The meeting was called to order by Committee Chair Schiffrin at 10:05 am.

**Members Present**
- Commissioner John Leopold
- Commissioner Bruce McPherson
- Commissioner Alternate Patrick Mulhearn
- Commissioner Alternate Tony Gregorio
- Commissioner Alternate Andy Schiffrin

**RTC Staff**
- George Dondero
- Luis Mendez
- Yesenia Parra
- Cory Caletti
- Daniel Nikuna
- Karena Pushnick
- Rachel Moriconi

1. **Introductions-Self introductions were made**

2. **Additions or changes to consent and regular agenda**

   Attachment 4 to item 8 was distributed which was omitted from the mailed packet. Replacement page for item 6 was distributed. Deputy Director Luis Mendez also noted corrections to the reference of attachments for item 4 on the consent agenda and the word “overstatement” on item 5 paragraph two of the discussion section should be “understatement.”

3. **Oral communications**

   Yesenia Parra, Administrative Services Officer reported that staff will be distributing an RFP for a Compensation Study as outlined in the current MOU.

**CONSENT AGENDA**

The committee discussed the indirect cost rate and if it has an effect on policy making and how it was derived.
Commissioner Leopold moved and Commissioner Alternate Mulhearn seconded the consent agenda. The motion passed unanimously with Commissioners McPherson and Leopold, and Commissioner Alternates Mulhearn, Schiffrin and Gregorio voting “aye”.

4. Accepted Fiscal Year (FY) 2016-17 first and second quarters warrants and monthly credit card reports-corrected item 4

5. Accepted information on the Fiscal Year (FY) 2016-17 Indirect Cost Allocation Plan

REGULAR AGENDA

6. Measure D Allocations to Recipient Agencies
   (Rachel Moriconi, Senior Transportation Planner)

Rachel Moriconi, Senior Transportation Planner, presented the staff report.

The committee discussed: the fact that Measure D funds can only be used for direct costs unless there is an independently audited indirect costs rate; the agreement required between each recipient and the RTC; the oversight committee make up and that it will be appointment by the commission; committee member eligibility requirements; requirements for signage communicating that funds from Measure D were used for a project; the possible need for additional funding to cover auditing cost; and the March 14th deadline for comments from local jurisdictions on the agreements and guidelines.

Committee members requested that several sections in the agreement and guidelines be edited to help clarify the expectations for reporting and accountability and language to ensure compliance with the Measure D ordinance. They recommended that language be added to clarify that Measure D funds cannot be used to supplant existing funding; that reporting requirements not add cost to recipients; adding language to encourage leveraging of Measure D funds; clarifying language for transportation providers to people with disabilities and senior on the use of funds for Measure D and assisting recipients to identify clear and measurable goals.

Ms. Moriconi noted that the signage language and logo ideas will be discussed with the Interagency Technical Advisory (ITAC) Committee and brought back for Commission approval.

7. Amendments to the Fiscal Year (FY) 2016-17 Budget and Work Program
   (Luis Mendez, Deputy Director)

Deputy Director Luis Mendez presented the staff report. He noted that the proposed amendments include moving funds already approved from Cruz511 to use for marketing materials for the travel advisors being used for the User Oriented Transit Program now referred to as Cruzz 511 in your Neighborhood; work trends changes on the Monterey Bay Sanctuary Scenic Trail (MBSST); and the need to allocate funds for
work that has already begun for implementation of Measure D. He said that there was a possibility that the first Measure D payment could come as early as June 2017. Staff will inform the Commission if a payment is received.

Commissioner Leopold moved and Commissioner McPherson seconded the staff recommendation that the Budget and Administration/Personnel Committee recommend that the Regional Transportation Commission (RTC) approve the FY 2016-17 Budget and Work Program amendments.

Motion passed unanimously with Commissioners Leopold, McPherson, Commissioner Alternates; Mulhearn, Gregorio, and Schiffrin voting “aye”

8. Fiscal Year (FY) 2017-18 proposed budget
(Luis Mendez, Deputy Director)

Deputy Director Luis Mendez presented the staff report. He noted that the budget incorporates Measure D revenues and funding increase request from Bike to work and the Community Traffic Safety Coalition. After accounting for the increases to Bike to Work and the Community Safety Coalition, the other recipients’ TDA apportionments are increases by 1% compared to the apportionments approved in April of 2016.

Mr. Mendez noted that funding for the Freeway Service Patrol had been reduced due to the lack of congestion data but that the Governor proposed doubling the statewide allocation for FSP programs.

He said that proxies were used to estimate the Measure D funds as historical data is not yet available. He explained the difference between a transaction and use tax and a sales tax. He noted that the Measure D allocation estimate for Capitola is significantly lower than estimated prior to the approval of Measure D because sales tax data was used for that estimate. He noted that the RTC will need to do an audit every year to ensure accurate funding distribution.

He discussed the changes in the staffing budget to include the addition of an Engineer position which is essential to the RTC’s current and future project needs. He also noted that due to the increased work load due to the passing of Measure D, staff is recommending additions to the accounting and administrative staffing positions. He also noted the need to make additional payments to CalPERS to offset the continued increase in unfunded liability costs.

The committee discussed the implementation date for the signs from the bike signage project; the difference between authorized vs. budgeted staff; RTC reserve funds; final EIR for Hwy 1 and how the RTC can move it along; funding needed to address Hwy 1 EIR comments and the change in scope for the Unified Corridors project;

Commissioner Leopold moved and Commissioner McPherson seconded staff recommendation that the Budget and Administration/Personnel Committee recommend that the Santa Cruz County Regional Transportation Commission approve the proposed FY 2017-18 budget with additional direction that the staff provide a report to the RTC
in May on the status, timeline and funding to complete the Highway 1 corridor environmental document.

Motion passed unanimously with Commissioners Leopold, McPherson, Commissioner Alternates; Mulhearn, Gregorio, and Schiffrin voting “aye”

9. Meeting adjourned at 11:42 am

The next Budget and Administration/Personnel Committee meeting is scheduled for Thursday, April 13, 2017 at 3:00 p.m. in the CAO's Conference Room, 701 Ocean St. 5th floor, Santa Cruz CA

Respectfully submitted,

Yesenia Parra, Staff

Attendees:

Kirk Ance CTSA Community Bridges
Barrow Emerson METRO
Jeannie LePage Ecology Action
Lynn Lauridsen HAS
Dena Loyos HAS-Community Safety Coalition