

MADERA COUNTY TRANSPORTATION COMMISSION

EXECUTIVE MINUTES

Date: Wednesday, July 25, 2007
Time: 3:05 P.M.
Place: City of Madera Council Chambers

Members Present: Vice Chairman Sam Armentrout – Councilman, City of Madera
Robert Poythress – Councilman, City of Madera
Max Rodriguez – Supervisor, Madera County
Vern Moss – Supervisor, Madera County
Alt. Tom Wheeler – Supervisor, Madera County
Alt. Justin White – Councilman, City of Chowchilla

Members Absent: Chairman Frank Bigelow – Supervisor, Madera County
Alfred Ginsburg – Councilman, City of Chowchilla

Policy Advisory Committee: Above Members present and Caltrans Representatives:
Sharri Bender Ehlert, Deputy District Director

MCTC Staff Present: Patricia S. Taylor, Executive Director
Derek Winning, Deputy Director
Troy McNeil, Planner I
Richard Poythress, Planner I
Sheila Kingsley, Administrative Assistant

MCTC sitting as the Transportation Policy Committee.

I. PLEDGE OF ALLEGIANCE

II. PUBLIC COMMENT

This portion of the meeting is reserved for person(s) wishing to address the MCTC on items within their jurisdiction but not on this agenda.

There were no public comments.

III. TRANSPORTATION CONSENT ITEMS

A. *Madera County Transportation Commission Expedited Project Selection Process (EPSP)*

The programming of projects in the Federal Transportation Improvement Program (FTIP) is subject to Federal Financial Constraint guidelines which require that MCTC limit programming to the apportionment level of each year for each funding Program in the four year element. Apportionments not spent in three years are subject to lapse per AB 1012. Projects can only be obligated from the current year of the four year element; however projects can be advanced from the second, third, and fourth years to the first by administrative amendment provided that financial constraint is maintained. The constraint requirement implies that a corresponding dollar value in projects would move back in the FTIP to make room under the programming limit for the advanced project(s).

Implementation of these regulations is more difficult than it sounds in that not many agencies are willing to

move their project back in a timely manner. When a project schedule is delayed it is difficult for MCTC staff to determine in advance that the delay has occurred and by the time it becomes apparent it may be too late to process amendments to advance an alternative project prior to funding lapse. In an effort to provide an alternate method of dealing with this type of situation, FHWA and Caltrans allow MPO's to adopt an Expedited Project Selection Procedure which establishes criteria for advancing projects within the financially constrained four year element. The need for a more flexible and timely procedure is a product of the much more rigorous financial constraint scrutiny implemented by FHWA. In short, once this procedure is adopted, projects in the second, third, and fourth year of the four year element can be advanced and obligated without amendments. Staff must continue to monitor the program to insure that the four year element remains financially constrained, however much needed flexibility is created by this expedited process.

Action: Authorize Executive Director to sign and submit the MCTC Expedited Project Selection Process to Caltrans and FHWA.

B. California High-Speed Rail Budget Status

The California High-Speed Train (HST) system will be a 700+-mile system that will eventually serve Sacramento, the San Francisco Bay Area, the Central Valley, Los Angeles, the Inland Empire, Orange County and San Diego. By 2030, High-Speed Rail (HSR) will potentially be carrying over 100 million passengers on trains that are capable of speeds of 200+ miles per hour. At such high speeds, the expected trip time from San Francisco to Los Angeles will be just over 2 hours and 30 minutes.

Status: On June 29, 2007, the Legislature's Budget Conference Committee approved a \$60.7 million budget augmentation for the High-Speed Rail project. The California High Speed Rail Authority initially requested \$103 million in the 2007-08 budget to cover operating costs, including \$40 million to begin the purchase of right-of-way. Governor Schwarzenegger eventually offered a figure of \$5.2 million to the Authority in his budget proposal to the legislature.

The legislature will now enter into negotiations with the governor to approve the final budget. The Senate and Assembly will vote on the budget and send it to the governor for approval or further adjustment.

More information can be found online at www.cahighspeedrail.ca.gov.

Action: Information and Discussion Only

Transportation Consent Calendar Action: Upon motion by Commissioner Poythress, seconded by Commissioner Moss to approved the Transportation Consent Calendar (Item III A-B). A vote was called and the motion carried.

