



*Santa Cruz County
Regional Transportation Commission*
**Measure D
Taxpayer Oversight Committee**



**Draft Minutes
Monday, October 29, 2018
6:00 p.m.**

Location: RTC Conference Room
1523 Pacific Ave, Santa Cruz, CA

Committee Members Present:

Janet Edwards, District 1
Michael Machado, District 2
Abel Rodriguez, District 3
Carmen Herrera Mansir, District 4
Todd Guin, District 5

Staff Present:

George Dondero, Executive Director
Luis Mendez, Deputy Director
Rachel Moriconi, Sr. Transportation Planner
Shannon Munz, Communications Specialist

1. Call to Order: RTC staff member Shannon Munz called the meeting to order at 6:00 pm.

2. Introductions of Committee Members

Committee members introduced themselves and gave a brief description of their background and experience.

3. Introduction of Staff and Background on the RTC

RTC staff introduced themselves to committee members and described their roles in the agency. Executive Director George Dondero gave background information on the agency and Measure D.

4. Additions, deletions, or other changes to consent and regular agendas – None

CONSENT AGENDA

5. None

REGULAR AGENDA

6. Overview of Committee Purpose, Scope of Responsibilities, Membership and Composition and Bylaws

Shannon Munz, RTC communications specialist, gave an overview of the committee's roles and responsibilities per Section 32 of the Measure D Ordinance. The committee reviews the annual independent fiscal audit of the

expenditures of Measure D funds and issues an annual report on its findings. She discussed how the Measure D Oversight Committee is subject to the committee bylaws and description included in the RTC's Rules and Regulations. She went over the purpose, responsibilities and membership of the committee as covered in the Rules and Regulation. Deputy Director Luis Mendez discussed the rules of order for committee meetings, including the role of the chair and making motions, which follow the Rosenberg's Rules of Order. He also discussed the state requirements to satisfy the Brown Act and addressed establishing a quorum. He emphasized that since the committee is subject to the Brown Act, three or more committee members cannot have conversations about committee activities outside of the committee meetings. This includes in-person, by phone, text, email or chain meetings.

7. Election of Officers: Committee chair and vice chair

Member Machado volunteered for the chair position. A motion was made by member Edwards to make member Machado chair, seconded by Rodriguez. The motion passed unanimously. Member Edwards volunteered for the vice-chair position. A motion was made by member Herrera Mansir to make member Edwards the vice chair, seconded by Machado. The motion passed unanimously.

At this point, Mike Machado took over to chair the meeting.

8. Measure D Overview

George Dondero, Executive Director, discussed the background of Measure D and how transportation funding has not kept pace with the costs to operate, maintain, and improve the local transportation system. In November 2016, Santa Cruz County voters passed Measure D, a local half percent sales tax dedicated to transportation investments. Rachel Moriconi, Senior Transportation Planner, provided an overview of the Measure D Expenditure Plan, which includes funds to cities and the County for local projects, funds for San Lorenzo Valley (SLV) Highway 9 corridor improvements, Highway 17 Wildlife Crossing, Highway corridor projects, transit and paratransit services, the Monterey Bay Sanctuary Scenic Trail Network (MBSST/Rail Trail), and rail corridor.

In response to questions from committee members, staff provided clarification regarding limits on administrative costs, audits and other accountability requirements, and the committee's role in reviewing expenditures. Member Rodriguez suggested that a random sampling of all projects and larger projects be subject to detailed audits, including review of invoices and detailed expenditures to ensure Measure D revenues are spent as intended. Member Guin suggested agencies provide documentation if sole source contracting was used. Staff noted that each agency has different procurement policies and procedures. In response to a question from Member Herrera Mansir, Ms. Moriconi noted that committee members will receive copies of the annual expenditure reports prepared by Measure D recipients. Committee could

suggest modifications for future year expenditure reports. Member Machado noted that each agency has their own financial safeguards and audits in place and the committee's role is to review those audits. In response to questions about the annual report to be prepared by the committee, staff agreed to share samples of reports prepared for other measures. Chair Machado requested information on FY17/18 and current revenues. Staff noted they are included in the RTC's board packet and will include them in the next meeting packet.

9. Measure D 5-Year Plans for Regional Projects

Rachel Moriconi, Senior Transportation Planner, discussed how each agency receiving Measure D revenues is required to annually develop, update, hold a public hearing on, and approve a five-year program of projects showing how they plan to use Measure D funds in the upcoming 5 years. Agencies receiving direct formula allocations (cities, the County of Santa Cruz, Santa Cruz Metropolitan Transit District (METRO) and Community Bridges/Lift Line) typically develop their five-year programs of projects as part of their annual budget and/or capital improvement program. Community members can provide input on those plans directly to each recipient agency. She shared the 5-year plans for regional projects, which were approved by the RTC board in June 2018.

In response to questions from committee members, staff will provide the approved five-year plans from each jurisdiction with the audit and annual expenditure report information. Ms. Moriconi noted that expenditures may differ from the plan, but if they do, the recipient agencies are required to provide explanations on why.

10. Committee Member and Staff Comments or Questions

In response to questions from committee members, staff provided information on the potential impacts of Proposition 6 on implementation of projects and the status of Highway 1 and rail projects. Deputy Director Mendez noted that committee members may be reimbursed for the travel costs associated with attending the meeting.

11. Public Comment on Matters Not on the Agenda – None

12. Next meetings – The next meeting of the oversight committee is expected to be held following availability of the FY17/18 financial expenditure reports, in February or March 2019. Committee members indicated that evening meetings are preferable.

The meeting adjourned at 7:45 pm on the motion of Edwards/Rodriguez.

Minutes prepared by: Shannon Munz