

Budget and Administration/Personnel Committee

Draft MINUTES
Thursday September 8, 2005
3:00 pm

RTC Conference Room
1523 Pacific Avenue
Santa Cruz, CA 95060

Attendees: Members: Commissioner Jan Beautz
Commission Alternate Gustavo Gonzalez
Commissioner Mike Keogh
Commissioner Ellen Pirie
Commission Alternate Andy Schiffrin

Others: Ellen Aldridge, RTC consultant
Bob Scott, RTC consultant
Susan Mauriello, County CAO
Les White, SCMTD

RTC Staff: Pat Dellin, RTC staff
Karena Pushnik, RTC staff
Luis Mendez, RTC staff
Daniel Nikuna, RTC staff
Tegan Speiser, RTC staff

The meeting was called to order at 3:06 pm by Commission Alternate Schiffrin.

1. Introductions – Self-introductions were made.
2. Additions/Changes to Agenda – Acting Executive Director Dellin distributed replacement pages for Item 9. The first 3 pages were emailed to Commissioners since the agenda packet was sent out. The last 3 pages are new ones referring to AMBAG's Regional Blueprint Grant Application and have a relationship to the distribution of planning funds.
3. Oral Communications – None

CONSENT AGENDA

Commission Alternate Schiffrin requested that agenda items 5 and 6 be pulled from the consent agenda. The consent agenda was unanimously approved (Pirie/Keogh) as amended.

4. Approved Minutes of August 11, 2005 Meeting as submitted.

5. Accepted an information only Update on Amendment to the FY05-06 Budget and Work Program.

REGULAR AGENDA

6. Accepted Update on Establishing the RTC as an Autonomous Governmental Entity

The Committee unanimously approved (Pirie/Schiffirin) the staff recommendations including:

1) Accepted this update on tasks outlined in the human resource plan for RTC autonomy; and
2) Include in the next amendment to the RTC budget costs for up to 20 hours per week of a Transportation Planning Technician to assist with one-time tasks for RTC autonomy. In reference to the recommendation to use a transportation planning technician on this project, staff was directed to bring back more information about who is working on the autonomy project and what specific work tasks a planning technician would be assigned.

The issue of tail claims generally and unfunded liability in relation to the RTC's CalPERS membership was also discussed. The Committee agreed with the approach of contracting with CalPERS to conduct a single actuarial study treating the RTC as "merger of a function".

7. Accepted information on Update on the Budget for the Transportation Funding Task Force

While no formal action was taken on this item, a lengthy discussion on the Task Force budget and scope ensued. While commissioners agreed that some level of investment was needed, most felt the preliminary budget proposed of \$240,000 was too high for the amount of money the RTC has available and for this project specifically. Streamlined budget amounts that Commissioners expressed they would be more comfortable with ranged from \$50,000 to \$100,000 per year. No decision was made to set a cap on the project budget at this time. Commissioner Schiffirin said that if the community wants to raise more funds, the budget could be increased.

Commissioners also expressed the need to understand better the amount of RTC staff time and consultant time involved with the project. Concerns were raised about staff time needed from other public agencies and it was suggested that meetings be held with these other agencies to discuss expectations about their participation.

Interim Executive Director Dellin relayed that RTC staff had met with Ms. Goodwin and Mr. Keeley who will be convening and facilitating the process and that the budget reflects an expansive vision of the undertaking including a high level of community outreach and input, a dedicated new website, and responsiveness to public comments on a 24 hour basis. Staff is no longer looking at the tight timeframe to begin this endeavor as previously discussed since preparing for a November 2006 election (if an election is the direction chosen) is not feasible. Staff will meet again with Ms. Goodwin and Mr. Keeley and return to the Committee in October with more information.

8. Approve Staff Recommendations Regarding Recruitment for the Permanent Executive Director

Interim Executive Director Dellin explained that the materials in the agenda packet had been prepared by the Personnel Director for the Committee in the spring and that there had not been an opportunity to update them before this meeting. She said she supports using an outside recruiting firm and, given California's complex transportation funding environment, recommends that the ideal candidate be someone with transportation experience in the state. She indicated that she would like to be involved and has ideas about how to recruit for this specialized position that she thinks would be helpful to the process.

