

7. Reports on CCTA activities (Attachments – Action)

TRANSPAC and CCTA Representatives are requested to report on the most recent CCTA Administration and Projects Committee (Member Pierce), Planning Committee (Member Durant), and CCTA meetings (Members Pierce and Durant)

Reports on the SB 83 Vehicle Registration Fee Ballot Measure and the adoption of the FINAL Growth Management Implementation Guide for Measure J are expected.

Recommendation: Actions as determined

Attachments: June 17, 2010 “Items approved by the Authority on June 16, 2010, for circulation to the Regional Transportation Planning Committees (RTPCs), and items of interest; May 20, 2010 “Items approved by the Authority on May 19, 2010, for circulation to the Regional Transportation Planning Committees (RTPCs), and items of interest; May 19, 2010 Board meeting minutes.



CONTRA COSTA
transportation
authority

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Maria Viramontes

Randell H. Iwasaki,
Executive Director

MEMORANDUM

To: Barbara Neustadter, TRANSPAC
Andy Dillard, SWAT, TVTC
John Cunningham, TRANSPAN
Christina Atienza, WCCTAC
Richard Yee, LPMC

From: Randell H. Iwasaki, Executive Director *RHI for*

Date: June 17, 2010

Re: Items approved by the Authority on June 16, 2010, for circulation to the Regional Transportation Planning Committees (RTPCs), and items of interest

At its June 16, 2010 meeting, the Authority discussed the following items, which may be of interest to the Regional Transportation Planning Committees:

1. **Authority's Adopts Measure J Urban Limit Line Policies and Procedures for the Implementation Guide.** *The Authority approved a set of policies and procedures for determining local compliance with the ULL requirement of Measure J based upon recommendations by TCC and the Planning Committee. The ULL policies and procedures will be incorporated into new "Section 5" of the Final Measure J Implementation Guide. (Separate Attachment)*
2. **Adoption of the Final Growth Management Implementation Guide for Measure J.** *The Authority approved Resolution 10-19-G, which formalizes the Authority's adoption of the Implementation Guide for the Measure J Growth Management Program. The updated Guide incorporates new policies and procedures for collaborative planning under Measure J, conducting General Plan Amendment Reviews, and for addressing local compliance with the Measure J ULL requirement. The adopted Final Guide will be posted on the Authority's website.*
3. **November 2010 Ballot Measure in Contra Costa: Vehicle Registration Fee (VRF) to Fund Transportation Programs and Projects – Draft Expenditure Plan.** *The Authority authorized release of the Draft VRF Resolution and Expenditure Plan. (Separate Attachment)*

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4. **2010 Bond Financing Workshop.** *In September, the Authority will need to complete a refinancing of a 2009 bond anticipation note totaling \$200 million. The Board received a presentation on the status of the market update, the interest rate swap, analysis of financing alternatives, and a proposed timetable for issuing the bonds. The Authority gave direction to move forward with a 2010 Bond financing plan calling for the issuance of variable rate or floating rate bonds (to be determined by the APC) and terminating the interest rate swap when the value reaches \$17 million or less. When the swap is terminated, the strategy then calls for issuing conventional, long-term fixed rate bonds. A special Authority Meeting was set for August 18th at 6:00 p.m. to provide final authorization of the 2010 Bonds.*

5. **FY 2010-11 Proposed Budget for the Contra Costa Transportation Authority and Congestion Management Agency.** *Following a Public Hearing, the FY 2010-11 Budget was adopted by the Authority.*

Note: Incorporates changes from June 16, 2010 Authority meeting

5 Urban Limit Line

When approved by the voters in 2004, Measure J added a new requirement to the GMP, namely, that each jurisdiction adopts and complies with a voter-approved Urban Limit Line (ULL). The procedures for establishing a jurisdiction's ULL are outlined in the Measure J Expenditure Plan in Attachment A, "Principles of Agreement for Establishing the Urban Limit Line" (the Principles).

To ensure that local jurisdictions are aware of the ULL requirement, and receive early notification regarding any potential compliance issues, the Authority has adopted the following process:

1. **Process Communications.** To communicate to local jurisdictions the details of the Authority's ULL requirements and, when requested, advise them when actions are being contemplated that could place the jurisdiction at risk of non-compliance with the Measure J GMP ULL requirement, the Authority will:
 - A. **Issue an Annual ULL Policy Advisory Letter.** All local jurisdictions will be advised annually in writing of the requirements for a local jurisdiction to be found in compliance with the ULL requirement of the Measure J GMP. Local jurisdictions must acknowledge having read and understood the letter through the GMP Compliance Checklist.
 - B. **Prepare an Evaluation Letter.** At any time, a local jurisdiction may ask the Authority to evaluate a proposed local action to determine whether that action may conflict with the ULL provisions of the GMP. Similarly, a third party may request that the Authority evaluate a local jurisdiction's proposed action to determine whether that action may conflict with the ULL provisions of the GMP. In response, the Authority would ask that local jurisdiction if the jurisdiction would like the Authority to analyze the proposed action to determine whether any ULL compliance issues are evident. In either scenario, if the local jurisdiction

FINAL

Note: Incorporates changes from June 16, 2010 Authority meeting

requests the referenced ULL-related evaluation, the Authority will provide the requested evaluation. The Authority will base its evaluation on the consistency of the proposed action with the criteria in Section 2 below. The Authority will document the analysis of the proposed action and convey its findings to the local jurisdiction in an "Evaluation Letter." The Evaluation Letter may include recommendations that could ensure the jurisdiction's compliance with the ULL requirements of Measure J.

- C. **Issue Final Notice of Concern.** If, after receiving an Evaluation Letter, the jurisdiction subsequently approves the proposal without conforming it to the voter-approved ULL, then the Authority will send a "Final Notice of Concern," advising the jurisdiction that, subject to a detailed review of the proposed development project based on the Measure J ULL and the Authority's criteria, the jurisdiction is likely to be found out of compliance with the GMP, until it has a voter approved ULL that includes the proposal or project area.
2. **Criteria for Assessing Compliance.** Based on the "Principles", the criteria established for determining whether or not a proposal conforms to the ULL requirement of Measure J are as follows:
 - A. The proposed development lies within the physical boundary of the voter-approved ULL.; or
 - B. The proposed development involves a non-sequential, non-contiguous adjustment to the ULL that does not exceed 30 acres in size as explicitly permitted under the voter-approved ULL; or
 - C. The proposed development is necessary to avoid an unconstitutional taking of private property as provided in the voter-approved ULL, or
 - D. The proposed development is necessary to comply with state or federal law as provided in the voter-approved ULL;

FINAL

Note: Incorporates changes from June 16, 2010 Authority meeting

- E. The proposed development is explicitly listed as an exception to the physical ULL boundary in the jurisdiction's voter-approved ULL, or the proposal is found and determined to be consistent with the definition of non-urban uses in the voter-approved ULL. (For example, rural residential and agricultural structures allowed by applicable zoning and facilities for public purposes which are necessary or desirable for the public health, safety or welfare or by state or federal law as provided in the Contra Costa County 65/35 Land Preservation Plan Ordinance.) Such determination shall be made by the local jurisdiction's elected governing body after holding a properly noticed public hearing and making findings based on substantial evidence in the record; if the governing body's decision is legally challenged, the Authority's finding of non-compliance shall be held in abeyance subject to expiration of all applicable appeals periods or exhaustion of all applicable appeals or court challenges;

- F. The proposed development (a) does not involve an extension or expansion of urban services (such as water or sewer) across the physical ULL boundary, unless such extension or expansion is to serve solely allowed non-urban uses consistent with 2.E. or (b) is in connection with a development proposal as set forth in 2.C-E.

Proposed developments that do not conform to the above criteria will be further evaluated by the Authority for possible GMP compliance issues.

