

SAN JOAQUIN COUNCIL OF GOVERNMENTS
MANAGEMENT AND FINANCE

Meeting held at
Commercial Exchange Club
2305 Washington Street, Stockton

Wednesday, October 15, 2008

MINUTES

1. The meeting was called to order by Leon Churchill.

Attendance and Self Introductions:

Leon Churchill, Tracy City Manager; Leon Compton, Ripon City Administrator; Cary Keaten, Lathrop Assistant City Manager; Blair King, Lodi City Manager; Rich Laiblin, San Joaquin County Administrator; Gordon Palmer, Stockton City Manager; Donna DeMartino, SJRTD General Manager; Andrew T. Chesley, SJCOG Executive Director; Steve Dial, SJCOG Deputy Executive Director /CFO; Dana Cowell, SJCOG Deputy Director; Dianne Barth, SJCOG Public Communications Manager; ; Rosie Vargas, SJCOG Support Services Supervisor.

2. Public Comment: None

3. Approve Minutes of September 17, 2008

It was moved/seconded (King/DeMartino) to approve the minutes as submitted. Motion passed with a voice vote with City of Ripon abstaining.

4. Existing Measure K Program Strategic Plan Update

Mr. Dial gave an update stating the MK program has been experiencing a decline in sales tax generation. Mr. Dial stated because of the decline staff has been forced to look at the potential impact of the MK Strategic Plan Program through the end in 2011. Mr. Dial stated in order to determine the direction of sales tax growth and the impact on the programming staff has held off on the revenue estimate. Mr. Dial passed out a handout to committee members on projected revenue for the next 20 years. Mr. Dial stated sales tax is down 5% in the first quarter of this fiscal year. Mr. Dial stated 2009, 2010 and 2011 are revenue estimates based upon the worst case scenario. Mr. Dial stated this fiscal year there's going to be a 10% decline compared to last FY. Mr. Dial stated when the 20 years of sales tax is added, including the actual, and those projections based upon those scenarios, the total is \$680 million in sales tax. Mr. Dial stated the sales tax estimates for the last three years totaling \$638 million, net investment earnings after taking out the expense totals \$17 million, which totals \$655 million.

Mr. Chesley stated staff has been looking at projects in the program that have not been moving and have difficulties moving forward. Mr. Chesley stated next month staff will be coming back with some policy options on how to weigh those projects. Mr. Keaten asked how it affects projects in the renewal program that were funded

only with bond sales. Mr. Chesley said staff is anticipating to moving forward with those projects. Mr. Chesley also stated this month the cooperative agreements for I-5 and highway 12 will be delayed for a month.

Mr. King asked if the projects in the MK Renewal are shelf ready can those leap frog over projects that are in the MK program. Mr. Chesley said yes and expects a number of projects to fall in that category.

This item was for discussion only no action was taken.

5. Measure K Loan Request

Mr. Dial presented this item stating staff received four requests for Measure K loans. Mr. Dial stated the Board requested staff to conduct due diligence on the four loans prior to the Board acting on the loan request. Mr. Dial stated two of the loans are authorizations to delay the payback of LSR advances. Mr. Dial stated City of Stockton is also requesting a loan in the amount of \$863,589 for the I-5/Otto Drive interchange and terms appears to be paid back within 5 years. The Port of Stockton is requesting \$4.5 million to complete the EIR/EIS for the Deep Water Shipping Channel Deepening Project and repay the loan within a 2 ½ year period. Mr. Dial stated the Port of Stockton are fully leverage with other bonding and loan facilities and do have access to lease and rental funds. The City of Stockton and County are secured by the LSR funds. Mr. Dial stated the recommendation is for Management and Finance committee to recommend to the Board to acceptance of the due diligence and approval of the loan requests.

It was moved/seconded (DeMartino/Palmer) to recommend to the Board to act on Measure K Loan Requests. Motion passed unanimously with a voice vote.

6. Measure K Smart Growth Incentive Program (MK-SGIP) Infrastructure Grant Recommendations

Mr. Cowell gave an overview on this item stating staff recommendation is to adopt the Scoring Committee recommendations for (1)Infrastructure Grants and award the Grants for a total of \$750,000 (2) Leave \$435,000 in MK-SGIP funds unexpended and available for future use of the program (3) Direct staff to enter into MK-cooperative agreements within 90 days of the SJCOG Board approval as a condition of grant approval; and (4) Authorize the Executive Director to enter into the MK-Cooperative agreements with the project sponsors. Mr. Cowell stated the Scoring Committee reviewed and scored the Infrastructure Grants proposals and the three highest scoring Infrastructure projects were: Weber Avenue Streetscape, City of Stockton; Lodi Avenue Improvement Project; City of Lodi; and Downtown Plaza, City of Tracy. The Scoring Committee received a request from the TAC to consider a recommendation to include full use of the planning related dollars as well as Infrastructure dollars. In doing so the Scoring Committee prepared two scenarios focused on the three highest scoring Infrastructure projects. Mr. Cowell stated after considerable discussion there was a motion to move staff recommendation of \$750,000 in scenario one which failed 8/9 vote. After another 15 to 20 minutes of

discussion TAC recommended and voted 11/7 to move forward with scenario 2 which will include the three projects.