CAO Susan Mauriello indicated that using a headhunting firm might be appropriate for the RTC and could run in the range of \$15-20,000. She expressed that a good headhunter would help the RTC identify the attributes of an ideal candidate and determine whether there is unanimity among commissioners as far as the type of individual being sought. Some of this will come out by discussing where the Commission is today and where it is going in the next 5-10 years. Another important consideration would be a candidate's understanding of the challenges and a willingness to work in this very "community-minded" area.

Other issues discussed included: the impact that the high cost of housing might have on attracting good candidates to relocate to the area, the true costs of using an outside firm when expenses are considered, concerns about delays in starting the recruitment, ensuring that the amount of time that the application process will be open is longer than the three weeks that was initially proposed, and establishing a mechanism for staff input into the process. The process used at the Transit District to recruit a General Manager including use of the headhunting firm Norm Roberts and Associates was also discussed. Les White indicated that staff representatives met the top candidates before the board made its hiring decision.

The Committee unanimously approved a motion (Pirie/Beautz) directing staff to: 1) work with County staff to prepare recommendations for the October Commission meeting regarding hiring a recruitment firm to conduct the recruitment with a statewide focus; and 2) return to the October Budget and Administration Committee with joint recommendations from County Personnel and the Interim Executive Director on the timeline and process for the recruitment as well as the job description. If the firm has been selected, a representative of the firm should attend.

9. Approve Staff Recommendations Regarding Allocation of Increased Federal Planning (PL) Funds for the AMBAG Region

Interim Executive Director Dellin said that she had three new pieces of information to share that have emerged since the staff recommendations were drafted. First, Caltrans has indicated that our region is more likely to receive an 18% increase in federal planning funds rather than the 25% that was originally projected. Second, AMBAG's has now prepared a list of their under-funded high priority projects for the purpose of establishing the amount of PL money that they would need (see replacement pages). Similar lists of project had been prepared by both TAMC and RTC staff and included in the packet. Third, the TAMC Executive Committee had met and decided to accept the formula recommended by the AMBAG Executive Director for distributing the PL funds between AMBAG, TAMC, the RTC and San Benito. This would result in AMBAG reducing its percentage of total PL funds from 54% to 54% of the total, with the remainder being split between TAMC and RTC consistent with the prior formula. The increase to our agency

under AMBAG's recommended scenario is estimated to be \$65,000 per year, although this was just an estimate.

The Committee unanimously approved a motion (Pirie/Beautz) to: 1) recommend that the Commission support the new formula for distributing PL funds proposed by the AMBAG Executive Director contingent upon it being permanent, with the understanding that the RTC communicate to AMBAG that the RTC would be very happy if the AMBAG Board decided to give the regional transportation planning agencies additional funding because it is needed for under-funded high priority projects; 2) designate Commissioner Beautz to act as liaison with staff on this issue.

10. Accept FY04-05 Internal Annual Financial Statements (referred to this Committee by the RTC at their September 1st RTC Meeting – Please use written materials prepared for the 9/1/05 RTC meeting agenda packet –Item #9)

Commissioner Keogh asked for this item to be referred to this Budget and Administration/Personnel Committee meeting. On page 20 of the add-on report he pointed out that the RTC shows unallocated TDA funds for FY04-05 of \$512,000. He indicated that this money was needed to fill potholes in the salary situation with bus drivers at the Transit District. RTC Fiscal Officer Nikuna indicated that while this \$512,000 is available, over \$350,000 of it is the Commission's minimum fund reserve requirement of 5% as recommended by the County Auditor-Controller. Interim Executive Director Dellin indicated that the RTC has over \$100,000 in one-time surplus TDA funds from last fiscal year, and that these funds will be included the budget amendment to be considered at next month's Committee meeting.

11. Next Meeting Times – (Regular meeting time = the second Thursday of the month at 3pm)

The Budget and Administration/Personnel Committee will meet on these Thursdays at 3pm:
October 13, November 10 and December 8

12. Adjournment - The meeting was adjourned at 4:50 pm.

Respectfully submitted,

Tegan Speiser, Staff

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