

**Expenditure Plan Subcommittee
MINUTES
Monday – June 7, 2004**

SCCRTC Conference Room
1523 Pacific Avenue, Santa Cruz, CA 95060

Members Present: Commissioners Beautz, Pirie, and Quintanilla

Staff Present: Pat Dellin, Rachel Moriconi, Karena Pushnik, Tegan Speiser, Kim Shultz, Eileen Goodwin (Commission consultant)

Others Present: Jim Conklin (Business Council), Les White (SCMTD), Gine Johnson (Ecology Action)

Commissioner Beautz called the meeting to order at 10:40 a.m.

1. Introductions: Introductions were made.
2. Additions/Changes to the Agenda: Staff handed out minutes from the May 3, 2004 meeting, an updated version of the Expenditure Plan and Ordinance reflecting what was adopted by RTC on June 3, 2004, and samples of amendment processes prepared by County Counsel.
3. Minutes from the May 3, 2004 Meeting – continued to next meeting
4. Follow up from the June 3, 2004 SCCRTC Meeting

At the June 3, 2004 SCCRTC Meeting the Commission adopted the Expenditure Plan and Ordinance with the exception of the Amendment process. The subcommittee reviewed the revised Expenditure Plan, which reflected the Commissions decision to use a 1.5% growth rate and shift 1% of the revenues to transportation for seniors/disabled from local streets and roads.

Commissioner Pirie recommended a variety of changes to the approved Expenditure Plan and Ordinance, including: changing “regional” to “local” or “Santa Cruz County” throughout the documents; reducing the level of administration done by the SCCRTC; and providing specifications regarding the Independent Audit Committee.

In response to Commissioner Pirie’s recommended changes, staff distributed a list of the anticipated administrative duties needed to implement the Expenditure Plan and the Subcommittee discussed the roles the Auditor-Controller and the SCCRTC might have in administering the Expenditure Plan.

In response to a comment by Jim Conklin of the Business Council, the subcommittee also discussed whether membership of the independent audit committee should be outlined in the Expenditure Plan or determined at a future date. The subcommittee brainstormed possible

groups to include in the committee, groups that should appoint members, or categories of people (such as seniors, accountants, etc) that should be members of the committee.

Due to time constraints, the Subcommittee requested that staff address the items were discussed for a future meeting.

11:45 a.m. Commissioner Pirie left the meeting.

5. Public Outreach Program – Continued to the TPW meeting.
6. Adjournment/Next Meeting – Chair Beautz adjourned the meeting at 11:48 a.m. due to lack of a quorum. She tentatively scheduled a special meeting of the Expenditure Plan Subcommittee on Tuesday June 8 to continue discussion of possible changes. *That meeting was subsequently rescheduled to June 15, 2004.*

Respectively Submitted _____
Rachel Moriconi, Staff

Expenditure Plan Subcommittee

MINUTES

Tuesday – June 15, 2004

Special Continuation of Items from the June 7, 2004 Meeting

SCCRTC Conference Room

1523 Pacific Avenue, Santa Cruz, CA 95060

Members Present: Commissioners Beautz, Kennedy, Pirie, and Quintanilla

Staff Present: Pat Dellin, Rachel Moriconi

Other Support Staff: Pat Busch (CAO), Rahn Garcia (County Counsel)

Others Present: Les White (SCMTD)

Commissioner Beautz called the meeting to order at 1:03 p.m.

1. Introductions were made.
2. Additions/Changes to the Agenda: Staff distributed the Addendum to the *2001 Regional Transportation Plan Environmental Impact Report (EIR)*, Minutes from the May 3, 2004 Subcommittee meeting, samples of oversight committees from other sales tax measures, and a version of the Expenditure Plan and Ordinance which outlined suggested changes from the June 7, 2004 Expenditure Plan Subcommittee meeting, staff, Commissioners Pirie and Beautz, and County Counsel.
3. Minutes from the May 3, 2004 Meeting – continued to next meeting
4. Follow up from the June 3, 2004 SCCRTC Meeting – Continued from June 7, 2004 meeting

Commissioners Beautz and Pirie presented their recommended changes to the Expenditure Plan and Ordinance, noting their concern regarding the level of oversight that the SCCRTC will have. Edenilson Quintanilla recommended the preamble be revised to be more positive. Pat Dellin recommended the Subcommittee focus on the main issues raised by Commissioners Beautz and Pirie: the amendment process, administration of the measure, oversight options, and Pat Busch's concern regarding maintenance of effort.

Amendment Process

Rahn Garcia, County Counsel, presented his legal opinion that any amendments to the Expenditure Plan and Ordinance would require a 2/3 vote of the electorate based on section 7285.5 of the Revenue and Taxation Code. It may be possible that some minor/technical amendments could be processed without a vote of the people. Section 7285.5 would need to be amended to allow for approval of amendments with less than a 2/3 vote.

Administration of the Measure

Commissioner Beautz stated that the Auditor Controller should be charge of administering the measure. Pat Dellin reviewed the list of anticipated administrative and oversight duties

that had been distributed to the RTC at its May meeting. Commissioner Pirie noted that the SCCRTC should oversee grants, but the Highway 1/HOV funds and funds to local jurisdictions should not be under the SCCRTC's discretion. Commissioner Beautz suggested the Commission be in charge of the public information/annual reports.

Maintenance of Effort

It was agreed that none of the local jurisdictions would be able meet the same amounts as were spent in the past 5 years, and the language would need to be changed.

Oversight Committee

The subcommittee discussed a variety of options for selecting membership for the oversight committee and identified groups that could each select one person to be on the independent oversight committee.

5. Public Outreach Program – Continued to the TPW meeting.
6. Addendum to the *2001 RTP EIR* – continued to the TPW meeting.
7. Adjournment/Next Meeting – Chair Beautz adjourned the meeting at 2:31 p.m. with the intension to reconvene in 15 minutes following a Board of Supervisor's meeting, however Board Members were unable to return to the meeting.

Respectively Submitted _____
Rachel Moriconi, Staff