

REGIONAL TRANSPORTATION COMMISSION

Transportation Policy Workshop

MINUTES

Thursday, June 16, 2005

9:00 am

SCCRTC Conference Room

Santa Cruz, CA 95060

Members Present: Randy Johnson David Reetz (Alt.)
 David Koch (Alt.) Emily Reilly
 Mike Keogh Andy Schiffrin (Alt.)
 Dennis Norton Pat Spence
 Ellen Pirie Mark Stone
 Edenilson Quintanilla (Alt.) Marcela Tavantzis

Staff Present: Pat Dellin Luis Mendez
 Grace Blakeslee Cory Caletti
 Rachel Moriconi Tegan Speiser

1. Introductions

Self-introductions were made.

2. Oral Communications

Acting Executive Director Pat Dellin thanked Bike to Work and Specialized Bicycles for the water bottles they donated.

3. Additions/Deletions to the Agenda

Add-on pages 7-9 and 9-7 were noted as were replacement pages for Item 9.

CONSENT AGENDA (Pirie/Schiffrin)

Regarding Item 5, Commission Alternate Schiffrin said that it was not a good precedent to approve a resolution for a contract or a contract extension that extended the time beyond when the work would most likely be finished in order to not have to return to the Commission with a request for further extension. He asked that accurate estimates be written into the resolutions and that staff return to the Commission for an extension if necessary.

4. Accepted Status Report on Highway 1 Projects
5. Approved Staff Recommendations Regarding Purchase Order for Website Services (Resolution 67-05)
6. Accepted Information Item on Monterey Bay Sanctuary Scenic Trail

REGULAR AGENDA

7. Accept Update on State and Federal Transportation Funding Issues

Senior Planner Rachel Moriconi gave the staff report highlighting the Governor's revised budget proposal to return Proposition 42 funding for transportation projects for at least one fiscal year. She said that the California Transportation Commission (CTC) is still reluctant to recommend AB3090 reimbursements because it is unclear whether Proposition 42 funding will continue in future years.

Ms. Moriconi said that the Regional Transportation Commission will be preparing the *2006 Regional Transportation Improvement Program (RTIP)* over the next six months and as part of that development, the Commission will have to consider the level of state funding projected to be available each year of the 2006 State Transportation Improvement Program (STIP). She said that the CTC will develop a two-tiered 2006 STIP reflecting worst and best case scenarios and that the CTC plans to implement statewide mandated performance measures to evaluate projects. She said that this process could lead to the CTC handpicking projects for funding, circumventing SB45 which allows regions to determine which projects to program with their share of STIP funds.

Commission Alternate Schiffrin asked if there was a legal basis to challenge the CTC's ability to impose performance measures as criteria for funding, in light of SB45. He asked Ms. Moriconi to float the idea at the CTC meeting later that day and to return with a report on what other Regional Transportation Planning Agencies (RTPAs) and Metropolitan Planning Agencies (MPOs) plan to do to prevent their abilities to prioritize their projects from being undermined by the state.

Commissioners discussed whether projects could be moved around within the five year STIP program once it was adopted, the amount of the Santa Cruz share of state STIP funds, and projects in other regions competing for state funds.

Acting Executive Director Pat Dellin said that the CTC has verbally agreed that Santa Cruz has been under-programmed in recent years and will take that into account when it develops a funding target for the 2006 STIP.

Commission Alternate Schiffrin moved and Commissioner Pirie seconded to approve staff recommendations to:

1. Work with the Interagency Technical Advisory Committee (ITAC) to develop proposals for Commission consideration for the *2006 Regional Transportation Improvement Program (RTIP)*; and
2. Continue to keep the RTC informed about developments related to the release of FY05/06 State Transportation Improvement Program (STIP) funds, AB3090 requests, the 2006 STIP, and Federal reauthorization; with the added direction that staff report back on if the CTC can legally restrict how regions program their share of STIP funding, thereby circumventing SB45 by imposing performance measures.

The motion passed unanimously.

Closed Session

8. Conference with Real Property Negotiator for Acquisition of the Santa Cruz Branch Rail Line Property: Santa Cruz Branch Rail Line from Watsonville Junction to Davenport

Agency Negotiator:	Kirk Trost, Miller, Owen & Trost
Negotiation Parties:	SCCRTC, Union Pacific
Under Negotiation:	Price and Terms

Open Session

Commissioner Stone excused himself from the remainder of the meeting.

9. Santa Cruz Branch Rail Line Acquisition – Approve Release of Final Request for Proposals (RFP), Amendment to Appraisal Contract and County GIS Mapping Services

Acting Executive Director Pat Dellin reviewed the staff report.

Acting Deputy Director Luis Mendez said that the \$15,000 requested to extend the contract with Arthur Gimmy International would be paid with federal earmark funds and has been included in the amended budget.

Commissioner Norton moved to approve the staff recommendations, but Commission Alternate Schiffrin said there should be more discussion and public comment first.

Acting Executive Director Pat Dellin said that Mark Mesiti-Miller from Mesiti-Miller and Matt Price from County GIS were present to answer questions about mapping. Ms. Dellin referred to handouts prepared by the County GIS showing a section of the rail line right-of-way rail valuation map superimposed on a GIS parcel map, and a parcel map of the same area superimposed on an aerial map.

