STAFF REPORT

MEETING DATE:	**6/25/13**
SUBJECT:	**Minutes of the May 8, 2013, SRTA Meeting**
AGENDA ITEM:	**5-1**
STAFF CONTACT:	**Janie Coffman**

STAFF RECOMMENDATION:

It is recommended that the board of directors approve the minutes of the May 8, 2013, SRTA meeting.

Daniel S. Little, AICP, Executive Director

Attachment: Minutes of the May 8, 2013, SRTA Meeting

UNAPPROVED MINUTES

SHASTA REGIONAL TRANSPORTATION AGENCY
Wednesday, May 8, 2013, 2:00 p.m.
Shasta County Board of Supervisors Chambers
1450 Court Street, Suite 263, Redding, California

(Note: These minutes are not intended to serve as a transcript or verbatim record of the proceedings of the Shasta Regional Transportation Agency, but rather as a record of the meeting time, place and attendance; the order and general nature of discussion; board deliberations; and actions taken, if any.)

Board members McArthur, Giacomini, Jones, Moty, Susie Baugh, Watkins and Kehoe were present.

1. **Call to Order**
   Chair Watkins called the meeting to order at 2:01 p.m.

2. **Pledge of Allegiance**

3. **Staff Introductions**

4. **Public Comment Period**
   There was no one who wished to speak during the public comment period.

Consent Calendar

5-1 **Minutes – February 26, 2013, SRTA Meeting**

5-2 **Future Meeting Schedule Through April 2014 – Information Only**

5-3 **Correspondence**

5-4 **2013 Federal Transportation Improvement Program (FTIP) Amendment #2**

5-5 **Amend Personal Services Agreement for Legal Counsel**

5-6 **Approve Investment of Intergovernmental Loan Fund**

5-7 **Authorize Resolution for a 2013 Section 5311 (f) Capital Project Assistance Application – First Class Shuttle, Inc.**

By motion made, seconded and unanimously carried (Moty/Kehoe), the consent calendar was approved.

Regular Calendar

6. Executive Director's Report

Executive Director Little reported on the working group for Surface Transportation Program Funds. The June board of directors meeting will have a funding workshop concerning this funding source.

Applications are currently being taken for federal TIGER grants. The SRTA has applied about six times for this grant to no avail. To apply for a TIGER grant one needs to have a unique and innovative project with a direct and large impact on the economy statewide. SRTA does not anticipate applying for the grant this round; however, other agencies have indicated grants will be submitted for the Oasis Interchange and the Buckhorn Grade.

Regarding transportation funding; emerging strategies include carbon credits and tolls and fares. There is also talk and momentum for a state constitutional amendment to bring the voter threshold for tax increases for transportation down to 55% from two-thirds.

7. Caltrans Update on Regional Transportation Projects

Phil Baker and Chris Harvey (Caltrans Project Managers) gave a presentation of four major, high profile projects in Shasta County:

1. South Redding Six Lane
2. Redding to Anderson Six Lane (RASL)
3. Antlers Bridge Replacement
4. Buckhorn Improvements

These projects are done through a collaborative success method. These types of projects couldn't be done if it wasn't for the SRTA, Caltrans and the Federal Highway Administration (FHWA) all working hand-in-glove. Hats off to Dan Little, John Bulinski and all the other parts of the project development team that helped these projects to come together.

8. Presentation Regarding Caltrans State Route 273 Transportation Concept Report

Steve Pendergast, Caltrans Transportation Planner: A Transportation Concept Report (TCR) is a long-range/long-term planning document prepared in coordination with the local agencies. Caltrans will be looking for a resolution of concurrence from the SRTA board at their June meeting. This does not commit the SRTA to any projects or priorities. Key strategies and actions through the year 2030 are:

1. Develop State Route 273 to a Level of Service 4D not 4C. This is a conventional highway, not an expressway.
2. Expansion of the route to six lanes between Canyon Road and South Bonnyview.
3. Utilize operational strategies on the route, such as coordinated signals where appropriate.

4. Incorporate Intelligent Technology Systems elements, such as closed circuit television.
5. Add a Class II bicycle facility adjacent to the northbound and southbound lanes of the route.

Board member Kehoe: The current LOS is C; design is to have it go to D. You're allowing congestion to build up over a period of time by design. What is the reason in letting it go from C to D?

Executive Director Little: Fifteen years ago the level of service was C. The new paradigm we are in with transportation and funding is that we can't afford improvements to reach or maintain level of service C twenty years into the future; so we have lowered our standards – level of service D has become the new acceptable level for most agencies.

9. <u>Approve Transportation Development Act (TDA) Policies and Procedures and Approve Amended Conflict of Interest Code</u>

Executive Director Little: These documents are provided in response to SRTA's recent audit findings and state regulations. Direction from the board of directors at the last meeting has been incorporated.

Staff member Dave Wallace: The TDA policies and procedures handbook is designed primarily to assist SRTA in interpretation and working with the various TDA policies and procedures. In addition, this is available to the public and claimants. The major changes that have taken place are:

1. Two-percent of the local transportation funds (LTF) will be used for bicycle and pedestrian projects.
2. It establishes an urban farebox ratio requirement of 15% for RABA permanently. It does allow retroactive application. This is to address a farebox penalty that currently exists for the 2010 year with RABA.
3. It allocates STA funds based on transit needs first, that remains unchanged, however, if there are excess funds as a result of other federal programs those monies can be reallocated to other jurisdictions.

The second item that we're making a recommendation on is compliance with laws, rules and regulations. This has to do with the Conflict of Interest policy. These are minor technical changes recommended by legal counsel.

