



Santa Cruz County Regional Transportation Commission

MINUTES

Thursday
October 7, 2010
9:00 a.m.

Watsonville City Council Chambers
275 Main St
Watsonville CA 95076

1. Roll call

The meeting was called to order at 9:05 am.

Members present:

| | |
|-------------------------|------------------------|
| Donald Hagen (Alt) | Steve Lustgarden (Alt) |
| Tony Campos | Kirby Nicol |
| Neal Coonerty | Ellen Pirie |
| Ron Graves | Antonio Rivas |
| Randy Johnson | Donna Ziel (Alt) |
| Don Lane | Marcela Tavantzis |
| Aileen Loe (ex officio) | |

Staff present:

| | |
|----------------|-----------------|
| George Dondero | Luis Mendez |
| Gini Pineda | Yesenia Parra |
| Karena Pushnik | Rachel Moriconi |
| Kim Shultz | |

2. Oral communications

Roberta Mendonca, Go 21, shared information regarding the public benefits of freight rail. She said that federal legislation (HR 1806) will offer incentives to railroads and businesses to revitalize and expand the rail network.

3. Additions or deletions to consent and regular agendas

Executive Director George Dondero said that there was a replacement page for Item 11 and add-on pages for Items 16 and 20.

CONSENT AGENDA (Pirie/Rivas) approved unanimously

MINUTES

4. Approved draft minutes of the September 2, 2010 regular SCCRTC meeting
5. Approved draft minutes of the September 16, 2010 Transportation Policy Workshop meeting
6. Accepted minutes of the February 5, 2010 Sustainable Transportation & Access Rating System (STARS) Technical Advisory Committee meeting
7. Accepted minutes of the June 3, 2010 Sustainable Transportation & Access Rating System (STARS) Technical Advisory Committee meeting
8. Accepted minutes of the July 9, 2010 Sustainable Transportation & Access Rating System (STARS) Technical Advisory Committee meeting
9. Accepted minutes of the September 15, 2010 Sustainable Transportation & Access Rating System (STARS) Technical Advisory Committee meeting

POLICY ITEMS

No consent items

PROJECTS and PLANNING ITEMS

No consent items

BUDGET AND EXPENDITURES ITEMS

10. Accepted status report on Transportation Development Act (TDA) revenues
11. Accepted FY 09-10 annual internal financial statements (enclosed separately for Commissioners)

ADMINISTRATION ITEMS

12. Accepted Regional Transportation Commission meeting schedule for 2011

INFORMATION/OTHER ITEMS

13. Accepted monthly meeting schedule
14. Accepted correspondence log
15. Accepted letters from SCCRTC committees and staff to other agencies -*None*
16. Accepted miscellaneous written comments from the public on SCCRTC projects and transportation issues

17. Accepted information items - *None*

REGULAR AGENDA

18. Commissioner reports - None

19. Director's report – oral report

Executive Director George Dondero said that the survey deadline for the proposed 511 Traveler Information System for the Monterey Bay Area has been extended through the end of October. The survey is available at www.511montereybay.org. Mr. Dondero said that today is Bike to Work Day which is part of Bike to Work Week which is sponsored in part by the RTC.

Deputy Director Luis Mendez said that Mr. Dondero and Senior Planner Karena Pushnik made a presentation about the RTC to Leadership Santa Cruz County which was well received.

20. Caltrans report and consider action items-oral report

Aileen Loe, Caltrans District 5, said that the construction report was up to date. Landscaping for the Highway 17 Merge Lanes project will be completed at the end of the month and a three year maintenance phase will begin. Highway 9 reopened upon completion of the retaining wall project. A guard rail and resurfacing projects planned for Highway 9 will be complete by the end of November unless a state budget fails to pass. Ms. Loe added that Caltrans released a report focusing on interregional aspects of travel and evaluating the state's contribution to GHG reduction.

Commissioner Rivas asked if construction on the Highway 1/Salinas Rd interchange could start at 7:30 am in order to alleviate congestion for morning commutes. Ms. Loe will forward the request.

Commissioner Campos asked Ms. Loe to check on the status of the crosswalk at Holohan Road/Hwy 152 (East Lake), project. He indicated that Caltrans has allocated the funds but the county cannot initiate the project because it is a state highway right-of-way. Ms. Loe will look into the delay.