Ms. Dellin noted the replacement pages for the Request for Proposals (RFP) for a short-line operator for freight service saying that changes were requested by the Rail Acquisition Task Force (RATF) and that the staff recommendation was to approve the

RFP but not release it until the bridge inspection report was available. She said that John Williams of Woodside Consulting was present to answer any questions about the RFP.

Kirk Trost, Miller, Owen & Trost, said that his office had also recommended changes and discussed some of the changes. He recommended that the language regarding track maintenance on replacement page 9-38 revert to the original language in the RFP.

Acting Executive Director Pat Dellin noted the comments submitted by Cemex and Big Trees Railroad regarding the RFP.

Commissioners discussed aspects of the RFP including liability insurance requirements for the short-line operator, track maintenance responsibilities and mapping of the right-of-way.

Bob Yount said he was troubled that the trestles are so deteriorated that they will be very expensive to replace and that the business plan doesn't project sufficient money for a provider to maintain them and still realize a profit on its operation.

Cemex consultant Allen Haley commented on the RFP, saying that the Commission should remember that the viability of the freight line was critical and that input from shipper representatives could help the Commissioners assess proposals. Mr. Haley suggested developing a template of the business plan so that Commissioners could compare the different proposals against the needs of the RTC and not just compare one proposal against another. He added that although costs must be such that the operator can make money, he was concerned about Davenport remaining competitive saying that if it became too expensive to ship from Davenport, other options would need to be investigated, which could compromise the short line operation. Lastly, Mr. Haley expressed concerns about liability for the shippers if trails are placed too close to the tracks. He said the FRA and the PUC had been left out of the negotiations and should be consulted, even if they could not participate in actual negotiations.

After discussion, Commission Alternate Schiffirin moved to approve the staff recommendations to:

1. Review the revised draft Request for Proposals (RFP) for an Operator of Rail Freight Service on the Santa Cruz Branch Rail Line, consider any recommendations on the RFP from the Rail Acquisition Task Force (RATF), and approve and release the RFP;
2. Consider options for mapping of the Santa Cruz Branch Rail Line and approve the resolution authorizing the Executive Director to secure the services of the County GIS Department to produce maps of the Santa Cruz Branch Rail Line at a cost not to exceed \$4,000;
3. Approve the resolution amending the contract with Arthur Gummy International to extend the term to December 31, 2005 and to add \$15,000 to the contract amount to complete the appraisal of the Santa Cruz Branch Rail Line; and

4. Accept status information on other elements of the Santa Cruz Branch Rail Line Acquisition Project

with the change that the RFP be approved but not released until the bridge inspection report is received from Union Pacific and that the language regarding track maintenance requirements on replacement page 9-38 be stricken and the original language replaced.

Commissioner Pirie seconded, clarifying that the new language on page 9-38 would be taken out and asking the maker if included in the motion would be to authorize the Executive Director to make non-substantive changes to language in the RFP. Commission Alternate Schiffirin agreed.

Commissioner Spence suggested that it should be noted in the RFP that the Commission was waiting for the structures assessment report and asked if this proposal was acceptable to the maker and the second. Commission Alternate Schiffirin and Commissioner Pirie agreed. Ms. Spence also questioned allowing the short-line operator to determine the schedule and number of rail cars per train and asked that a public hearing be held before an operator was chosen.

Commissioner Keogh questioned the necessity for an increase in the contract with Arthur Gimmy.

Bill Comfort said that the RFP implies that the track would be brought up to Class 1 standards by the short-line operator or done beforehand and asked for the basis for this financial outlay.

John Williams said he believes the line is at Class 1 now and customarily the short-line operator would be responsible for the upgrade. He said the financial plan from the operator would state what it would cost to bring any track up to Class 1.

Mike Dalbey said he understood that costs for upgrades would be minor.

Commissioner Keogh made a motion to vote on each item of the staff recommendations separately.

Commission Alternate Schiffirin asked if Commissioner Keogh would be satisfied with voting on the first two recommendations together and the third recommendation separately. Commissioner Keogh agreed and the motion (Resolution 68-05) on the first two recommendations passed unanimously.

The third recommendation (Resolution 69-05) passed with Commissioners Keogh and Tavantzis voting "no".

10. Next Meetings / Adjournment

There are no SCCRTC meetings scheduled for July.

The next regular RTC meeting will be held Thursday, August 4, 2005 at 9:00 a.m. at the Board of Supervisors Chambers, 701 Ocean Street, Santa Cruz, CA.

The next Transportation Policy Workshop will be held Thursday, August 18, 2005 at 9:00 a.m. at the RTC Office, 1523 Pacific Avenue, Santa Cruz, CA.

Respectfully submitted,

Gini Pineda, Secretary

ATTENDEES

<u>Name</u>	<u>Representing</u>
Robert Yount	
Genevieve Bookwalter	Santa Cruz Sentinel
Ken Kannegaard	Cemex
Bill Comfort	
Mark Greenfield	
Paul Elerick	CFST
Cliff Walters	Santa Cruz Big Trees Railroad
Mark Mesity-Miller	Mesity-Miller Engineering
Rahn Garcia	Santa Cruz County Counsel
Allen Haley	(STS) Cemex
Matt Goerz	Geomatrix
Elizabeth Wells	Geomatrix
Matt Price	Santa Cruz County GIS