTA about their new eRide volunteer driver program.
- Lauren Sinnott of Point Arena asked Mr. Wong to clarify the meaning of "productivity" in his context. He identified transportation productivity as measured by specific performance indicators under TDA, allowing for attainable targets by senior centers. He elaborated on balancing costs, ridership, coverage and other factors for the best use of limited resources.

The Board thanked Mr. Wong for his report. No action was taken under this agenda item.

**6. Executive Committee Recommendations of May 28, 2013.** The committee had met following distribution of the Board agenda packet and recommended acceptance of both audit reports.

- a. Acceptance of MCOG Triennial Performance Audit. Ms. Orth invited committee members to comment or to make a motion, and confirmed the presence of a PAC member on the conference telephone, with Mr. Dave Carstensen substituting for Mr. Jackman.

**Upon motion** by Thomas, second by Madrigal, and carried unanimously on roll call vote (7 Ayes – Carstensen/PAC, Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that the Executive Committee’s recommendation is approved to accept the triennial performance audit report as prepared and presented by PMC.

- b. Acceptance of 2011/12 MCOG Fiscal Audit. Ms. Orth explained that the favorable audit report, while it found no “material weaknesses” of internal control, came with recommendations for management to address several “significant deficiencies” that were unusual for MCOG. These all resulted from her conversion to an improved accounting system to better meet audit requirements as well as staff’s daily needs for tracking the 14 separate funds. After four years of concerted effort and consultation with other professionals, she was pleased that her new system this past year had stood the test of rigorous scrutiny by a newly hired auditing firm, Burr Pilger Mayer Inc., dba BPM. Their recommendations called for refinements of the new system, which is otherwise working well now.

**Upon motion** by Hammerstrom, second by Ranochak, and carried unanimously on roll call vote (7 Ayes – Carstensen/PAC, Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that the Executive Committee’s recommendation is approved to accept the fiscal audit report as prepared by BPM.

**7. Fiscal Year 2013/14 RTPA Budget.** Ms. Orth noted the budget workshop in May, reiterating that findings and allocations are to be made by resolution, as included in the budget document she prepared. Since May, planning projects for funding carryover had been identified and updated in the recommended allocations (see also Agenda item #8). Total revenues are estimated at \$6,353,771 and total allocations are recommended at \$5,973,179. Staff answered some brief questions. Mr. Jackman had returned to the audioconference in time for the vote.

**Upon motion** by Madrigal, second by Ranochak, and carried unanimously on roll call vote (7 Ayes – Jackman/PAC, Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that the following four resolutions are adopted.

- a. Adoption of Resolution Finding That There Are No Unmet Transit Needs That Are Reasonable To Meet for Fiscal Year 2013/14.

**Resolution No. M2013-09**

Finding That There Are No Unmet Transit Needs  
That Are Reasonable To Meet for Fiscal Year 2013/14  
(Reso. #M2013-09 is incorporated herein by reference)

- b. Adoption of Resolution Allocating Fiscal Year 2013/14 Funds and 2012/13 Carryover Funds for Administration, Bicycle & Pedestrian Facilities, and Planning.

**Resolution No. M2013-10**  
 Allocating Fiscal Year 2013/14 Funds  
 and 2012/13 Carryover Funds for  
 Administration, Bicycle & Pedestrian Facilities, and Planning  
 (Reso. #M2013-10 is incorporated herein by reference)

Local Transportation Fund (LTF)		
MCOG Administration	323,725	
2% Bicycle & Pedestrian	54,826	
Planning Program – new funds	100,000	
LTF carryover – Planning program	134,231	
Total LTF		612,782
Other funding sources - Planning		1,004,519
<b>Total Allocations</b>		<b>1,617,301</b>

- c. Adoption of Resolution Allocating Fiscal Year 2013/14 Local Transportation Funds, State Transit Assistance, and Capital Reserve Funds and FY 2012/13 Carryover Funds to Mendocino Transit Authority.

