

REGIONAL TRANSPORTATION COMMISSION
Transportation Policy Workshop

MINUTES

Thursday, January 19, 2006
9:00 am
SCCRTC Conference Room
Santa Cruz, CA 95060

Members Present: Jan Beautz Emily Reilly
 Cliff Barrett (Alt.) Pat Spence
 Mike Keogh Marcela Tavantzis
 David Koch (Alt.) Mardi Wormhoudt
 Ellen Pirie Donna Ziel (Alt.)
 Jennifer Calate (ex-officio)

Members Absent: Tony Campos Dennis Norton

Staff Present: Pat Dellin Luis Mendez
 Cory Caletti Gini Pineda
 Karena Pushnik

1. Introductions

Commissioner Beautz stepped in to chair the meeting in the absence of the RTC Chair and Vice-Chair.

Self-introductions were made.

2. Oral Communications - None

3. Additions/Deletions to the Agenda - None

Consent Agenda (Wormhoudt/Barrett)

4. Accepted Miscellaneous Information Items

- a. Caltrans Press Release on Highway 1 Safety Project in the Freedom Boulevard/Rio Del Mar Boulevard Area
- b. Caltrans Press Release on Rebuilding of Highway 9
- c. RTC Press Release Regarding State Transportation Improvement Funds

Regular Agenda

5. Update on Executive Director Recruitment

Acting Executive Director Pat Dellin said that the recruitment was proceeding on schedule and that the recruiters will screen 29 applications. Ms. Dellin suggested scheduling a half day for finalist interviews before the full Commission on 2/16/06 from 8:00 am until noon as part of the TPW meeting. She also said that the Budget and Administration/Personnel Committee recommends that the Commission create an *ad hoc* committee for the semi-finalist interviews to discuss compensation and an employment agreement.

Commissioner Wormhoudt moved and Commissioner Spence seconded to approve the Budget and Administration/Personnel Committee and staff recommendations that the Regional Transportation Commission:

1. Accept an oral status report on the recruitment for the Executive Director;
2. Schedule a half-day meeting of the full Commission on Thursday, February 16th from 8:00 am to noon to interview finalists identified by the Budget and Administration/Personnel Committee; and
3. Create an ad hoc committee to formulate a recommendation to the full RTC on compensation and an employment agreement for the new Executive Director.

Bill Comfort asked if the meeting on February 16th would be open to the public. County Counsel Rahn Garcia said that the Brown Act allows for meetings regarding hiring and personnel issues to be held in closed session.

Commissioner Wormhoudt added that the February 16th meeting be held in closed session to the motion and the motion passed unanimously.

6. Update on the Governor's Budget Proposal and Proposition 42 Funds

Senior Planner Rachel Moriconi said that the Governor's proposed FY06-07 state budget looks good for transportation, largely due to full funding of Proposition 42. Ms. Moriconi added that the budget also includes repayment of some of the loans made from transportation funds to the state general fund in prior years and that some of this repayment depends on tribal gaming bonds which are tied up in litigation. She said that these funds were not assumed for FY06-07 in the State Transportation Improvement Program (STIP) Fund Estimate and that the *2006 State Transportation Improvement Program* will be adopted in accordance with the Fund Estimate adopted last fall. She added that the allocation of funds programmed to receive STIP funds will depend on Proposition 42 funds and the repayment of prior loans. If the final state budget does not match the STIP Fund Estimate, release of funds to projects could be delayed.

Ms. Moriconi said that the 2006 Regional Transportation Improvement Program (RTIP) proposes that the California Transportation Commission (CTC) program FY06-07 funds

for a list of projects including MetroBase, Highway 1 Soquel-Morrissey Auxiliary Lanes, the Santa Cruz Branch Rail Line Acquisition, Freeway Service Patrol and the Struve Slough Bridge construction.

Senior Planner Moriconi concluded by saying that the CTC will meet in early February to see if some funds will be released early and that staff will continue working with legislators as well as state and local transportation partners to secure funding for the region's transportation needs.

7. Discuss Projects for Inclusion in Infrastructure Bond Proposals

Senior Planner Rachel Moriconi briefly reviewed the possibility of a statewide infrastructure bond proposal to go before voters this year. Included in the bond measure are significant transportation funds. She said it is hoped that funds will be distributed equitably on a formula basis that allows decisions regarding which projects will be funded to be made by regional planning agencies, the CTC and Caltrans. She cautioned that there is a possibility that specific projects may be listed in the bond measure itself. If this is the case, it is important that the Commission provides input identifying and prioritizing projects it would want to be included in a final bond measure with earmarked projects.