- 3. **Explanation of Modifications to ULL, or Development for Areas Outside of the ULL.** For modifications to the voter-approved ULL or for a major subdivision or General Plan Amendments in areas outside the ULL, a findings of consistency with the provisions of that ULL shall be made by the local jurisdiction's elected governing body after holding a properly noticed public hearing, and the findings shall be publicly provided by the jurisdiction to explain its degree of consistency with the GMP (including its consistency with the jurisdiction's ULL and General Plan) and

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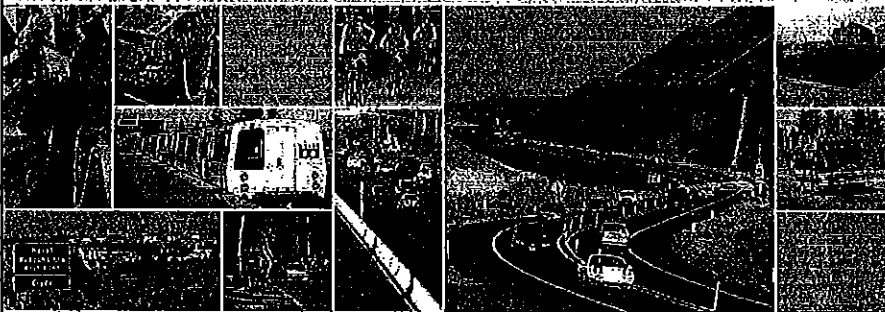
Note: Incorporates changes from June 16, 2010 Authority meeting

included in the applicable Measure J Compliance Checklist, so that the Authority may determine compliance with the GMP.¹

4. **Acceptable Discretionary Actions.** For areas beyond the physical boundary of the applicable ULL, the following do not constitute a violation of the ULL provisions, as the actions are discretionary and do not commit a local jurisdiction to development beyond a local voter-approved ULL:
 - i. Planning studies that result in neither administratively approved zoning changes nor general plan amendments nor specific approvals; or
 - ii. Requests for changes to a city's or town's sphere of influence for purposes of considering future voter-approved changes to the applicable ULL and subsequent annexation requests.
5. **Timing of a Finding of Non-Compliance.** The Authority may find a jurisdiction out of compliance with the ULL requirements of Measure J based on its review of the jurisdiction's biennial GMP Compliance Checklist submittal and the above criteria.

Jurisdictions must meet both the requirements listed above and the other requirements listed in Section 8 to be considered in compliance with the GMP. If it has not fulfilled all of the requirements, a jurisdiction may present evidence that the requirements of Measure J have been met in some other way. In such a case, the Authority will decide whether the jurisdiction will be considered in compliance, based on the explanations submitted with the Checklist.


¹ A "major subdivision" is any subdivision requiring that both a tentative and final map be completed pursuant to Section 66426 of the California Subdivision Map Act (Govt. Code Section 66310, et seq.)



Costa Rica Transportation Authority

VEHICLE REGISTRATION FEE

EXPENDITURE PLAN



PROPOSED NOVEMBER BALLOT MEASURE

- \$10 VRF Increase
- Traffic Congestion Relief/Pollution Mitigation
- Fee = Majority Vote + Nexus



VEHICLE REGISTRATION FEE
EXPENDITURE PLAN

EXPENDITURE PLAN DEVELOPMENT

- Polling
- Stakeholders
- VRF Advisory Committee
- Public Workshop
- RTPCs
- CAC
- APC/Authority



WHERE WE ARE:

- Consensus on Program Categories
 - Local Road Improvement & Repair
 - Transit for Congestion Relief
 - Pedestrian and Bicycle Access & Safety
- Accommodate Regional Priorities
 - Different weighting among categories
- Return to Source
 - Local Road Improvement & Repair
 - Pedestrian and Bicycle Access & Safety



PROPOSED EXPENDITURE PLAN

RTPC Recommendations as Basis:

71% Local Road Improvement & Repair
8% Pedestrian & Bicycle Safety & Access
 =79% Return to Source

+

21% Transit for Congestion Relief
 (At Direction of RTPCs)



VEHICLE REGISTRATION FEE
TRANSPLAN FEE

RECOMMENDED ALLOCATION OF VRF FUNDS

Program	TRANSPLAN	WCCTAC	TRANSPAC	SWAT	AVG
Local Road Improvement & Repair	80% (\$1.8M)	50% (\$0.9M)	70% (\$1.7M)	85% (\$1.3M)	71% (\$5.7M)
Transit for Congestion Relief	15% (\$0.3M)	40% (\$0.7M)	20% (\$0.5M)	10% (\$0.2M)	21% (\$1.7M)
Pedestrian/Bicycle Safety and Access	5% (\$0.1M)	10% (\$0.2M)	10% (\$0.2M)	5% (\$0.1M)	8% (\$0.6M)



VEHICLE REGISTRATION FEE
TRANSPLAN FEE

BENEFIT ANALYSIS

- Finding of Fact regarding Benefit to Fee Payer
(= Motor Vehicle Owners) (4.A.15-16)
- Consistency with the RTP



OUTSTANDING ISSUES:

- Proposed Condition on Return-to-Source Funds (GMP Compliance)
- Bike/Ped Amenities as Part of Road Repair Projects
- Administration Costs
 - 5% Allowable v. Actual
 - Reimbursement for EP Development & Ballot Cost



PROPOSED SOLUTIONS

- Eliminate GMP Compliance Requirement
- Revise Language Incorporating Safety and Access Components for Bike/Ped into Road Repair/Improvements (4.A.15-3)



VEHICLE REGISTRATION FEE
LIFE-SAVING FEE

PROPOSED USE OF 5% ADMINISTRATION FUNDS

Staff Proposal:

- Reimburse Authority from 5%:
 - Up to \$150,000 for EP development
 - Cost of placing measure on ballot (per counsel's advice)
- After reimbursements--only actual costs reimbursed (up to 5% per year)
- Remainder back to programs



VEHICLE REGISTRATION FEE
LIFE-SAVING FEE

POTENTIAL CONFLICT AHEAD...

- 'Hidden Tax Initiative' *could* undo a successful measure:
 - Initiative has over 1.1 million signatures
 - Reclassifies many 'fees' as 'taxes' (fee must benefit fee-payers *exclusively*)
 - More measures would require 2/3 vote
 - Any state law that raises taxes would require 2/3 vote
 - 54% = DOA



SAFEGUARDS...

- Ensure our measure takes effect first:
 - Initiative effective day after election
 - Referendum effective 30 days after election
 - Specify effective date as election day in measure
 - Resolution instead of Ordinance



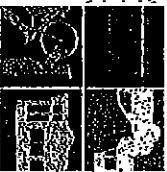
STAFF RECOMMENDATIONS

Approve In draft form:

- Resolution 10-30-P
- Ballot Measure
- VRF Expenditure Plan
- Benefit Analysis Findings

FINAL APPROVAL IN JULY





VEHICLE REGISTRATION FEE

EXPENDITURE PLAN

Vehicle Registration Fee – Comments Received During May 24, 2010 Public Workshop (General Comments)

Date	Name	E-mail	Comment
1	5/24/10 Workshop Attendee	N/A	Cyclists should register their bikes & pay registration fee. Registration fees for bicycles could be used to help fund bike lanes, wider roads, safety and education.
2	5/24/10 Workshop Attendee	N/A	The focus of the funds should be on residential roads within individual cities.
3	5/24/10 Workshop Attendee	N/A	Local jurisdictions should determine how to use the money on local roadway improvements.
4	5/24/10 Workshop Attendee	N/A	Improvements to roadways that are already identified in the County Bicycle Master Plan to have future bike lanes or bike routes should be prioritized in the distribution of VRF funds.
5	5/24/10 Workshop Attendee	N/A	Light vehicles should pay a smaller fee—why should an individual car pay the same as a passenger bus since they do not do as much damage to the roads?
6	5/24/10 Workshop Attendee	N/A	The CCTA needs to include local taxpayer organizations in VRF process. This is basically a “hidden tax.”
7	5/24/10 Workshop Attendee	N/A	Support bicyclists with VRF funds!
8	5/24/10 Workshop Attendee	N/A	Keep in mind seniors and disabled in VRF spending; not everyone can ride a bike.
9	5/24/10 Workshop Attendee	N/A	Include sunset and monitoring provisions in the Expenditure Plans; add accountability by including measurable outcomes.
10	5/24/10 Workshop Attendee	N/A	Go after the bankers and Wall Street. They started these budget restrictions.

VEHICLE REGISTRATION FEE

EXPENDITURE PLAN

Vehicle Registration Fee -- Comments Received During May 24, 2010 Public Workshop (Expenditure Plan Options)

Date	Name	E-mail	Comment
1 5/24/10	Workshop Attendee	N/A	I support a new option—"Option C"—in which 100% of funds would be used to improve local roads. This would ensure the most direct benefit to the drivers who would pay the fee. Voters will be more likely to support because they understand how the fee drivers will pay will go back to drivers, not to cyclists and transit users.
2 5/24/10	Workshop Attendee	N/A	I also support "Option C" because revenues should be focused on <i>one thing</i> and thus get tangible results, rather than try to do too many things with no tangible results.
3 5/24/10	Workshop Attendee	N/A	Of the three options, the "Local Roads" option provides the most direct benefit to drivers.
4 5/24/10	Workshop Attendee	N/A	The "Local Roads" option provides the most benefits for cyclists (via pothole repair, etc.). The Board needs to identify the "nexus" between cars and bikes: Both cars and bikes can benefit from roadway improvements, especially if funds are targeted to improvements on the on-road bikeways called for in the County Bicycle Master Plan.
5 5/24/10	Workshop Attendee	N/A	The "Local Roads" option also provides the most safety benefits for cyclists—drivers don't have to swerve to miss potholes.
6 5/24/10	Workshop Attendee	N/A	I support Option B, which allocates more money to transit, because you can't "build your way out of congestion"; we need to focus on improving transit to get people to drive less.
7 5/24/10	Workshop Attendee	N/A	I also support Option B, we need to focus on transit options as well, not just repair and build roads. Getting more people on transit would benefit drivers by relieving traffic congestion.