**Resolution No. M2013-11**  
 Allocating Fiscal Year 2013/14 Local Transportation Funds,  
 State Transit Assistance, and Capital Reserve Funds and  
 FY 2012/13 Carryover Funds to Mendocino Transit Authority  
 (Reso. #M2013-11 is incorporated herein by reference)

Local Transportation Fund (LTF)		
MTA Operations	2,309,529	
Unmet Transit Needs	0	
Senior Center Operations	428,521	
Capital Reserve Fund	0	
Total LTF		2,738,050
State Transit Assistance (STA)		
MTA Operations	300,000	
MTA & Senior Center Capital	203,873	
MTA Capital - Reclaimed Carryover	82,451	
Capital Reserve Fund	0	
Total STA		586,324
Capital Reserve Program		
Current Year – MTA	200,321	
Current Year – Senior Centers	47,470	
Long Term – MTA and Seniors	228,071	
Total Capital Reserve		475,862
<b>Total Transit Allocations</b>		<b>3,800,236</b>

- d. Adoption of Resolution Allocating Regional Surface Transportation Program Funds for Fiscal Year 2013/14 MCOG Partnership Funding Program, Local Assistance, and Distribution By Formula To Member Agencies.

**Resolution No. M2013-12**  
 Allocating Regional Surface Transportation Program Funds  
 for Fiscal Year 2013/14 MCOG Partnership Funding Program,  
 Local Assistance, and Distribution By Formula To Member Agencies  
 (Reso. #M2013-12 is incorporated herein by reference)

MCOG Partnership Funding Program		100,000
Local Assistance - Project Delivery		90,000
Formula Distribution to Members		
Mendocino County DOT	98,091	
City of Ukiah	132,009	
City of Fort Bragg	88,139	
City of Willits	82,726	
City of Point Arena	54,677	
Total Formula Distributions		455,642
<b>Total Allocations</b>		<b>645,642</b>

**8. Technical Advisory Committee (TAC) Recommendations of May 15, 2013: Adoption of Final Fiscal Year 2013/14 Planning Overall Work Program (OWP).** Ms. Ellard reported the TAC had reviewed the final program with requested carryover projects added, for a total of \$1,238,750. Two additional projects were recommended for carryover by staff after the TAC met.

Director Pinches asked about the Pavement Management Program and projects carried over. Discussion followed concerning which projects would be carried over to FY 2013/14, and reasons they could not be completed in the current year. Ms. Ellard reported that the rate of project delivery is well within requirements of the funding sources. Ms. Ellard also noted work elements pending Caltrans' announcement of grant awards, anticipating that an amendment would be needed early in the new fiscal year as usual.

**Upon motion** by Pinches, second by Madrigal, and carried unanimously on roll call vote (7 Ayes – Jackman/PAC, Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that the 2013/14 Final Overall Work Program is adopted as recommended by the Technical Advisory Committee, and the Executive Director is authorized to sign certifications and the OWP Agreement and to forward to Caltrans as required.

**9. Consideration of Letter Proposing California Policy Implementation of Federal Transportation Alternatives Program (TAP) for Rural Regions.** Chair Gjerde introduced the issue, noting the change of funding sources in the federal transportation bill, MAP-21. This new program had been discussed at CalCOG's Regional Leadership Forum in April. He described his proposal to request that new TAP funds set aside a percentage so that rural regions could compete with only one another, rather than with the entire state. Discussion followed to consider direction to staff to draft such a proposal.

Executive Director Dow reported that the Transportation Enhancements (TE) Program had expired and COGs will no longer receive a formula share for their allocation to local projects. He handed out and reviewed the new Governor's Active Transportation Program Proposal, which includes TAP funds and requires that projects compete for funding. Three categories were itemized for distribution of funds: 1) Metropolitan Planning Organizations (MPOs), 2) regions with population less than 200,000, and 3) statewide competition. Mr. Dow considered the second category most advantageous for MCOG, as it is mostly rural and would have a smaller field of

candidate projects. He also believed MCOG could compete well in the statewide category, with some high profile projects proposed in the Pacific Coast Bike Route & California Coastal Trail Engineered Feasibility Study completed earlier this year. It was announced at CalCOG that the Governor's proposal was on hold, so it would be timely to submit comments before approval. He then answered questions.

Chair Gjerde noted this proposal was remarkably close to the one he had intended to put forward. Further discussion involved matching fund requirements for grants, responses to the Governor's proposal, and whether to express support for it.

In discussion, the Chair determined there was consensus to direct staff to work with him to send a letter, in general concept to support formula funding for the Active Transportation Program Proposal, or if that is not possible, then to create a setaside of funds within the program for smaller regions.