Mr. Cowell started staff concurs with the Scoring results and staff recommends \$750,000 in infrastructure funds be provided to Weber Avenue, City of Stockton in the amount of \$245,000 and Lodi Avenue Improvement Project, City of Lodi in the amount of \$505,000. Mr. Compton asked if the \$435,000 is being reserved for future planning. Mr. Cowell said it will continue to be available in the Smart Growth program. Mr. King asked Mr. Chesley for discussion of various meetings off the top as it relates to this money. Mr. Chesley explained the way the program was written there are monies percentages against the total of revenue that comes into the program off the top. Over the total life of the program \$64 million will be taken off the top before any other money is distributed then the rest of the program is distributed on the percentage basis that's outlined in the Expenditure Plan.

It was moved/seconded (King/Churchill) to adopt scenario 2; transfer the remainder of the unallocated 2008 Planning Grants to the infrastructure portion of the program (435,000). Award \$245,000 to the Weber Avenue Beautification project, \$750,000 to the Lodi Avenue Project and \$190,000 to the City of Tracy. Motion passed 6/1 with City of Ripon opposing. *Per Mr. Compton, Mr. Greeson supports scenario two.*

7. Ramp Metering and High Occupancy Vehicle (HOV) Lane Study Update

Mr. Cowell briefly discussed this item stating staff has been working for the last two years on the Ramp Metering and HOV Lane Study. The draft final report will be ready for review and comment for the standing committees in November. Mr. Cowell stated attached is a draft MOU which will help move forward with the implementation of the ramp metering. Mr. Cowell discussed the Operating Principles and Operational Parameters of the MOU. Mr. Cowell stated the attached MOU is provided for the members to review. The final study and the draft MOU is targeted for approval by the Board in December.

This item was for discussion only no action was taken.

8. 2009 Interim Federal Transportation Improvement Program (FTIP) and 2011 Regional Transportation Plan (RTP) Update

Mr. Cowell gave a brief update on this item stating because of issues with Air Quality Conformity staff suggested to adopt an interim FTIP, but it does not include all the projects. Mr. Cowell stated the EPA approved the PM 10 maintenance plan the end of September which gave staff the ability to establish a new Air Quality Conformity budget. Mr. Cowell stated staff is moving forward in completing all the processing that is necessary to get a fully approved FTIP which will include all the projects. Mr. Cowell stated it is anticipated for SJCOG Board approval in January, and approved by Caltrans and FHWA the end of March 2009 in order to have a fully 2009 FTIP operational by April 2009.

2011 RTP

Mr. Cowell stated San Joaquin Valley is going to be the first in the area and the State to have a RTP update with the context of SB 375. Mr. Cowell stated the RTP needs to be completed by spring of 2010.

This item was for information only no action was taken.

9. Other Matters of Business: None

10. Executive Directors Report:

Mr. Chesley reported that Dianne Barth will be sending out a call for projects for One Voice for April 27th to April 30th. Mr. Chesley discussed the Blueprint report with the Executive Committee and was originally scheduled for Board to take action this October; however the Board was split on how to approach the Blueprint and it was recommended to the Executive Committee to put off the Blueprint until March 2009. Mr. Chesley stated the Blueprint still has to be produced and sent to the valley group, but staff will indicate that SJCOG Board indicated no particular preference in regards to a specific alternative for the Blueprint. Mr. Chesley stated staff is still working on how to implement SB 375 and would like to hold a workshop. Mr. Palmer suggested the Air District court case be discussed as well. Mr. King asked about the meeting that was held in Clovis regarding the Blueprint for San Joaquin Valley. Mr. Cowell said the Professional Planners Group had a meeting regarding their perspective on the Blueprint and there will be another meeting coming up for the Blueprint Regional Advisory Committee of the Valley which each COG has five representatives who will meet on November 7th on the Valleywide Blueprint. Mr. Chesley stated there are a number of appointments coming up and will be visited over the course of the next three months. Ms. Donna DeMartino announced RTD is finally breaking ground on the mall transfer project and there will be major modifications with minimal impact to the customers. Ms. DeMartino announced that Gleasons Ice Cream Parlor is now open at the downtown transit center.

Ms. Dianne Barth reported that Modesto Bee is doing a series of articles on StanCOG's efforts to pass the sales tax. Ms. Barth thanked everyone who cooperated.

11. Adjournment:

There being no further business to discuss, the meeting was adjourned to Wednesday, November 19, 2008.

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