Board member Giacomini: I want to compliment SRTA staff. This was a lot of work and to be able to get it done in a month and a half is very impressive. Thank you.

By motion made and seconded (Moty/Baugh) the first staff item recommendation passed unanimously. By motion made and seconded (McArthur/Kehoe) the second staff item recommendation passed unanimously.

Nick Web, Shasta Cascade Bicycle Coalition: I want to congratulate the board on coming up with policies and procedures that help to increase the transparency of the process and allow other people to know how things work. We appreciate the effort and appreciate the fact that you acknowledge that sometimes people are doing things other than driving cars, and we should look at that infrastructure as well.

10. <u>Presentation Regarding SRTA Planning Funds and Eligible Uses</u>

Executive Director Little: This is the second part of a five-part series of explaining different funding sources. The workshop today explains funds that come to the agency for planning purposes.

Staff member Wayne: The following planning programs are primarily funded by federal and state gas taxes:

1. Federal Funds – Federal Highway Administration (FWHA) Metropolitan Planning (PL) and Federal Transit Administration (FTA) section 5303 funding
2. State Funds – State Planning, Programming & Monitoring (PPM) funds
3. Federal and State Discretionary Transportation Planning funds
4. Local Transportation Fund (LTF) administration funding

Revenues can be roughly divided in thirds:

1. About a third is utilized for staff to accomplish all core planning activities; the plans and programs that are required by federal and state government.
2. Another third is dedicated to consultant contracts, overhead, supplies, etc. These funds are used to support and prepare for new funding opportunities.
3. The remaining third is pass-through to local agencies for projects that support or compliment the activities that SRTA is working on.

Board member McArthur: It looks like one-third of the money gets spent on the actual projects and two-thirds of the money gets spent on staff and expenses.

Executive Director Little: When we say "projects," in this context we are referring to "planning projects," as opposed to "capital projects." Staff is doing planning projects for the region with money that can only be used for SRTA planning activities.

Staff member Wallace: In the development of the annual budget we have developed a strategic plan to accommodate as well as maximize the utilization of funds. In order of priority, the agency uses the following funds:

1. Competitive grant funds
2. Funding sources that are ready to expire
3. Transportation Development Act (TDA) funding

4. Current planning funds
5. Carryover funds

The SRTA currently has approximately $1,925,000 of available carryover funds that can only be used for transportation planning purposes. The agency traditionally budgets annual expenditures to match anticipated revenues, and use of some carryover funds, but historically spends less than the annual budgeted amount.

In recent years the agency has been awarded significant competitive grants with no increase in staffing to administer these grants. As a result competitive grants have supplanted some of the agency's staffing costs previously covered with federal and state planning funds. This grant funding, as well as spending less than budgeted, has contributed to the agency's accumulation of unused federal allocation as well as previously accumulated federal carryover planning funds. At a future date the board of directors may wish to address the appropriate use of any of these unspent carryover funds.

Board member Kehoe: What percentage of the funding is spent on administration?

Staff member Wallace: About $198,000 out of $1.8 million. That includes rent, utilities, supplies, etc. We recover 100% of our administrative costs.

11. <u>Adopt the Fiscal Year 2013/14 Overall Work Program (OWP)</u>

Executive Director Little: Last year the FHWA threatened to not approve our OWP. They felt there were no firm requirements for sub-recipient accountability, which is why you see sub-recipient agreements as part of this action item. They also felt like it needed more detail. I want to congratulate Dan Wayne for taking this on as we were shifting between accountants in our personnel. Dan spent a lot of time on it and FHWA was very pleased with it, having no comments.

Staff member Wayne: In the past, agency decision-making has leaned more toward a project-by-project approach versus a consistent reference towards regional vision, priorities, and specific long term outcomes. We're looking to change that together with the board via board priority-setting and more consistent references to how current projects and decisions relate to the OWP and RTP.

The OWP is the agency's annual work plan and corresponding budget. It outlines all of the resource details. It spells out all tasks, projects and everything that we're working on for the upcoming year. Overall the agency's budget for the upcoming fiscal year is $1.891 million. The agency is in sound financial shape with healthy reserves and no debt or unfunded liability.

Executive Director Little: When the agency considered becoming independent we were asked to prepare an estimate for what it would cost. When we prepared that budget we came to the conclusion that the independent agency would be less expensive, by $30,000, than if it remained with the county. When we look at it now, based on actuals, it's about $11,000 cheaper than what we had said.

The difference in costs is due to a variety of things. Primarily the overhead costs that we would have been paying with county support. There is also a difference because of the way the county was calculating staff rates. Getting reimbursed from the county was never based on the true actual hard costs because of the way overhead was factored in. We now have more accurate hourly rates based on precise actual costs. This results in lower staff rates with slightly more staff hours. This OWP confirms that we're getting more work done with less payroll and overhead.

Chair Watkins: You're going to develop this sub-recipient cooperative agreement with the partner agencies; how much more work is that going to entail for each of those agencies to meet your requirements? Is there any financial risk to the sub-recipients?

Executive Director Little: It's everything they're expected to do now, this just memorializes it. The federal agencies who provide this funding told us that it's not good enough that SRTA commits to meeting all the federal requirements on behalf of local agencies. If we're giving that money out to other agencies they have to formally agree that they will meet the same requirements. There has always been a risk to the sub-recipients if they don't comply. It is an intimidating document; however, we are committed to assist agencies through like we have in the past.

By motion made and seconded (Moty/Baugh) the staff recommendation passed unanimously.

There being no other business to discuss, Chair Watkins adjourned the meeting at 3:40 p.m.

Respectfully submitted,

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Daniel S. Little, AICP, Executive Director

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