21. Review of items to be discussed in closed session

Cliff Walters, Sierra Northern, clarified that Sierra is in agreement with the contract as it stands and that the confusion might be with regard to third party operators. He clarified that Sierra does not have any intention to change or to remove Big Tees' right to continue to operate to the Boardwalk. He said that maintenance expenses for the one mile of track used by Big Trees need to be shared as defined in the contract.

Bruce Sawhill, Friends of the Rail Trail, said that he hopes the Commission can finalize the contract with Sierra Northern quickly.

The Commission adjourned into closed session at 9:36 am.

CLOSED SESSION

22. Conference with Real Property Negotiator Pursuant to Government Code 54956.8 relating to the freight easement: Santa Cruz Branch Rail Line from Watsonville Junction to Davenport

Agency Negotiator: Kirk Trost, Miller Owen & Trost

Negotiation Parties: SCCRTC, Sierra Northern Railway

Under Negotiation: Price and Terms

OPEN SESSION

23. Report on closed session

The Commission reconvened into open session at 10:47 am. There was nothing to report.

24. Acquisition of Santa Cruz Branch Rail Line and Revised Administration, Coordination and License Agreement

Deputy Director Luis Mendez said that finalizing an administration, coordination and license agreement (ACLA) with the short line operator was one of the last conditions required by the California Transportation Commission (CTC) to complete the Branch Rail Line acquisition. He said that the agreement before the Commission contained revised language to include additional negotiated terms and make clarifications.

Commissioner Pirie moved to approve a resolution authorizing the Executive Director to enter into an administration, coordination and license agreement (as attached to the resolution) with Sierra Northern Railway and to take the necessary actions to complete the purchase of the Santa Cruz Branch Rail Line (Branch Line) on behalf of the RTC. She added that Sierra Northern should be given until 5pm on Friday, October 8, 2010 to sign the agreement.

Commissioner Rivas seconded and the motion failed on a tied vote.

Commissioner Coonerty moved and Commissioner Nicol seconded to approve the resolution authorizing the Executive Director to enter into the agreement with Sierra Northern Railway as attached with the change that the Big Trees trackage rights agreement be assigned directly to Sierra Northern Railway by Union Pacific.

Commissioner Johnson asked for an unequivocal answer whether the Commission would have to repay the CTC if passenger rail service is not successful. Commissioner Nicol also asked for clarification that the CTC is under no illusions about the RTC's intentions and that the agency is under no legal obligation to institute passenger rail.

Mr. Mendez said that the CTC condition requires the RTC to initiate rail service but does not state that such service must continue indefinitely or uninterrupted.

George Dondero said that a master agreement was signed with the State of California which is the controlling document regarding agreements between the CTC and the RTC.

Rosemary Sarka, Big Trees/Roaring Camp, said that Big Trees is in favor of the trackage rights agreement being assigned to the RTC.

Cliff Walters, Sierra Railroad, said that Sierra will honor all agreements previously in place with Big Trees and that Sierra is not opposed to revenues being collected by the RTC and passed on to Sierra for track maintenance. The issue not resolved is regarding fees collected above what is necessary to maintain the track.

Responding to a question from Commissioner Campos, RTC legal counsel and rail acquisition negotiator Kirk Trost said that the proposed agreement states that Sierra would be compensated for maintenance but revenues received above maintenance costs would go to the RTC.

The motion failed with Commissioners Campos, Graves, Hagen, Johnson, Pirie, Rivas and Ziel voting "no". Commissioner Tavantzis abstained.

Some Commissioners expressed interest in reconsidering the first motion. The process to reconsider a prior motion requires that Commissioners who voted against the motion move to reconsider the motion.

Commissioner Campos moved and Commission Alternate Hagen seconded to reconsider the prior motion made by Commissioner Pirie and seconded by Commissioner Rivas. The motion to reconsider the prior motion passed with Commissioners Lustgarten, Coonerty, Lane and Nicol voting "no".

Commissioner Pirie reintroduced her motion to approve the resolution authorizing the Executive Director to enter into an administration, coordination and license agreement (as attached to the resolution) with Sierra Northern Railway and to take the necessary actions to complete the purchase of the Branch Line on behalf of the RTC, and to give Sierra until 5pm on Friday, October 8th to sign the agreement. Commissioner Rivas seconded the motion.

