

TO: Regional Transportation Commission

FROM: Tegan Speiser, Senior Transportation Planner

REGARDING: RTC Autonomy – Establishing Service Agreements with Various County Departments

RECOMMENDATIONS

The Budget and Administration/Personnel Committee and staff recommend that the Santa Cruz County Regional Transportation Commission (RTC):

1. Adopt a resolution ([Attachment 1](#)) authorizing the Executive Director to enter into agreements on behalf of the RTC with the Santa Cruz County Treasurer-Tax Collector for public banking and investment services, the Santa Cruz County Auditor-Controller for payroll, check writing and accounting services, and with the Santa Cruz County Information Services Department for access to the County's computer network and to amend these agreements as may be necessary to ensure that the RTC functions as an effective and efficient autonomous agency; and
 2. Adopt a resolution ([Attachment 2](#)) authorizing the Executive Director to enter into agreements on behalf of the RTC with the Santa Cruz County General Services Department for warehouse storage, CNG fuel and vehicle maintenance services and to amend and/or terminate these agreements as may be necessary to ensure that the RTC functions as an effective and efficient autonomous agency.
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BACKGROUND

The Commission approved establishing the RTC as an autonomous governmental entity in June 2005 and, at that time, authorized the Budget and Administration/Personnel Committee (B&A/P) to direct staff and consultants in the implementation of autonomy tasks. Key tasks outlined in the autonomy workplan include establishing agreements for the delivery of various services from the County of Santa Cruz on a contract basis as do many other local, special districts.

DISCUSSION

Today's report provides the Commission with background material regarding contracting with various County Departments including the Santa Cruz County Treasurer-Tax Collector, Auditor-Controller, Information Services Department, and General Services Departments. While almost all of these arrangements for services have already been approved by the Commission at earlier meetings, the proposed resolution formalizes the arrangements and specifically authorizes the Executive Director to contract on behalf of the RTC for these services and to amend these agreements as may be needed.

PUBLIC BANKING AND INVESTMENT SERVICES

In June 2005 and again in June 2006, the RTC approved continuing to have all Commission funds managed and invested by the County Treasurer-Tax Collector in keeping with current arrangements. It is important to note that both the County Treasurer and the Auditor Controller are independent elected positions and their offices have direct relationships with independent agencies that contract with them such as SCMTD and special districts such as fire districts, water districts and school districts. However, since the Treasurer-Tax Collector's Office does not have written agreements with many of the small public entities whose funds they manage, the Treasurer recommended that the RTC, as part of its autonomy tasks, adopt a resolution affirming the Commission's interest in continuing to use the public banking and investment services offered by the County Treasury. Information provided by the County Treasurer Tax-Collector Fred Keeley regarding the RTC's relationship with the Treasurer's Office is provided in Attachment 3.

PAYROLL, CLAIMS AND ACCOUNTING SERVICES

One of the first autonomy-related decisions made by the Commission back in June 2005, was to contract with the County Auditor-Controllers Office for payroll, claims payment and some accounting services like many other local special districts. However, while the decision to contract with the Auditor Controller's Office was made a long time ago, pricing and other considerations were not finalized with the Auditor's Office until July 2006. Like the Treasury, the Auditor-Controller does not typically have formal agreements or contracts with the other Special Districts for whom they perform payroll or vendor services. Pricing information provided by the Auditor-Controller Mary Jo Walker is provided in Attachment 4.

CONNECTIONS TO THE COUNTY'S COMPUTER NETWORK

In December 2003, the RTC established and began operating and maintaining its own computer system and Local Area Network with the assistance of a local technical consultancy, BizFu. Since that time, the RTC has continued to maintain three connections to the County's computer network which Commission staff access through the County's Virtual Private Network (VPN). Two of these connections are dedicated to use by the RTC's fiscal staff and the third connection is shared by the remaining 15 RTC staff members. Connection to the County's computer network allows the RTC fiscal staff to access all payroll, claims and accounting information generated by the Auditors Office, as well as Purchasing and Personnel forms, records and materials. The shared connection allows the rest of the RTC staff to submit their timecards and view their paystubs electronically, as well as access the County's intranet.

While online access to employee paystubs will end when the RTC becomes autonomous on November 4, 2006, maintaining access to the County's intranet will still be important since the RTC will continue to offer several employee benefits through the County such as vision, dental, disability, life insurance, EAP and deferred compensation. In addition, RTC fiscal staff will require the connections in order to access the Commission's budget and accounting information and to interact with the County Auditor's Office.

Currently, the RTC pays \$128/connection/month or \$4,600/year for these connections which will continue to be needed after autonomy. However, it is not yet clear whether an agreement will be needed with the Information Services Department in light of the Commission's new independent status.

VEHICLE SUPPORT SERVICES AND WAREHOUSE STORAGE

At its June 29, 2006 TPW meeting, the Commission approved continuing to contract with the County for vehicle support services including use of the County's compressed natural gas (CNG) fueling station, and maintenance and repair on vehicles owned and operated by the Commission. Current pricing for these services has now been provided by the General Services Department's Fleet Operations staff and a draft MOU is being prepared which will be reviewed by legal counsel. A summary of the pricing for these vehicle support services is included in Attachment 5.

Continuing to rent space in the County warehouse on Emeline Street was initially not presented as an option by County staff. Consequently, RTC staff researched and made arrangements to rent storage space in a local, private facility. However, storage space was recently freed up in the County warehouse due to the departure of the Elections Department. This resulted in the General Services Department offering the RTC the opportunity to continue renting County warehouse space. This arrangement makes sense from both a financial and logistical standpoint. Although the number of storage pallets used by the Commission fluctuates, the RTC currently pays \$17.60/pallet/month or \$1,300 year for storage.

Staff and the Budget and Administration/Personnel Committee recommend that the Santa Cruz County Regional Transportation Commission adopt a resolution authorizing the Executive Director to enter into agreements, written or otherwise, on behalf of the RTC with the Santa Cruz County Treasurer-Tax Collector for public banking and investment services, the Santa Cruz County Auditor-Controller for payroll, check writing and accounting services, and with the Santa Cruz County Information Services Department for access to the County's computer network and to amend these agreements as may be necessary to ensure that the RTC functions as an effective and efficient autonomous agency.

Staff and the Budget and Administration/Personnel Committee further recommend the Commission adopt a resolution authorizing the Executive Director to enter into agreements on behalf of the RTC with the Santa Cruz County General Services Department for warehouse storage, CNG fuel and vehicle maintenance services and to amend and/or terminate these agreements as may be necessary.

SUMMARY

Budget and Administration/Personnel Committee and staff recommend adoption of resolutions formalizing arrangements with various County of Santa Cruz Departments regarding providing services to the RTC after it becomes an autonomous public agency on November 4, 2006.

Attachments

1. Resolution regarding services of the Santa Cruz County Treasurer-Tax Collector, Auditor-Controller's, and Information Services Department
2. Resolution regarding General Services Department Services
3. County Treasury Services Information
4. Auditor-Controller Services Information
5. Vehicle Support Services Information