VEHICLE REGISTRATION FEE

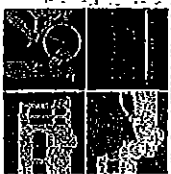
EXPENDITURE PLAN

Vehicle Registration Fee - Comments Received via Email as of June 16, 2010

Date	Name	E-mail	Comment
1	5/24/10 Jim LaFond	[REDACTED]	<p>I read the article in the <i>Contra Costa Times</i> about placing a measure to have a ten dollar fee added to our auto registration. I would be in total favor of this fee if it did not include the clause about traffic flow studies, safety and public transportation. If you are going to have a ten dollar fee to repair roads, then all of the money should go to roadway repair. If passed this fee would only generate 8.5 million dollars which shared with all the cities in the county would only be a few hundred thousand dollars for each city.</p> <p>As the Board is well aware, a few hundred thousand dollars for roadway repair does not go far in fixing roads. Therefore if the Board would make the measure for road repair only you have my vote.</p> <p>If they choose to include all of these other agencies that would do nothing but spread the money so thin that it would not do anything to improve our roads and I will be working to defeat this measure.</p>
2	5/24/10 Anonymous	[REDACTED]	<p>I am just now hearing about this 10.00 dollar charge you want the voters to vote on in November. I am sick and tired of our government coming to us hardworking taxpayers to pay for EVERYTHING in this world...enough is enough!!!! You say this 10.00 will go to fixing the roads but I do not believe it for 1 minute!!! Our government has made so many unbroken promises it makes my head spin...</p> <p>I think a majority of us taxpayers feel all our taxes are going right into the government's pockets and that just isn't right. Maybe you all should take a cut in pay like the rest of us are and then we wouldn't be in such a bind?</p> <p>Also, why am I never polled in these polls? I sure hope this measure doesn't pass because I am fed up with bailing everything and everyone out of financial messes. Maybe send all those illegals back to Mexico and our Country (and our state) would not be so darn broke....did that ever occur to anyone???</p>

VEHICLE REGISTRATION FEE

EXPENDITURE PLAN



3	Date	Name	E-mail	Comment
	5/27/10	Doug Kell	[REDACTED]	<p>I regret I was unable to attend your public workshop meeting at the Embassy Suites on May 24th. I would be interested in the results of that workshop, if available. Will anything be posted on your website, or are the minutes or a summary available?</p> <p>Since I am a retired senior citizen I wanted to express my concern with this proposal. It seems unfair that a car collector such as myself would have to incur this additional fee on a number of older cars that are licensed, but rarely driven. Each of my four old cars is driven no more than 250 miles a year. In fact, being retired, I don't drive much at all anymore, preferring to spend most of my time at home in the garden.</p> <p>The real wear and tear on the streets and highways is by commercial vehicles that are on the road all day, every day. There are also individual drivers whose annual mileage is far above the average.</p> <p>No one wants more taxes, but if additional funds are needed for road maintenance it would make more sense to tax those who drive the most. This is best accomplished by a tax at the gas pump.</p> <p>I was wondering if other ways of securing funds have been considered. Also, has a senior exemption or classic car exemption been considered?</p> <p>Thank you for your consideration.</p>
	6/16/10	David Pepper	[REDACTED]	<p>As a physician with Contra Costa Regional Medical Center, and avid bicycle commuter, I applaud your efforts to increase Vehicle Registration and use it to provide alternatives to Car based transportation. Given recent events in the Gulf that highlight the true "costs" of Oil addiction beyond the current Global Climate changes it is imperative we create a county that is both friendly and encouraging of healthy transportation. There are also many personal health benefits from encouraging bicycling and walking. I see hundreds of patients with Obesity, Diabetes and Hypertension - all of which would improve with exercise and weight loss. The vehicle registration fee is but a small step towards promoting healthy community.</p> <p>I urge your support of the measure</p>

May 24, 2010

HAND DELIVERED

Contra Costa Transportation Authority Board Members
3478 Buskirk #100
Pleasant Hill, CA 94523

Re: Proposed November Ballot Item for New Vehicle Registration Fee

Dear CCTA Board Members:

Thank you for offering the public an opportunity to make comment regarding proposed November ballot measure for a new county Vehicle Registration Fee.

I am a resident of Contra Costa and have no relationship whatsoever with CCTA or any of its member agencies or potential contractors or other recipients of proceeds from a new Vehicle Registration Fee. As an independent observer and concerned citizen, I am troubled by CCTA's consideration of a new tax on Contra Costa car owners, particularly given our county's current grim economic conditions.

Contrary to what your polling consultants have told you, my conversations with friends and neighbors in Central County indicate that there is little or no support for this new fee. I urge you to refrain from putting this measure on the ballot and, instead, redouble efforts to find efficiencies and optimize resources currently available. Should you choose to proceed with this ballot measure, expect much public opposition.

Here is a summary of the comments I've received from talking to my Contra Costa friends and neighbors:

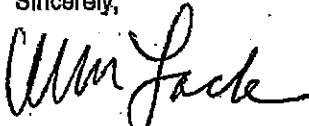
- **Contra Costa taxpayers currently pay to repair and maintain roads, public transit and pedestrian/bike paths. Why isn't the job getting done?** CCTA member agencies need to make a clear business case for why they need \$8.5 million of additional dollars – and why resources currently allocated are insufficient to meet the county's transportation needs. Contra Costa car owners already pay a \$10 county fee as part of the vehicle license tax. Measure J (the extension of Measure C's half-cent sales tax) was supposed to address transportation funding needs. Why should Contra Costa auto owners incur an additional fee on top of those already in place? And why should Contra Costa voters believe CCTA statements that yet another fee is truly necessary?
- **Public agencies are, by definition, inefficient and expensive. Why not privatize, where possible, to squeeze greater value from every dollar spent?** Numerous public agencies (each with their own administrative overhead costs) receive transportation funding through CCTA, thus it's tough for the public to determine the degree of efficiency with which transportation monies currently are spent. Nonetheless, even the most casual observer is aware of the fact that public agencies, such as cities and the County Connection bus system, have employee compensation plans that far exceed those available to private sector employees. Privatization of transportation services could yield the same or better results at lower cost, thus privatization of these services merits serious consideration.
- **Just because you can, doesn't mean you should.** While state law permits CCTA to pursue additional dollars through new fees, that doesn't mean that doing so is the proper course of action for Contra Costa families who are struggling financially in these tough economic times.

Are uses of the proposed Vehicle Registration Fee truly necessary, or are they merely desirable? Good intentions and worthwhile project plans may be nice to contemplate, but they don't necessarily deserve funding.

- **Weary taxpayers are being nickel-and-dimed by all levels of government – and there is a limit to the amount of taxation the public can bear.** At every level of government, taxpayers are being squeezed for more tax dollars. Earlier today State Senate Democrats proposed a \$4.9 billion increase in taxes on cars, alcohol, income and corporate profits. At the same time as federal and state taxes increase, fees charged by cities and other local agencies also are going up. Every legislative session and every ballot brings new tax proposals from schools and other public agencies that inevitably promise to fulfill service needs and "solve" the current funding crisis *du jour*. In "Groundhog Day"-like fashion, these same agencies repeatedly return to the voters for more tax monies, once again promising to "solve" the current funding crisis. Voters increasingly say "enough is enough."
- **Adding a new fee to struggling households is like adding insult to injury.** Last month the Bureau of Labor Statistics reported the California unemployment to be 12.6%, among the highest in the nation. Home foreclosures continue at record levels in Contra Costa, even as talented workers and companies continue to leave the state in pursuit of more business-friendly conditions. Adding a new Vehicle Registration Fee to Contra Costa is nothing short of government excess and piling on. An increasingly observant and savvy public knows that a \$10 fee today will inevitably increase in the future, as public agency funding needs and desires are infinite – like black holes.
- **Throwing more money at problems isn't the answer.** Like the boy who cried wolf, Contra Costa citizens increasingly perceive that government has overstepped its bounds. CCTA's pursuit of a "fee", which requires voter approval by simple majority, rather than a "tax" which requires approval by two-thirds of voters, is an insult to the electorate. No matter the name, it's all money from the public's pocket into that of government and is effectively a tax. Public skepticism of government continues to rise – and for good reason. Public agencies must prioritize needs and reduce overhead expenses in order to optimize resources. **Delivery of public services using status quo methods is unacceptable and CCTA would be well-advised to deliver this message to its participating agencies.**

Thank you for offering an opportunity to comment on this important issue.