IV. TRANSPORTATION ACTION/DISCUSSION ITEMS

A. 2007 Federal Transportation Improvement Program – Resolution 06-12 Amendment No. 4 – Public Hearing

The Federal Transportation Improvement Program is a listing of capital improvements, and operational expenditures utilizing federal and state monies anticipated to be used in Madera County during the next four years.

The Madera County 2007 FTIP Amendment No. 4 was requested by Caltrans to add several lump sum programs (HSIP, SRTS, & STP Rail). Also, the CMAQ program was updated to reflect the required Federal/Local match for PE and Construction on several projects. The FTIP Amendment No. 4 changes are as follows:

Caltrans

MAD406003 – Caltrans Div. Rail – Eliminate hazards at rail grade crossing – STP Section 130 Lump Sum Program – (\$500,000 FY2006/07; \$1,500,000 FY2007/08)

MAD419004 – Highway Safety Improvement Program (HSIP) – Lump Sum Program – (\$548,000 FY2007/08)

City of Madera

MAD219002– City of Madera; James Monroe Elementary School Area – Install curbs, gutters, sidewalks, and street lights – Safe Routes to School (STRS) – (\$709,000 FY 2007/08)

CMAQ Program

Revise the following projects to reflect required Federal/Local match for PE and CON phases:

MAD302048

MAD102044

MAD102052

MAD202056

MAD102042

MAD102050

MAD202054

Vice Chairman Armentrout opened the floor at 3:10 p.m. for public comments. Being no public comments, Vice Chairman Armentrout closed the floor at 3:11 p.m.

Action: Upon motion by Commissioner Wheeler, seconded by Commissioner Poythress to approve 2007 Federal Transportation Improvement Program – Resolution 06-12 Amendment No. 4. A vote was called and the motion carried.

B. Fall Policy Conference – November 1 and 2, 2007

This year's Fall Policy Conference will be held in Stockton at the new Sheraton Hotel on the waterfront. The dates are November 1 and 2, 2007.

Action: Information and Discussion Only

C. State Local Partnership Bond (\$1 billion)

MCTC's Policy Board at its June 20, 2007 meeting requested staff to provide a report on the State-Local Partnership Program (SLPP). The SLPP is part of Proposition 1B passed by voters in November 2006. This partnership program allocates \$1 billion to match local funds for eligible projects.

The SLPP has become contentious and state legislators have been eager for organizations to offer direction as to the guidelines that should be adopted. Several large groups, such as the California Council of Governments (CalCOG) and the Self-Help Counties Coalition were asked by legislative staff to reach a consensus opinion, but could not.

The Valley COG Director's at its June 22, 2007 meeting voted to support the following position concerning SLPP and recommend the San Joaquin Valley Regional Planning Agencies' Policy Council to also adopt the following position at its July 23, 2007 meeting:

- Toll road and bridge toll fees may not qualify as matching funds
- Funds may not be used for road rehabilitation or maintenance
- Size of project to receive funding should have a total cost of no less than \$15 million.

Background: Discussion in Sacramento on this issue has been limited as legislators are now working on the budget, in which transportation is expected to take the biggest hit. Two bills, different in their approach, have been introduced. Assembly Speaker Fabien Nunez backs AB 1351 (Levine). President pro tem Don Perata submitted his bill SB 748 (Corbett). The Nunez bill only counts self-help sales taxes as matching funds. The Corbett bill includes many more categories for matching funds, including bridge tolls, toll road fees, and voter and non-voter approved developer fees. The only point of agreement among legislators is that any counties that become “self-help” prior to 2009 should be eligible for the \$1 billion this program offers.

AB 1351 (Levine): Implements \$1b state-local partnership program of Prop 1B (\$19.7 b). Requires 50% local match using locally imposed self-help sales tax. Appropriates \$200m per year beginning 2010-2011. Eligible projects defined as projects of more than \$25m cost for construction of a local road, state highway, public transit facility, or acquisition of railcars. Legislation provided for list of projects to be adopted by CTC by unspecified date.

SB 748 (Corbett): Establishes procedures to allocate \$1b of Prop 1B (\$19.7 b) for state-local partnership. Requires projects to match, on a dollar for dollar basis, from self-help sales tax, property or parcel tax, voter-approved bridge tolls, or voter-approved fees dedicated to specific transportation improvements, or uniform developer fees. Requires eligible projects total project cost to be at least \$5 million. Eligible projects would be capital projects that are typically funded in local or regional voter-approved expenditure plans.