Ms. Moriconi pointed out that the Governor's preliminary list of projects does not include bus transit projects or projects specific to Santa Cruz County. She referred to a list of projects recently approved by the Transit District Board of Directors and additional projects identified by staff for the Commission and its committees to consider.

Acting Executive Director Pat Dellin noted concern about the size of the proposed bond measure and that no new revenues are identified for repayment of the debt service. She reiterated staff's position that the best process is to let regions decide what projects are funded.

Micah Posner said that the infrastructure bond introduced by Assembly Speaker Fabian Nunez included funding for freight rail improvement and that the Commission may want to add freight improvements to its list of proposed projects.

Commissioners discussed prioritizing projects and Commissioner Wormhoudt noted that there are projects identified with very different fiscal impacts. She said that prioritizing is meaningless if it is unknown how much money will be allocated to the region.

Director Dellin suggested coordinating the proposed project list with the categories identified by the Governor in his preliminary proposal.

Commissioner Reilly asked that staff bring references to what documents to look at for more information regarding the proposed projects to the February meeting and to include a timeline for each project if one is available.

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

9. Santa Cruz Branch Rail Line Acquisition – Updated Draft Timeline and Financial Plan

Kirk Trost, of Miller, Owen & Trost, participated in the discussion via telephone.

Acting Deputy Director Luis Mendez explained the updates to the timeline and financial plan. He noted an error, saying that the time frame designated for the Surface Transportation Board filings needed to be moved later to match when a short line operator is selected. He said that the updated timeline calls for a discussion by the RTC on purchase in the summer and close of escrow in the fall.

Commissioner Keogh asked if this change affected the proposed completion date. Director Dellin said the timeline is still in line with the completion date but noted that the schedule is dependent on information and documentation from other sources coming in on time.

Ms. Dellin asked Mr. Trost about the makeup of the Transportation Board and how long the filings take. He responded that it is impossible to predict and that there are no guarantees regarding how long they will take.

Commissioner Keogh asked Mr. Trost if all the information regarding leases had been received from Union Pacific. Mr. Trost said that no information had been received but that the requests for this data would now be resumed.

In response to a question from Commissioner Keogh, Director Dellin said that a comprehensive financial plan will be developed when the Commission receives information on maintenance costs and a final bid from the short line operator. These costs will be put together with capital improvement costs.

Mr. Trost added that the comprehensive financial plan is an item on the due diligence list and will be completed before staff recommends to close or consummate the

transaction. He said that the Commission is at the mercy of Union Pacific releasing documents.

Commissioner Keogh asked why there was an increase in the appraisal costs, noting that it was assumed to be less costly and timelier to use the same appraisers that performed the original appraisal. Mr. Trost said that because the process started more than four years ago, the appraisers have to go back and look at the property again. In addition, the appraisal study must stand up to Caltrans review.

Commissioner Wormhoudt moved and Commissioner Pirie seconded to approve the Rail Acquisition Task Force (RATF) and staff recommendations that the Regional Transportation Commission:

1. Approve the revised draft timeline for the Santa Cruz Branch Rail Line Acquisition Project and;
2. Approve the revised draft Santa Cruz Branch Rail Line Acquisition Financial Plan

with the added revision regarding correcting the timing of the Surface Transportation Board filings in the timeline as discussed above.

The motion passed with Commissioner Keogh noting “no” because he said it was not acceptable to increase the budget for the appraisers.

Mr. Trost exited the meeting.

2. Oral Communications

Chair Beautz reopened Oral Communications in response to a request from Micah Posner to speak.

Micah Posner said that the public will be saddened by the delays in the timeline. Speaking on behalf of Friends of the Rail Trail (FORT), he suggested that the Commission convey to the public its commitment to build a trail by starting a master planning process for a rail trail before the rail purchase is completed. He distributed a letter supporting this proposal.

Chair Beautz referred the letter to the Budget and Administration/Personnel Committee.

10. Next Meetings / Adjournment

The meeting adjourned at 10:10 am.

The next regular RTC meeting will be held Thursday, February 2, 2006 at 9:00 a.m. at the City of Santa Cruz Council Chambers, 809 Center Street, Santa Cruz, CA 95060.

The next Transportation Policy Workshop will be held Thursday, February 16, 2006 at the special time of 8:00 a.m. at the RTC Office, 1523 Pacific Avenue, Santa Cruz, CA with a Closed Session immediately following any regular Commission business.

Respectfully submitted,

Gini Pineda, Staff

ATTENDEES

Bob Yount

Les White

Rahn Garcia

Bill Comfort

Genevieve Bookwalter

Cliff Walters

Micah Posner

SCMTD

County Counsel

Santa Cruz Sentinel

Sierra Railroad

Friends of the Rail Trail