Sincerely,



Wendy Lack
Pleasant Hill



SWAT

Danville • Lafayette • Moraga • Orinda • San Ramon & the County of Contra Costa

June 15, 2010

Randell H. Iwasaki, Executive Director
Contra Costa Transportation Authority
3478 Buskirk Avenue, Suite 100
Pleasant Hill, CA 94523

RE: SWAT Meeting Summary Report for June 2010

Dear Mr. Iwasaki:

At the June 7, 2010 Southwest Area Transportation Committee (SWAT) meeting, the following issues were discussed that may be of interest to the Authority:

Update on SB 83 Vehicle Registration Fee (VRF) Expenditure Options: CCTA staff provided an update on the draft Expenditure Plan, based on feedback from the RTPCs and VRF Advisory Committee, which proposes to allocate the VRF funds in the aggregated countywide percentages.

<u>Category</u>	<u>Allocation</u>	<u>Distribution Method</u>
Local Streets and Roads:	71%	To jurisdictions: Pop & Road Miles
Transit for Congestion Relief:	21%	To RTPCs: Subregional Designations
Bicycle/Pedestrian Safety:	8%	To jurisdictions: Pop & Road Miles

The Committee members understand that, at the SWAT level, these funds would be allocated to Local Streets and Roads (85%), Transit for Congestion Relief (10%), and Bicycle/Pedestrian Safety (5%).

With this understanding, the Committee members had a lengthy discussion and would like to respectfully forward the following comments for consideration by the Authority:

1. **Funding Allocation:** Committee members inquired about, and sought clarification of, the formula used for both the initial allocation to the sub-regions, as well as for subsequent distribution of return-to-source funds.
2. **Administrative Fee:** Committee members expressed a desire to consider a lower administrative fee to maximize the amount of funds available for congestion relief projects and programs.
3. **Expenditure Plan Updates:** Committee members noted that, without a sunset date, the Committee requested language in the VRF expenditure plan that would provide for the necessary updates to accommodate the future transportation needs of the county's transportation network.

4. ***Voter Benefits:*** Committee members suggested a summary of the "Proposed Contra Costa VRF Expenditure Plan" table that would be expressed in dollar values, and by city, rather than in percentages and by sub-regions. This may serve to more directly communicate the local benefits for the voters.
5. ***Public Workshop Summary:*** Committee members requested a more extensive documentation of all comments (both written and spoken) made at the public workshop, including those by Taxpayers Association, who articulated that a pure Local Streets & Roads ballot measure might be more difficult to defeat.
6. ***'Complete Streets':*** Committee members reiterated that the concept needs to be feasible to implement, rather than to impose additional obstacles to infrastructure maintenance.

The next SWAT meeting is tentatively scheduled for Monday, July 12, 2010 at the Danville Town Offices, Large Conference Room, 510 La Gonda Way, Danville. Please contact me at (925) 314-3384 if you should have any questions.

Sincerely,



Andrew Dillard
SWAT Administrative Staff

Cc: SWAT; SWAT TAC; John Cunningham, TRANSPAN; Christina Atienza, WCCTAC; Barbara Neustedter, TRANSPAC; CCTA, Danice Rosenbohm, CCTA; Martin Engelmann, CCTA; Hisham Noeimi, CCTA

Estimate of VRF Administration Cost

	Exists Advanced by Measure [I/J]				Admin. %
	Election Costs (pamphlet printing costs, etc.)	Consultant Assistance	Staff Time, Audit Services	Total	
year 1	\$ 200,000	\$ 30,000	\$ 120,000	\$ 350,000	4.1%
year 2	\$ 200,000	\$ 30,000	\$ 120,000	\$ 350,000	4.1%
year 3	\$ 200,000	\$ 30,000	\$ 120,000	\$ 350,000	4.1%
year 4	\$ 200,000	\$ 30,000	\$ 120,000	\$ 350,000	4.1%
year 5	\$ 200,000	\$ 30,000	\$ 120,000	\$ 350,000	4.1%
year 6 & on	\$ -	\$ -	\$ 120,000	\$ 120,000	1.4%

Tasks To Be Completed

- Set up of Accounts
- Cash and Revenue Management
- Issuance of Checks
- Execution of Agreements
- Annual Transit Allocations
- Annual Budgeting
- Project Monitoring and Compliance Audits
- Invoice Payment
- Annual Financial Statements Audit

COMPARISON OF VEHICLE REGISTRATION FEES TO MEASURE J 18% RETURN TO SOURCE FUNDS

JURISDICTION	Estimated FY2009-10 Measure J Street Maintenance Allocation (18% return to source)	Estimated VRF Revenue Distribution (Road Maintenance and Ped/Bike improvements)	SUM
Antioch	\$ 920,353	\$ 642,358	\$ 1,562,711
Brentwood	\$ 436,086	\$ 256,715	\$ 692,801
Clayton	\$ 215,745	\$ 74,116	\$ 289,861
Concord	\$ 1,200,957	\$ 710,749	\$ 1,911,706
County	\$ 1,932,016	\$ 1,215,107	\$ 3,147,123
Danville	\$ 517,503	\$ 286,133	\$ 803,636
El Cerrito	\$ 322,007	\$ 118,369	\$ 440,376
Hercules	\$ 293,726	\$ 102,349	\$ 396,075
Lafayette	\$ 356,990	\$ 174,697	\$ 531,687
Martinez	\$ 441,802	\$ 220,036	\$ 661,838
Moraga	\$ 257,574	\$ 108,023	\$ 365,597
Oakley	\$ 437,014	\$ 269,340	\$ 706,354
Orinda	\$ 327,133	\$ 152,120	\$ 479,253
Pinole	\$ 271,480	\$ 91,150	\$ 362,630
Pittsburg	\$ 609,542	\$ 398,096	\$ 1,007,638
Pleasant Hill	\$ 437,618	\$ 216,711	\$ 654,329
Richmond	\$ 990,621	\$ 472,485	\$ 1,463,106
San Pablo	\$ 319,580	\$ 115,153	\$ 434,733
San Ramon	\$ 595,684	\$ 344,973	\$ 940,657
Walnut Creek	\$ 690,557	\$ 380,952	\$ 1,071,509
Total	\$ 11,574,000	\$ 6,349,633	\$ 17,923,633

AMERICAN LUNG ASSOCIATION.
Fighting for Air

114 Talbot Ave.
Santa Rosa, CA 95404
707-527-5864 phone
707-542-6111 fax

June 16, 2010

Chairman Bob Taylor
Members of the Contra Costa Transportation Authority
3478 Buskirk Avenue, Suite 100
Pleasant Hill, CA 94523

Re: VRF Allocation

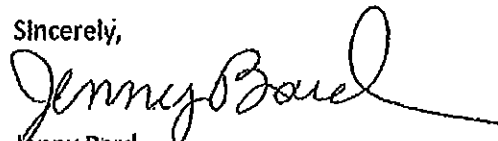
Dear Chairman Taylor and Members of CCTA:

The American Lung Association in California is very pleased that the Contra Costa Transportation Authority is considering a vehicle registration fee on the November ballot. We encourage you to allocate a higher percentage to bicycle, pedestrian and transit improvements, and to adopt the language that the Advisory Committee's subcommittee prepared which requires reasonable bicycle, pedestrian and transit improvement during the course of local streets and roads improvements if a local jurisdiction's adopted plan calls for improvements on these roadways.

Contra Costa County has some of the worst air quality in the Bay Area, contributing to high rates of asthma, cancer and heart disease. *In Contra Costa County, nearly one in four children (23.7%) between the ages of 5-17 has been diagnosed with asthma.* The connections between urban design, transportation options, and health outcomes have been known for decades and are now becoming well-documented. Research continues to emerge demonstrating that neighborhoods connected via various transit options and that are easier and safer to traverse by bicycle or on foot will not only help to reduce harmful emissions but can help to significantly improve physical activity and reduce skyrocketing chronic disease rates.