The motion (Resolution 09-11) passed with Commissioners Lustgarden, Coonerty, Lane and Nicol voting "no".

Commissioner Coonerty departed the meeting.

25. TDA Triennial performance audit

Deputy Director Luis Mendez presented the staff report saying a triennial performance audit is required by the state for planning agencies and transit operators that receive Transportation Development Act (TDA) funds.

Jeff Straw, LSC Transportation Consultants, said that their role in performing the audit is to ensure that the entities are in compliance with TDA law, give feedback to the Commission and to ensure accountability to the public.

The 2010 Triennial Performance Audit concluded that the RTC is not only in compliance with TDA requirements but in some cases exceeds these requirements. Recommendations for the RTC include working with the Santa Cruz METRO, Community Bridges and the Volunteer Center to develop a Short Range Transit Plan update.

Commissioner Tavantzis moved and Commissioner Pirie seconded to approve the staff recommendations that the Regional Transportation Commission (RTC):

1. Accept the FY 2006-07 to 2008-09 Triennial Performance Audit reports of the RTC and the Santa Cruz County transit operators;
2. Direct staff to work with the Budget and Administration/Personnel (B&A/P) Committee to develop responses to the recommendations in the RTC Triennial Performance Audit; and
3. Request that the Santa Cruz Metropolitan Transit District (Santa Cruz Metro), Community Bridges and the Volunteer Center provide responses to the recommendations in the Triennial Performance Audit of the Santa Cruz County transit operators.

Sam Storey, Community Bridges, said that he looks forward to responding to the recommendations.

26. 2010 Regional Surface Transportation Program (RSTP) Exchange Program

Senior Planner Rachel Moriconi presented the staff report saying that the RTC can exchange federal RSTP funds for state RSTP Exchange funds; that funds from cost savings on completed projects can be shifted to road projects in the County; and that \$1.45 million of previously approved STIP funds to complete the environmental phase of the Highway 1 HOV lanes project could be replaced with exchange funds.

Commissioner Pirie moved and Commissioner Tavantzis seconded to approve

staff and the Interagency Technical Advisory Committee (ITAC) recommendations that the Regional Transportation Commission (RTC):

1. Exchange federal Regional Surface Transportation Program (RSTP) funds for state RSTP Exchange (RSTPX) funds for previously programmed projects to be implemented in FY10/11.

Staff additionally recommends that the RTC:

2. Program \$573,000 in RSTPX cost savings to projects as requested by the County of Santa Cruz ;
3. Program \$1.45 million in RSTPX to the Highway 1 HOV lanes project for completion of the environmental document, replacing supplemental State Transportation Improvement Program (STIP) funds that were programmed by the RTC (1/14/10), but not approved by the California Transportation Commission (5/10); and
4. Adopt a resolution amending the Regional Transportation Improvement Program (RTIP) and the RTC budget to reflect these changes.

Commission Alternate Lustgarden asked if the \$1.45 million programmed to the Highway 1 HOV lanes project could be used for something other than the highway. Ms. Moriconi said that it could.

The motion (Resolution 10-11) passed with Commission Alternate Lustgarden voting "no".

27. State and Federal Legislative Update

Senior Planner Rachel Moriconi reported that there was still no state budget at this moment and that the state will probably start issuing IOUs at the end of week. She said not to expect anything new from the federal government until after the mid-term elections.

28. Adjourn to special meeting of the Service Authority for Freeway Emergencies

- a. No agenda items this month

29. Next Meetings

The meeting adjourned at 11:39 am.

The Transportation Policy Workshop meeting scheduled for Thursday, October 21, 2010 at 9:00 a.m. at the SCCRTC Offices, 1523 Pacific Avenue, Santa Cruz, CA has been cancelled.

The next SCCRTC meeting is scheduled for Thursday, November 4, 2010 at 9:00 a.m. at the Board of Supervisors Chambers, 701 Ocean St., Santa Cruz, CA.

Respectfully submitted,

Gini Pineda, Staff

ATTENDEES

Roberta Mendonca
Cliff Walters
Bruce Sawhill
Jeff Straw

Go 21
Sierra Railroad
FORT
LSC Transportation Consultants