

**Rural Counties Task Force Meeting Minutes**  
For  
**May 21, 2004**

**Minutes were approved from March Rural Counties Task Force meeting.**

***Item B-2: RCTF Fall Conference with Cal ACT- G. Dondero, K. Mathews, P. Spaulding***

Two planning meetings were mentioned, May 11<sup>th</sup> and May 21<sup>st</sup> and Pete Spaulding of CalACT gave an overview of the conference planning progress. Pete distributed the conference planning calendar and explained the sessions for the RCTF. This fall, professional development will be a major session theme with rural counties sessions happening on Thursday, September 30<sup>th</sup> with a regular RCTF meeting scheduled for Friday morning, October 1<sup>st</sup>. RCTF sessions will include TDA, managing public outreach efforts, Regional Transportation Plan development, and aviation land use planning & airport accessibility. The RCTF will again offer scholarships for one person from each rural agency to cover registration cost. For those interested, Paratransit Inc. will host a crash test demo and technology tour on Wednesday, September 29<sup>th</sup> with transportation from the CalACT conference location

***Item D: TDA Working committee-Report-D. Landon, J. Jelichich, J. Smith***

The committee provided a TDA fare box issues report that is a TDA historical overview, as well as a provision for issues and problems. The fare box issue is a common theme throughout the issues report. One argument is that fare box recovery should not be used to measure performance of a transit system. Suggestions for possible criteria of TDA accountability are adoption of alternative performance measures, creating more TDA flexibility, and amending definitions for “fare revenues” and “operating costs”. Public Works representatives are focusing on the security of TDA use on streets and roads. There have been numerous subcommittees developed through the process, one of them is focusing on updating and streamlining the TDA guidelines. The Division of Mass Transit has put the TDA manual online and is working on modifying it for usability. A suggestion was made to coordinate the TDA guideline modifications and streamlining with CEQA guidelines to create a more unified process. The RCTF group is requested to comment on the issue paper.

***Item C: Transit Updates-P. Spaulding, P. Couch***

There have been no meetings on 5311. 5311f for Modoc County, however has had two video conference workshops on non-emergency and medical transportation program. Their program has an extension for December of 2004. Also, Modoc’s rural trip planning tool is attempting to hook up with ODOC and MTA. There are 5 counties in the trip planner endeavor including, Lassen, Plumas, Modoc, Inyo, and Mono.

Pete mentioned AB 1065 Longville is being pushed to leave the committee level. This bill will lower the voter threshold and give local counties ability to double sales tax. AB 813 Fare box recovery bill went into session in January. and it may allow rural counties to lower fare box ratio by 1%. Nicole Bennett will distribute the CTA fact sheet and PowerPoint regarding this bill.

***Item F: Air Quality Update- M. Pitto***

Pitto reported the collective efforts of the air districts and transportation agencies of Nevada, Tuolumne, Mariposa, Amador, and Calaveras Counties, RCRC, and ARB were successful. The US EPA had proposed including these mountain counties in the Sacramento and San Joaquin federal

eight- hour ozone nonattainment areas. But due to the collective efforts, the US EPA designated Amador and Calaveras counties as the Central Mountain Counties nonattainment area, Tuolumne and Mariposa as the Southern Mountain Counties nonattainment area, and Western Nevada County as its own nonattainment area. This is a big victory for the boards, and the collective. These mountain counties are nonattainment due to transport from the valleys. The US EPA also gave them each a “basic” classification, which provides the least restrictive and most flexibility for the air district requirements. Dan and Gretchen Bennett were recognized for all their work and efforts into the cause. The RCRC was complemented for providing the forum.

***Item G: Legislation and State Budget-Tom Cambell***

Governor Schwarznegger made a deal with local authorities to borrow \$1.3 billion. This is a two year shift of funds in exchange for a constitutional amendment for security of local revenues for use in local areas. The details are not yet available, but the money that cities and counties lose will be from the VLF, and it will come back in the form of property taxes. There are also high hopes that the State budget will be on time this year.