Thank you so much for your leadership in promoting healthier transportation choices for Contra Costa County. Please know that the public health community stands ready to assist you on this important effort.

Sincerely,



Jenny Bard
Regional Air Quality Director



CONTRA COSTA
transportation
authority

COMMISSIONERS

Robert Taylor,
Chair

David Durant,
Vice Chair

Janet Abelson

Newell Americh

Ed Balico

Susan Bonilla

Jim Frazier

Federal Glover

Mike Metcalf

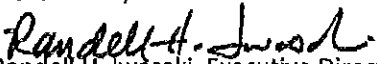
Julie Pierce

María Viramontes

Randell H. Iwasaki,
Executive Director

MEMORANDUM

To: Barbara Neustadter, TRANSPAC
Andy Dillard, SWAT, TVTC
John Cunningham, TRANSPAN
Christina Atienza, WCCTAC
Richard Yee, LPMC

From: 
Randell H. Iwasaki, Executive Director

Date: May 20, 2010

Re: Items approved by the Authority on May 19, 2010, for circulation to the Regional Transportation Planning Committees (RTPCs), and Items of interest

At its May 19, 2010 meeting, the Authority discussed the following items, which may be of interest to the Regional Transportation Planning Committees:

1. **Commendation to Paul Maxwell:** *Chair Taylor presented Resolution 10-27-A to Paul Maxwell in recognition of his retirement. Mr. Maxwell will be retiring on June 11th after twenty years of service to the Authority.*
2. **Office Relocation Project.** *The Authority's office relocation project is on schedule. The new office lease commences in July, and the office move has been scheduled for July 23rd.*
3. **Transit Representative Ex-Officio Member of the Authority.** *The Authority has authorized staff to draft a revision to the Administrative Code in response to requests from Contra Costa bus transit operators that would allow non-elected officials to be appointed as ex-officio members to represent bus transit operators on the Authority. Staff was directed to work with the Bus Transit Coordinating Committee to develop criteria for inclusion in the draft Administrative Code revision for future consideration by the Authority.*
4. **SB 375 Implementation Update.** *Authority staff reported to the Planning Committee that the first SB 375 Regional Advisory Working Group (RAWG) meeting was held at*

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Pleasant Hill
CA 94523
PHONE: 925.256.4700
FAX: 925.256.4701
www.ccta.net

MTC on April 28. Also, through the RTPC-TACs, Authority staff are facilitating meetings with ABAG staff and the Planning Directors from each subarea to discuss baseline land use assumptions for the Sustainable Communities Strategy.

- 5. **Legislation.** Mark Watts, Smith-Watts & Company, LLC, the Authority's legislative advocate, gave a report on the May Revise (budget) and an initiative to protect local agency and transportation funds from being redirected by the State.*
- 6. **November 2010 Ballot Measure in Contra Costa: Vehicle Registration Fee (VRF) to Fund Transportation Programs and Projects – Expenditure Plan Options.** Staff presented expenditure plan options which were developed by the VRF Advisory Committee, and reported on recent discussions with the regional committees.*
- 7. **Growth Management Implementation Guide for Measure J – Review "Proposal for Adoption".** The Authority reviewed the "Proposal for Adoption" Implementation Guide and directed staff to continue work on the ULL policies and procedures. Final adoption is scheduled for June 2010.*
- 8. **Contra Costa Sustainability Study Introduction.** Staff provided an overview of the sustainability study, which will identify a vision for a sustainable transportation system in Contra Costa, help to determine the Authority's role in achieving that vision, and identify necessary implementation actions.*



Authority Board Meeting MINUTES

MEETING DATE: May 19, 2010

MEMBERS PRESENT: Robert Taylor (Chair), David Durant (Vice Chair), Janet Abelson, Newell Arnerich, Ed Balico, Jim Frazier, Federal Glover, Joel Keller, Mike Metcalf, Julie Pierce, Gayle Uilkema, Maria Viramontes, Amy Worth

STAFF PRESENT: Randell Iwasaki, Paul Maxwell, Martin Engelmann, Arielle Bourgart, Susan Miller, Amin AbuAmara, Brad Beck, Randall Carlton, Peter Engel, Matt Kelly, Hisham Noeimi, Stan Taylor (Authority Counsel), Danice Rosenbohm (Executive Secretary)

MINUTES PREPARED BY: Danice Rosenbohm

- A. **CONVENE MEETING:** *Chair Taylor* convened the meeting at 6:00 p.m.
- B. **PLEDGE OF ALLEGIANCE:**
- C. **PUBLIC COMMENT:** There were no public comments on items not on the Agenda.
- D. **COMMENDATION to Paul Maxwell:** Chair Taylor will make a presentation to Paul Maxwell. (Resolution 10-27-A)

Chair Taylor said that the Board wanted to acknowledge Paul Maxwell who would be retiring in June after twenty years of service to the Authority.

Commissioner Pierce presented Resolution 10-27-A, recognizing Mr. Maxwell's accomplishments and extraordinary character, and extending congratulations and best wishes on his retirement.

Paul Maxwell thanked the Authority Board and acknowledged their hard work and dedication. He also thanked CCTA staff.

- 1.0 **APPROVAL OF MINUTES:** Authority Minutes of April 21, 2010.

ACTION: *Commissioner Pierce* moved to approve the Minutes of April 21, 2010, seconded by *Commissioner Balico*. The motion passed unanimously, 8-0. (*Commissioners Durant* and *Viramontes* had not yet arrived.)

- 2.0 **CONSENT CALENDAR:** Consent Items recommended by the following committees:

ACTION: Commissioner Abelson moved to accept the Consent Calendar, seconded by Commissioner Arnerich. The motion passed unanimously, 8-0. (Commissioners Durant and Viramontes had not yet arrived.)

2.A Administration & Projects Committee:

2.A.1 Monthly Project Status Report.

2.A.2 Monthly Accounts Payable Invoice Report for Month of March 2010. This report also includes the summary of payroll and benefits costs by organizational unit.

2.A.3 Monthly Investment Report for March 2010. The Authority's Investment Policy requires this report which provides a summary of investment transactions.

2.A.4 Quarterly Sales Tax Revenues and Investment Report for the Period Ended March 31, 2010. This report is presented in accordance with State law and the Authority's Investment Policy, which requires that the Chief Financial Officer provide an analysis of the Authority's portfolio including composition, credit quality, maturity distribution and an analysis of sales tax revenues.

2.A.5 Quarterly Project Funding Plans – Major State Highway Projects. The quarterly report on the status of ongoing consultant project-related contracts as well as on key project funding issues is attached.

2.A.6 State Route 4 Widening – Railroad Avenue to Loveridge Road. (Project 1405). Staff seeks authorization to execute Amendment #8 to Contract 124 with Contra Costa County in the amount of \$135,876 for additional Right of Way closeout activities necessary for the project.

2.A.7 State Route 4 Widening – Loveridge Road to SR160 – Agreement For Sale of Conservation Credits with Ohlone Preserve Conservation Bank (Projects 1406/3003 and 1407/3001). Staff seeks authorization to enter into an Agreement to purchase 0.2 acres of California Red-Legged Frog conservation credits at the Ohlone Preserve Conservation Bank.

2.A.8 State Route 4 Widening – Somersville Road to SR160 (Project 1407/3001).

2.A.8.1 Memorandum of Understanding No. 14.07.05 with the City of Antioch. The widening of State Route 4 between Somersville Road and SR160 requires construction within the jurisdictional limits of the City of Antioch. The proposed MOU (14.07.05) defines the terms and conditions under which the project is to be constructed, financed, and maintained.