**10 - 12. Consent Calendar.** Director Pinches asked whether Mendocino Transit Authority had any comments. Sally Webster, MTA Finance Manager, responded that they had used the same audit firm as MCOG had; BPM was very thorough and professional, and provided a favorable audit report.

**Upon motion** by Madrigal, second by Thomas, and carried unanimously on roll call vote (7 Ayes – Jackman/PAC, Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that consent items are approved:

**10. Approval of May 6, 2013 Minutes – as written**

**11. Acceptance of April 22, 2013 Transit Productivity Committee Minutes – as written**

**12. Acceptance of 2011/12 Fiscal Audit of Mendocino Transit Authority**

**13. Recess as Policy Advisory Committee - Reconvene as RTPA - Ratify Action of Policy**

**Advisory Committee.** Upon motion by Thomas, second by Madrigal, and carried unanimously on roll call vote (6 Ayes – Thomas, Madrigal, Hammerstrom, Pinches, Ranochak, and Gjerde; 0 Noes; 0 Abstaining; 1 Absent - Hughey): IT IS ORDERED that the actions taken by the Policy Advisory Committee are ratified by the MCOG Board of Directors.

#### **14. Reports - Information**

- a. Mendocino Transit Authority. Dan Baxter was congratulated as the new MTA General Manager. He reported that five new Gillig busses had been placed into service and are getting almost double the fuel mileage of the old ones. Three more are on order, to be built in December. A new bus for Willits Senior Center would be delivered tomorrow.
- b. North Coast Railroad Authority. Ms. Ellard reported that NCRA had cancelled their May meeting and she planned to attend their next one in Healdsburg this week. City of Ukiah's Rails With Trails project will be on the next agenda for update, and their staff intended to bring it to the NCRA Board for approval of the lease agreement in July or August. Also, the Judge had dismissed the lawsuit by two environmental groups against NCRA's Environmental Impact Report on the rail line. A brief discussion followed.
- c. MCOG Administration & Planning Staff
  1. *Summary of Meetings.* Dow referred to his written staff report. There were no questions.
  2. *2012 State Transportation Improvement Program (STIP) Projects.* Mr. Dow noted six of the nine projects programmed by MCOG for funding and scheduled for activity in the FY 2013/14 STIP are local projects. He reported in detail on the "Caltrans – Route 101 Scenic Vista at Confusion Hill" project, summarizing history of the new bridge there,

how this enhancement project was impacted by loss of the TE program and was at risk of elimination, and how it still had a chance to go forward if County of Mendocino were to support it.

Director Thomas was excused from the meeting at 3:48 p.m.

Discussion included:

- Potential problems if or when a completed project reverts to the County to maintain a rest stop at the vista point, such as trash accumulation. Without further cost and development there is still a place there for travelers to stop and enjoy. (Pinches)
- This is a policy decision for the County, in Supervisor Gjerde's district. (Dow)
- Project scope could be scaled down to construct a raised viewing platform using existing concrete at the site. Is there flexibility to alter the scope? No. (Gjerde, Dow)
- Used by traveling public, not local public, a matter of priorities. (Hammerstrom)
- Opportunity for private-public partnership with interested business stakeholders. (Dow)  
Too many pitfalls for long term site maintenance. (Pinches)
- Further discussion of jurisdiction, property ownership, funding, EIR, related issues. (Madrigal, Pinches, Hammerstrom, Dow, Jackman-Caltrans/PAC)

Also reported was status of the East Side Potter Valley Road project, how it had been in jeopardy and Executive Director Dow was able to convince the California Transportation Commission to convert to state-only funds in the STIP, thereby saving the project. When federalized after a State policy change and problems meeting the timeline occurred, \$3.7 million would have been lost not only by the County, but also by the region.

3. *Miscellaneous*. Director Madrigal asked about status of Caltrans funding of Sherwood Road intersection improvements in Willits. Mr. Dow did not know, however expected allocation would be still a couple of years off. Staff verified \$525,000 for construction programmed in the 2012 STIP, likely closer \$6 million now.
- d. MCOG Directors. There were no reports.
- e. California Association of Councils of Governments (CALCOG) Delegates. There was no report.

**15. Adjournment.** The meeting was adjourned at 4:17 p.m.

Submitted: PHILLIP J. DOW, EXECUTIVE DIRECTOR

By Janet Orth, Deputy Director for Administration