MCTC staff contacted the California State Association of Counties (CSAC), League of California Cities, and the Regional Council of Rural Counties (RCRC) to inquire their positions on the State-Local Partnership Program. Below are CSAC and RCRC responses and the League of California Cities has yet to respond.

CSAC Position: “Supports the following criteria and guidelines for the State-Local Partnership Program:

- Eligible Local Match: voter-approved local sales taxes and uniform developer fees;
- Eligible Project: flexibility to use bond proceeds on multiple transportation systems in the state including local roadway, state highway, and transit system projects;
- Project Minimum & Cap on the Match: low project minimum from \$1-5 million and a \$25 million cap per project to ensure multiple jurisdictions benefit from the program;
- Competitive rather than a formula driven program.

Two legislative vehicles, which seek to set forth the criteria for accessing the bond proceeds as well as a timeline for the appropriation of the funds, still remain active. CSAC is in support of SB 748 (Corbett), which allows the use of uniform developer fees as an eligible match to draw down bond dollars and is consistent with the other issues outlined above. SB 748 would also begin to appropriate the monies by January 2008. CSAC however, has concerns with the second vehicle, AB 1351 (Levine), which would exclude the use of uniform developer fees, exclude local system projects, include a very high project minimum of \$25 million, does not contain a cap for the match and does not begin to appropriate the funds until FY 2010-11.”

RCRC Position: “There are two bills currently being discussed/debated in the Legislature that would implement the State-Local Partnership Program contained within Proposition 1B – SB 748 (Corbett) and AB 1351 (Levine). RCRC is supporting SB 748 and is opposed to AB 1351.

SB 748 allows not only self-help counties to access this pot of money, but allows for other locally-generated monies to be used as a match for state bond dollars. Furthermore, the bill is quite flexible in the timelines and use of these monies.

AB 1351 is a very restrictive measure. It would only allow self-help counties to access these monies. Even more importantly, the bill requires that only projects costing \$25 million or more be eligible and that only projects to the state system could be eligible. Finally, under AB 1351, funding in this program would not commence until 2010-11.”

I understand that Madera County recently enacted a sales tax increase with proceeds being dedicated to

transportation. It is our understanding that under the old State-Local Partnership Program (which allowed all types of local matches) over 90% of monies allocated were subject to the sales tax match. Couple this with the restrictions put forth in AB 1351, RCRC believes SB 748 is the much-better approach.

While both bills are “moving” through the Legislature, we expect that the issue of Prop 1B eligibility will be part of the State Budget package currently being crafted.”

Action: Upon motion by Commissioner Moss, seconded by Commissioner Rodriguez to support the following points, consistent with the SJV COG Director’s recommendation, concerning the State-Local Partnership Program (SLPP) :

- Toll road and bridge toll fees may not qualify as matching funds
- Funds may not be used for road rehabilitation or maintenance
- Size of project to receive funding should have a total cost of no less than \$15million.

With the addition of another bullet requesting not to make any decisions on funding projects in FY 2010-11

A vote was called and the motion carried.

V. REAFFIRM ALL ACTIONS TAKEN WHILE SITTING AS THE TRANSPORTATION POLICY COMMITTEE

Action: The Commission unanimously approved to reaffirm all actions taken while sitting as the Transportation Policy Committee.

VI. ADMINISTRATIVE CONSENT ITEMS

A. Executive Minutes of June 20, 2007

Included in the Commissioner’s packet was a copy of the June 20, 2007 Executive Minutes for review.

Action: Approve Executive Minutes of June 20, 2007.

B. MCTC Financial and Transportation Development Act Fund Audit for Fiscal Year ended June 30, 2006 and June 30, 2005

Included in the Commissioner’s packet was a copy of the *Audit of MCTC Administrative and Planning Grant Funds and TDA Funds FY 2005-06* prepared by Dedekian, George & Small Accountancy Corporation. We are pleased to report that there are no exceptions and no adverse findings.

Action: Approve the FY 2005/06 MCTC Fiscal Audit

C. FY 2007/08 Local Transportation Fund Allocation Resolution 07-10 Amendment No. 1

The City of Madera requested to amend their 2007/08 LTF Fund Allocations.

Action: Approve FY 2007/08 Local Transportation Fund Allocation Resolution 07-10 Amendment No. 1

Administrative Consent Calendar Action

Upon motion made by Commissioner Poythress, seconded by Commissioner Wheeler to approve the Administrative Consent Calendar. A vote was called and the motion carried.