- 2.A.8.2 Utility Agreements with PG&E** – Staff seeks authorization to enter into Utility Agreements No. 292 for \$36,500, No. 293 for \$134,000, No. 294 for \$30,000, and No. 295 for \$43,700 with PG&E to relocate their electrical and gas distribution facilities in conflict with the widening project.
- 2.A.9 City of Pleasant Hill - Buskirk Avenue Widening – Phase 2 (Project 24006).** The City of Pleasant Hill is requesting an appropriation of \$700,000 in Measure J funds for design for the Buskirk Avenue Widening - Phase 2 project. Staff recommends approval of the appropriation request and is requesting authorization to enter into Cooperative Agreement No. 24C.02 with the City of Pleasant Hill. Resolution 10-15-P.
- 2.A.10 Financial Advisory Services.** The Authority issued Request for Qualifications 10-3 to obtain the services of a financial advisor related to issuing Authority bonds, analyzing the interest rate swap, approaching credit rating agencies and performing other financial tasks. Qualifications have been received, evaluated and interviews conducted. Staff recommends entering into Contract No. 291 with Public Financial Management to provide the required services.
- 2.A.12 FY 2010-11 Preliminary Budget for the Contra Costa Transportation Authority and Congestion Management Agency.** Staff presented the preliminary Authority budget for FY 2010-11 to the APC on May 6th. Any comments or adjustments to the Preliminary Budget will be incorporated into the Proposed Budget to be considered in June, following a public hearing on the matter.
- 2.A.14 Office Relocation Project.**
- 2.A.14.1 Request Board Delegation for the Administration & Projects Committee to Award Future Related Contracts for Technology Services, Equipment, Tenant Improvement Change Orders, and Moving Services.** The Authority's new office lease commences on July 1, 2010. The construction contract to build out the office space is administered by the landlord; however certain improvements, furniture installation and moving services will be managed by the Authority. Because of the need to complete these activities prior to the move date of July 23, 2010, staff is seeking authorization from the Board to delegate approval to the APC of certain contracts for services and equipment within specified budget parameters. In addition, an overall relocation budget is attached and will be reviewed with the APC.
- 2.A.14.2 Amendment No. 1 to Agreement No. 285 with Commercial Services Group for Project Management Services.** In March, the Authority

approved a contract with Commercial Services Group (CSG) to provide assistance in planning for the Authority's office relocation. Phase 1 of this contract included inventory of existing office furniture and developing a detailed furniture plan to reuse and specify new furniture requirements. Phase 2 (Agreement No. 285, Amendment No. 1) will provide overall project management of the relocation, including coordination with landlord, construction contractors, furniture installation, technology consultants, and the moving company.

2.A.14.3 Furniture Procurement for New Authority Offices. A furniture inventory and furniture plan has been completed incorporating existing and new furniture. The bulk of the new furniture will utilize an existing State CMAS (California Multiple Award Schedule) contract with Allsteel, Inc. A CMAS contract (commonly referred to as a "piggyback" contract) uses pricing previously bid and awarded by the Federal General Services Administration and made available by State law for local agencies. Staff is seeking approval to purchase new furniture, seating, side seating, storage components, and related fixtures for \$151,797.22. Approximately 24% of existing Authority furniture will be reused at the new offices.

2.A.14.4 Design Services for Information Technology Infrastructure. Services are required at the Authority's new office location to design and specify the cabling system and network server room requirements. The specifications will be used to obtain competitive bids to install the pathways, cabling, audio/visual and power requirements for the new offices and Boardroom. Qualifications have been obtained and it is recommended that the Authority enter into Contract No. 296 with RLS Integrating Technology and Architecture to provide design, engineering, construction specifications, bid management and construction management services.

2.A.15 Transit Representative Ex-Officio Member of the Authority. The Contra Costa bus transit operators have requested that the Authority allow non-elected officials to be appointed as ex-officio members to represent bus transit operators on the Authority.

2.B Planning Committee:

2.B.1 Approval of the City of Brentwood's Calendar Years 2008-2009 Growth Management Program (GMP) Compliance Checklist. The City of Brentwood has submitted its Calendar Years 2008 & 2009 Growth Management Program Compliance Checklist for allocation of Measure J Local Street Maintenance and Improvement (LSM) Funds. An

allocation of \$436,086 in FY 09-10 LSM funds will be paid out, following Authority approval of the GMP Compliance Checklist.

- 2.B.4 SB 375 Implementation Update.** Staff will report on recent meetings and events pertaining to the implementation of SB 375 and the development of a Sustainable Communities Strategy for the Bay Area. Authority staff reported to the Planning Committee that SB 375 kick-off meetings are currently being scheduled with ABAG staff and the Planning Directors from each subarea.

End of Consent Calendar

3.0 MAJOR DISCUSSION ITEMS: None

4.0 REGULAR AGENDA ITEMS:

Commissioner Viramontes arrived at 6:13 p.m.

4.A Administration & Projects Committee:

4.A.11 Legislation. The Committee may take action on any subjects listed or on any other matter related to the Authority's legislative objectives. Mark Watts, Smith-Watts & Company, LLC, the Authority's legislative advocate, will give a presentation.

ACTION: (No Action – Information Only)

DISCUSSION: Arielle Bourgart, Director of Governmental and Community Relations, introduced Mark Watts, the Authority's lobbyist, who gave a presentation on the May revision of the State Budget ("May Revise") and discussed a potential ballot measure and initiative to protect transportation and local funds from being taken by the State.

Mr. Watts stated that, for the first time in many years, the impact of the budget on transportation was not very bad news, due largely to efforts that went into revising the gas tax swap earlier in the year, which took transportation funding out of the General Fund and was now compartmentalized in the State Highway Account. He noted, however that there was still a projected budget deficit of approximately \$19 billion that needed to be addressed by the legislature.

Mr. Watts stated that there were a number of loans of transportation funds contained in the May Revise, the first being a delay of \$230 million for one full year. The second major impact involved borrowing \$650 million, which would have been the residual of the gas tax swap. Mr. Watts stated that although these funds would not be available for highway programs, there was approximately \$2 billion in contract savings (the result of the weak economy

and strong competition for work among contractors) that was working its way through the system and would help to keep the transportation program whole.

Mr. Watts said that the Office of the Legislative Analyst had made some recommendations to Caltrans regarding staffing, and that the Administration had made a counteroffer that would reduce 500 position equivalents which would be redirected into contract savings.

Mr. Watts stated that the Californians to Protect Local Taxpayers and Vital Services, a coalition of local government, transportation, business, public safety, labor and public transit leaders, was collecting signatures to qualify a November ballot initiative that would prohibit redirection or borrowing of transportation funding, and protect transportation funding sources.

Mr. Watts noted that initiative partners such as the California Alliance for Jobs and the California Transit Association were receiving significant pressure from the Administration and the Legislature to back off, but that there was no indication that either would discontinue their support for the initiative.

Commissioner Durant arrived at 6:25 p.m.

Agenda Item 4.A.16 was taken out of order (before Item 4.A.13) due the late arrival of PFM staff needed for the presentation of Item 4.A.13.

- 4.A.16 November 2010 Ballot Measure in Contra Costa: Vehicle Registration Fee (VRF) to Fund Transportation Programs and Projects – Expenditure Plan Options.** Staff will present expenditure plan options developed by the VRF Advisory Committee, and summarize recent discussion with the regional committees.

ACTION: (No Action – Information Only)

DISCUSSION: Hisham Noeimi, Engineering Manager, gave a presentation updating the Authority on the status of the potential November 2010 Vehicle Registration Fee ballot measure.

Mr. Noeimi stated that SB 83, which was signed into law last year, allowed transportation authorities to enact a fee increase to fund transportation projects and programs of up to \$10 per vehicle, and that the fee would generate approximately \$8.5 million per year in Contra Costa. He said that the legislation limited administrative fees to a maximum of 5 percent, and also noted that because the \$10 VRF was a fee, it could be passed by a majority vote.

Mr. Noeimi said that eligible projects would be subject to a nexus test, providing a demonstrable benefit to the vehicle owners paying the fee. He also noted that the funding was predictable and reliable and could not be taken by the State.

Mr. Noeimi stated that in April the Authority had received a presentation on the Vehicle Registration Fee (VRF) polling results and authorized staff to proceed with the development of an Expenditure Plan based on a \$10 VRF increase, which would be presented to the Authority in June following completion of the public outreach process.

Mr. Noeimi reported that the Vehicle Registration Fee Advisory Committee (VRFAC) had been asked to develop Expenditure Plan options and to review the final draft Expenditure Plan. He said the committee had met on April 23rd and had agreed upon three general program categories: Local Streets & Roads Improvement and Repair; Transit for Congestion Relief; and Pedestrian and Bicycle Access and Safety. He described the types of projects that would be included in each of these categories. Mr. Noeimi also stated that the VRFAC had agreed there should be emphasis on complete streets to help accommodate bicycles and pedestrians.

Mr. Noeimi said that in addition to the Local Streets & Roads option¹ for apportioning VRF funding to the three program categories presented by staff, two other options² resulted from the VRFAC meeting. He said that there was not consensus on any one option, and the committee supported circulating all three options.

Mr. Noeimi reviewed the Regional Transportation Planning Committee (RTPC) recommendations. He stated that three of the sub-regional transportation planning committees supported directing most of the VRF funding to Local Streets and Roads, however WCCTAC favored Option A, which would direct 40% of VRF funding to transit, 50% to Local Streets & Roads, and 10% to Bike Ped. He said that SWAT had suggested that 35% of the funds be allocated to the RTPCs with flexibility as to which of the three categories the funds would be directed to. Mr. Noeimi said that staff hoped to narrow down the options at the next VRFAC meeting scheduled for May 21st.