The May revise also repeals the suspension of Proposition 42 that was proposed in the January Mid-Year Proposal and replaces that with a temporary loan, with transfers to be repaid in 07/08. Estimates \$383 million in additional funds to be generated from Indian gaming revenues and will be utilized for transportation. \$184 million to the SHA, \$162 million to the TCRP, \$ 36 million to the PTA, and no money for street and road maintenance.

The May revise also modifies the GARVEE bonding guidelines to permit any bonding amounts over the current 15% ceiling to be subject to approval by the CTC. The CTC decisions to GARVEE projects above the original amount would be subject to evaluation based on economic benefits and adherence to the vision of transportation by Caltrans and the CTC.

***Item H: GARVEE Workshop and 2004 STIP-David Brewer, Stephen Maller***

**GARVEE**

The provocative proposal was presented at the GARVEE workshop on May 12. Basically the GARVEE bonding of STIP projects would change by taking the debt service for GARVEE bonds off the top of the next cycle of the STIP. In exchange for a collective payment of interest, regional county STIP shares would be increased in the first STIP cycle. Basically, the benefit to other counties is that a GARVEE county would get early project money and they will not have to pay the interest.

Past issuance of GARVEE’s was fairly simple, equal annual interest payments, same interest rates throughout the different bonds, and the same bond term period. It was real easy to show which project had debt service. But in the future bond sales could have variable interest rates and terms and deciding what costs go to what projects. The new process would alleviate complex accounting for managing the GARVEE/STIP system.

Rural concerns are that most rural counties will not be participating in the GARVEE process yet will be paying for the interest on projects in other areas of the State. The long term, 5 STIP cycle impacts are that all agencies in California will lose a small amount of STIP shares.

### **Other Points...**

- It is not anticipated that the entire STIP will be bonded.
  - CTC Staff distributed a GARVEE scenario based on a \$100 million theoretical project.
  - The SHOPP is expected to only use GARVEE bonding for very large projects.
  - Pretty good chance that a special STIP programming cycle will be scheduled due to GARVEE bonding and the Federal transportation bill.
  - There is a provision in a current bill that would require the CTC to go back to the legislature if GARVEE bonds were to exceed \$800 million.
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- Next sale will be early 2005 and they only happen once a year.

### **2004 STIP**

Southern STIP hearings will take place in Los Angeles on 6/17/04 and a recommendation for RTIP's will be available on July 15<sup>th</sup>. There may be a STIP Augmentation and CTC Staff will try to give regions enough time for local processes.

The CTC has 2 vacancies, one known applicant, Kathy Lund of Placer County.

### ***Item E: ARB Proposed Diesel Emissions rule for all Transit Vehicles-K. Meade, M. Pitto***

Kathleen Meade presented information regarding the Fleet Rule for Transit Agencies regulations proposed by the Air Resources Board. The effort is to reduce NOX and Particulate matter in a progressive method over the next 20 years on a chunk of vehicles. The regional agencies are encouraged to provide feedback on the proposed regulations by June 10<sup>th</sup>. This is very important because the ARB really doesn't have a good idea of how rural transit fleets will be affected. They want hard data showing exactly how many vehicles will be affected, the costs, and the regions available budget.

Please see the Fleet Rule for Transit Agencies proposed amendments and provide feedback to the ARB regarding the affects.

A worksheet is being developed by Pete Spaulding and will be distributed shortly.

### ***Item I: Performance Improvement Initiative-J. Schwein***

Jeff Schwein reported on the status of the Performance Improvement Initiative which is part of Governor Schwarzenegger's effort to improve effectiveness and efficiency of State government. The team of experts put together for this effort has developed a report based on stakeholder input and an expert review panel. The report has not yet been released to the public, but the recommendations cover three areas: 1) Project Delivery, 2) Financing options, and 3) Security in Transportation Funding. Currently, the team is defining the matrix and developing benchmarks and performance outcomes from the findings. The implementation is already taking place at some levels of Caltrans and other state departments.