VII. ADMINISTRATIVE ACTION/DISCUSSION ITEMS

A. Commission Relocation

Commissioner Poythress dismissed himself from this Item due to Conflict of Interest.

The Commissioners were given three sealed bids to open before the public.

- DMP-Schnoor and Howard Road
- Landmark-760 North "T" Street
- LandMark-730 North "T" Street

After a lengthy discussion the Board approved DMP lease Proposal.

Action: Upon motion by Commissioner White, seconded by Commissioner Wheeler for staff to proceed with the lease agreement with DMP. A vote was called and the motion carried.

MCTC Sitting as the Madera County 2006 Transportation Authority

VIII. ADMINISTRATIVE ACTION/DISCUSSION ITEMS

A. Final Measure "T" – ½ Cent Transportation Sales Tax Program-2007 Strategic Plan

Included in the Commissioner's packet was a copy of the Final Draft: Measure "T" – ½ Cent Transportation Sales Tax Program - 2007 Strategic Plan. The Final Draft Measure "T" 2007 Strategic Plan was developed in consultation with the local agencies staffs. The Strategic Plan provides a 5-year review of how Measure "T" tax revenues will be spent (2007-April 1 through June 20, 2007 and 2007/08 through 2011/12). The plan does cover slightly more than 5 years since Measure "T" proceeds will be collected beginning in the 4th quarter of FY 2006/07. The plan is particularly important because it identifies how the funds will be allocated to each of the local agencies or jurisdictions and how or if the Authority intends to issue debt in order to meet the accelerated needs of the Regional Streets and Highways Program. The Strategic Plan is intended to present to the financial community and the Authority's stakeholders at large a clear sense of the agency's strategy in managing its revenues and expenditures responsibly and cost effectively. It provides the best available understanding of when revenue will be available and how that revenue will be spent. The resulting assignment of dollars to programs and projects is a commitment to sponsors that the funds will be available. The Strategic Plan itself does not constitute a final funding commitment. Commitments to individual projects and programs are secured through actual allocation actions by the Authority Board of Directors in the Measure "T" Annual Work Program.

The Strategic Plan makes provisions for the expenses associated with Board of Equalization sales tax collection fees as well as for project management oversight, administration, and overhead necessary to oversee the program. The Plan also accounts for the necessary reserves that take into account the fluctuations in sales tax revenue seen over the last several years of shifting economic trends. It may program funds for debt capacity within the Measure "T" regional Streets and Highway Program so that those projects can be delivered earlier and take advantage of leveraged funding that may be available over time. This Plan in essence, programs funds according to realistic project and program schedules and provides the overall structure for the management of the sales tax revenues. Finally, guidance is provided for the local agencies on requesting, utilizing, and reporting on sales tax allocated for Local Transportation Revenue Programs.

In short, the Strategic Plan, which will be updated every two years, provides the overall roadmap for the programming of Measure "T" funds consistent with voter's expectations.

Action: Information and Discussion Only

B. Citizens' Oversight Committee – Measure "T"

The MCTC Policy Board, sitting as the Madera County 2006 Transportation Authority, at its June 20, 2007 meeting selected three Policy Board members to represent the Commission as the selection committee to review the applications received for the Citizens' Oversight Committee. The selection committee is schedule to meet on Monday, July 23, 2007. Staff will provide a verbal update and the selection committee will present its recommendations.

Action: This Item has been deferred to next months meeting for discussion and action.

C. *The Self-Help Counties – “Focus on the Future 2007” Conference*

The Self-Help Counties – “Focus on the Future 2007” Conference will be held this year in San Francisco from October 21, 2007 (evening) through the afternoon of October 23, 2007. There will be a reception on Sunday, October 21st to kick-off the conference. Additional information will be provided as it becomes available.

Action: Information and Discussion Only

IX. *Miscellaneous*

A. *Items From Caltrans*

Sharri Bender Ehlert, Caltrans Deputy District 06 Director gave a status report on the following projects:

- Fairmed/99 Interchange
- Highway 41/Road 2000 Traffic Signals
- Highway 99/ SR145
- Highway 99/Avenue 16

B. *Items from Staff*

No Items from Staff.

C. *Items from Commissioners*

No Items from Commissioners.

X. *Adjournment*

Meeting adjourned at 4:40 p.m.

Next meeting set for Wednesday, October 3, 2007

Respectfully Submitted,

Patricia S. Taylor, Executive Director
Madera County Transportation Commission