Mr. Noeimi outlined the next steps, with the final Expenditure Plan, ballot language, and ordinance scheduled for approval by the Authority at its July 21st meeting.

Mr. Noeimi introduced Eric Zell of Zell and Associates, who was available to answer any questions.

¹ 80% Local Streets & Roads, 15% Transit, 5% Bike Ped

² Option A: 50% Local Streets & Roads, 40% Transit, 10% Bike Ped;
Option B: 60% Local Streets & Roads, 30% Transit, 10% Bike Ped.

Commissioner Metcalf stated that while SWAT would like to see all VRF funding go to Local Streets and Roads, it wanted to allow flexibility for those with different needs. He also noted that if the measure was too complex, it might not pass.

Commissioner Arnerich stated that SWAT's suggestion to allocate 35 percent for sub-regional needs could potentially make the difference with voters.

Commissioner Pierce said that TRANSPAC had hoped that the categories would allow sufficient flexibility to address sub-regional needs. She said that the fact that the funding would stay in the region and could not be taken away by the State would be most meaningful to her constituents.

Commissioner Abelson stated that the return-to-source concept was very important, and that pedestrian and bicycle funding was very important in her community.

Chair Taylor said that it was important to be clear and concise and not to confuse the public.

Commissioner Durant stated that TRANSPAC liked the original Local Streets & Roads option best. He said that it was important to keep it clean and simple, and that maintaining emphasis on local streets and roads could be perceived as the option with the greatest direct benefit to those paying the fee.

Commissioner Viramontes said that she also supported bicycle and pedestrian funding, and suggested that an average of the recommendations be considered.

Paul Maxwell, Chief Deputy Executive Director, stated that the measure could be written in such a way as to allow flexibility for the Authority in the future.

Commissioner Durant asked Eric Zell to comment on the complexity of the fourth program category suggested by SWAT. Mr. Zell responded that a regional radio campaign was being contemplated, and keeping the funding local was the primary message. He said that if prior to the campaign each region of the county agreed on how VRF funding would be spent, it probably would not create an issue from a campaign perspective. Mr. Zell said that it was important to strike a balance and avoid potential controversy.

4.A.13 Investment Portfolio Review. The Authority has a contract with PFM to provide portfolio management services for the investment of Authority funds. The PFM portfolio manager will provide the Authority with a status update on the Authority's portfolio, investment strategies and discuss performance.

ACTION: *(No Action – Information Only)*

DISCUSSION: Randall Carlton, Chief Financial Officer, stated that the APC was provided with investment reports each month, and that periodic detailed reports were provided to the full Authority Board. Mr. Carlton said that the overall investment strategy was to purchase safe, high-quality liquid securities suitable for a public agency. He said that the Authority's cashflow was actively managed to maximize yield and provide cash when needed to pay for projects. He stated that the Authority was assisted by PFM, which provided both asset management and financial advisory services. He introduced Carlos Oblites from PFM Asset Management, who gave a PowerPoint presentation.

Mr. Oblites stated that the Authority's portfolio was actively managed to optimize returns within the constraints of the Authority's Investment Policy and California Government Code.

The presentation depicted recent 2-Year U.S. Treasury interest rate yields and the yield curve, and the spread between 2-Year and 10-Year U.S. Treasury Note Yields, which hit a record high (nearly 3 percent) on February 22nd of 2010.

Mr. Oblites stated that of the Authority's total holdings of \$215.3 million, approximately \$52 million was invested individual securities actively managed by PFM, \$9.3 million in the California Asset Management Program (CAMP) short term pool intended to provide liquidity, and \$23.5 million in the State's Local Agency Investment Fund (LAIF) pool. Mr. Oblites said that also in the CAMP pool was \$130.4 million in bond proceeds.

Mr. Oblites reviewed market value returns on the Authority's investment portfolio, composition detail, and credit quality distribution. He noted that 100 percent of the Authority's portfolio was invested in U.S. Treasuries or securities in Standard & Poor's two highest ratings categories (AAA or AA) and LAIF.

Mr. Oblites stated that portfolio holdings were diversified by maturity. He explained that PFM bought securities with the intent to hold, but always looked for opportunities to sell before maturity if the opportunity presented itself and represented a net gain to the portfolio. He said that there had been a portfolio strategy shift over the last year, from investing in the one year range on average to the Merrill Lynch 1-3 year U.S. Treasury Index, with a duration of approximately 1.8 years.

He said that portfolio sector allocation changes over the last year had included a reduction in the LAIF pool from 50 percent to 28 percent, which was sufficient liquidity to meet the Authority's obligations and guard against a devaluation associated with a rise in interest rates, yet allowing the opportunity to enhance the yield and the return on the portfolio.

Alternate Uilkema asked what types of investments were avoided. Mr. Oblites responded that the Authority's portfolios investments were limited by Authority policy and California Government Code. Allowable investments such as asset backed securities, pools of credit cards, auto loans, leases, manufactured homes, pools of mortgages, and other securities that got the economy into trouble due to an over-stretching of credit were avoided.

Commissioner Arnerich said that a diagram depicting cashflow needs and inclusion of the average rate of return for the investment portfolio would be helpful in the future. He also suggested revisiting the strategy for selling investments before maturity.

Commissioner Viramontes asked what the net rate of return would be after factoring in PFM's fees for managing the Authority's portfolio. Mr. Oblites responded that fees were approximately 10 basis points per year, with a net rate of return on CCTA's portfolio for the past year approximately 1.41 percent.

Mr. Oblites stated that the economy appeared to be strengthening, and that the index of leading economic indicators has been positive for eleven consecutive months. He said that services and manufacturing sectors continued to show growth and were beginning to expand more rapidly. Mr. Oblites said that in March, the economy added 162,000 jobs, the largest job gain since March 2007, but also noted that unemployment remained persistently high.

Mr. Oblites concluded by stating that interest rates were likely to remain low, volatile, and closely tied to economic data releases. He said that PFM would continue to maintain a well-diversified portfolio and actively manage the Authority's investments to maximize returns.

- 4.1 NEW ITEM: Federal Legislative Strategy/Travel to Washington, D.C.** The Authority has not adopted a formal strategy for outreach to legislators on the federal level, nor established a presence through a lobbyist in Washington, D.C. There has been recent discussion among a number of Authority members as to whether it would be appropriate and beneficial to develop a federal legislative agenda and implementation plan for the agency, including a schedule of regular visits to legislators and key federal agency staff in Washington.

ACTION: (No Action – Information Only)

DISCUSSION: Randy Iwasaki stated that the Authority had conveyed to him their interest in engaging in Sacramento. He said that Mark Watts, the Authority's lobbyist, was an insider in Sacramento and should be heavily utilized as a resource for carrying the Authority's message.

Mr. Iwasaki also stated that he had contacted the Director of the Department of Motor Vehicles for information related to the Vehicle Registration Fee (VRF) being considered. This contact resulted in a representative from the DMV attending a VRF meeting and potential coordination with Alameda County on DMV fees for establishing a VRF.

Mr. Iwasaki said that staff had polled other local transportation authorities regarding their practices for lobbying in Washington D.C. Most agencies polled indicated that they visited once or twice per year, and viewed the result of such trips to be positive and productive.

Mr. Iwasaki stated the Authority needed to establish a policy for lobbying in Washington D.C. He said that deciding when and who should go, and developing specific agendas for such trips might be of value to the Authority.

A brief discussion by several commissioners about a more focused lobbying effort followed.

Mr. Iwasaki said that staff would prepare a proposal for consideration by the Administration & Projects Committee.

4.B Planning Committee

4.B.2 Growth Management *Implementation Guide* for Measure J – Review “Proposal for Adoption”. The *Implementation Guide* for the Measure J Growth Management Program (GMP) was released as a final draft in July 2008. The Guide addresses the changes that are necessary to make the transition from the Measure C to the Measure J GMP. During the 45 – day public review period of that draft, significant concerns were raised regarding the Authority’s General Plan Amendment (GPA) Review Process. To address these concerns, the Growth Management Task Force significantly revised the process, which was re-circulated last November 2009, with comments due on February 12, 2010. On March 17, the Task Force re-convened to finalize the GPA Review Process, which is now incorporated into the *Guide*. Staff proposes that the Authority discuss the “Proposal for Adoption” *Implementation Guide* in May, with specific focus on the GPA Review Process and the Urban Limit Line policies and procedures. Final adoption is scheduled for June 2010.

ACTION: (No Action – Information Only)

DISCUSSION: Martin Engelmann, Deputy Executive Director for Planning, flagged for the Authority new attachments related to the Growth Management Implementation Guide for Measure J, which included the revisions to the Implementation Guide which the Planning Committee proposed, additional

comments received from Save Mount Diablo and Transform, and a PowerPoint presentation.

Mr. Engelmann stated that staff had been working diligently updating all Measure C documents to bring them into the 21st century and make them consistent with Measure J. He said that the Growth Management Program Implementation Documents included four components: the Model Growth Management Element; Implementation Guide; Technical Procedures; and the Growth Management Compliance Checklist.

Mr. Engelmann reviewed the purpose of the Growth Management Program Implementation Guide, highlighted changes from Measure C which had been incorporated, and outlined the guide's contents.

Mr. Engelmann briefly discussed the Action Plans for Regional Routes prepared by each Regional Transportation Planning Committee, the process for evaluating impacts of new development, and the General Plan amendment review process. He said that the Planning Committee had recently focused its discussion on the role that the Authority should play in determining urban limit line (ULL) compliance, and that the subject would be discussed by the Technical Coordinating Committee on May 20th.

Mr. Engelmann stated that Authority adoption of the final Implementation Guide was scheduled for June 2010, and that the adopted resolution would rescind three previously adopted resolutions regarding notification, the GPA review process, and conflict resolution. He noted that the document would be a "living document", and therefore could be revised by the Authority at any point in the future.

Commissioner Durant stated that the Planning Committee had appointed him and *Commissioner Bonilla* to a ULL sub-committee. He said that they would both participate with the TCC on May 20th to hopefully develop ULL language that all could agree on.

PUBLIC COMMENT: Steve Goetz, Planning Director for Contra Costa County, stated that the Authority's guidance on the ULL in the Implementation Guide should work with the existing voter-approved urban limit lines currently in place. He said that criteria for development beyond the applicable ULL boundaries should include actions to address constitutional takings and compliance with State and Federal law, also described in Measure J. He said that Authority policy should identify what processes were included in a voter-approved ULL. Mr. Goetz stated that the Authority should defer to local jurisdictions for information related to ULL compliance and land-use decisions. Mr. Goetz said that Authority policy should also consider issues related to health and safety.

Commissioner Arnerich clarified that the *Draft Proposed Process and Criteria for Determining Compliance with the ULL Requirement of Measure J* which was included in the agenda packet was not created by the Authority, but instead proposed by Save Mount Diablo.

Commissioner Pierce stated that the point raised by Mr. Goetz related to health and safety exceptions was valid. With respect to the process for adoption of the Implementation Guide, *Commissioner Pierce* suggested that as a courtesy, all agencies be advised that a number of changes had been made to the Implementation Guide and that the final draft would be going to the Board for adoption in June. *Commissioner Durant* agreed, and said that posting the final document to the Authority's website and notifying all interested parties by e-mail would be prudent.

Alternate Uilkema stated that LAFCO was a State agency, with very serious controls, should be consulted.

Commissioner Viramontes said that every jurisdiction had the choice to abide by the County ULL or adopt their own ULL. She said that the Authority should completely support the ULL with clear processes and procedures. *Commissioner Viramontes* stated that the Authority should not get caught in the politics of ULL issues, and should be the last to weigh-in on ULL compliance.

Commissioner Arnerich stated that the Authority did not have the legal authority to re-write the ULL and develop a new set of rules.

Commissioner Frazier said that Ordinance 06-04 was sold to the voters, and that the process should be streamlined consistent with that ordinance.

Commissioner Durant stated that Ordinance 06-04 which was adopted by the Authority in November 2006 required compliance with the Growth Management Program and required each jurisdiction to demonstrate compliance through completion of the GMP Compliance Checklist. He said that it stated that "the jurisdiction shall submit and the Authority shall review and make findings regarding the jurisdiction's compliance with the requirements of the GMP consisted with the Authority's adopted policies and procedures." *Commissioner Durant* said that the Authority had not developed these policies and procedures and was attempting to remedy that situation.

Chair Taylor commented that there was a difference between land use and transportation.

- 4.B.3 Contra Costa Sustainability Study Introduction.** The 2009 *Countywide Comprehensive Transportation Plan* included an implementation task to "Initiate a study to look at the questions of sustainability, GHG emissions reductions, and

smart growth and how the Authority might address them within the context of Measure J.”

ACTION: (No Action – Information Only)

DISCUSSION: Brad Beck, Senior Transportation Planner, stated that the 2009 Countywide Comprehensive Transportation Plan (CTP) included an implementation task related to the Authority’s role in addressing sustainability and smart growth.

Mr. Beck stated that the 2009 CTP further proposed that the Authority incorporate the policies that resulted from this study into the next CTP, and into other Authority programs as appropriate. Additionally, he said that the 2009 EIR had a mitigation measure that looked at how sponsors of projects might minimize or eliminate impacts.

Mr. Beck said that a sustainable transportation system would need to meet current needs for mobility, economic activity and environmental protection while ensuring that future generations could also benefit from mobility, support for economic activity and a healthy environment.

Mr. Beck said that SB 375 required MTC to develop a Sustainable Communities Strategy, and noted that MTC’s most recent Annual Report focused on its transit sustainability study.

Mr. Beck stated that the purpose of the Authority’s sustainability study would be to identify the Authority’s vision of what a sustainable transportation would be, and the steps that should then be taken.

PUBLIC COMMENT: Steve Goetz, Planning Director for Contra Costa County, stated that he hoped that the next steps would include consultation with the cities and the County regarding what sustainability efforts they had underway. He said that earlier in the year the County Board of Supervisors had asked County staff to look at road standards, to see if they were consistent with the complete streets policies coming from the Federal and State government. He said that County staff also intended to work with the fire districts relative to street designs, and that there may be opportunities for beneficial partnerships.

Alternate Uilkema said that a collaborative effort in the area of sustainability might be a very good idea.

Commissioner Pierce stated that many jurisdictions might not have the resources for necessary modeling, and that the Authority might be able to assist in that respect. She also said that she hoped the study would have applicability.

Commissioner Balico suggested that the Authority concentrate on the transportation aspects only.

Randy Iwasaki said that there may be resources available at UC Davis, and said that he would provide contact information to staff that might be helpful.

Commissioner Metcalf said that he hoped the Authority would develop ways to assist the jurisdictions with compliance and provide them with helpful tools. Mr. Beck responded that the idea was to focus on what the Authority's powers, responsibilities, and financial resources were to address and create a sustainable transportation system.

Representative Worth stated that the work done through the Shaping our Future effort had created a template for how cities in Contra Costa County would address issues raised by SB 375. She said that the county should look collectively at how Contra Costa's transit resources will be managed.

Representative Worth said that the regional solution to sustainability might be congestion pricing, which would adversely impact Contra Costa commuters.

5.0 CORRESPONDENCE AND COMMUNICATIONS: *None*

6.0 ASSOCIATED COMMITTEE REPORTS:

6.1 Central County (TRANSPAC): Report of April 8, 2010

6.2 East County (TRANSPLAN): (Meeting of April 8, 2010 Canceled)

6.3 Southwest County (SWAT): Report of May 3, 2010 (Meeting Handout)

6.4 West County (WCCTAC): Report of April 30, 2010

6.5 Conference of Mayors (COM):

6.6 Contra Costa County (COUNTY):

6.7 CCTA Citizen Advisory Committee (CAC):

7.0 COMMISSIONER AND STAFF COMMENTS:

Chair's Comments and Reports

Chair Taylor stated that there currently were no meetings scheduled for August.

7.1 Commissioners' Comments and Reports

Commissioner Pierce stated that she had attended the CALCOG Annual Regional Issues Forum on April 29th and 30th in Monterey. She said that the Bay Area seemed to be much more cohesive than other councils of government.

7.2 Executive Staff Comments

Randy Iwasaki mentioned that the Authority with partners would be applying for a grant under the \$31 million Climate Initiative an Innovative Grant Program from MTC.

Randy Iwasaki thanked Amin AbuAmara, Associate Engineer, for helping the City of Clayton find a way of funding \$80,000 in American Recovery and Reinvestment Act (ARRA) projects which Caltrans had deemed ineligible.

8.0 CALENDAR: June/July/August 2010

9.0 ADJOURNMENT to Wednesday, June 16, 2010, at 6:00 p.m.

The meeting was adjourned in honor of Paul Maxwell at 9:13 p.m. to June 16, 2010, at 6:00 p.m.

