

## MINUTES

### SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

#### BOARD RETREAT

Thursday, September 18, 2003

1:15 p.m.

The Radisson Hotel  
Santa Maria, CA

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1. **Call to Order and Roll Call:**

**Members Present:** Naomi Schwartz, Supervisor, First District; Gail Marshall, Supervisor, Third District; Joni Gray, Supervisor, Fourth District; Joe Centeno, Supervisor, Fifth District; Victoria Pointer, Mayor, City of Buellton; Richard Weinberg, Mayor, City of Carpinteria; Jack Hawxhurst, Mayor, City of Goleta; Sam Arca, Mayor, City of Guadalupe; Dick DeWees, Mayor, City of Lompoc; Gregg Hart, Councilmember, City of Santa Barbara; Larry Lavagnino, Mayor (SBCAG Chair), City of Santa Maria; David Smyser, Councilmember, City of Solvang; Gregg Albright, Caltrans District 5 (Ex-officio member).

**Members Absent:** Susan Rose, Supervisor, Second District (SBCAG Vice-Chair)

**Staff Members Present:** Jim Kemp, Executive Director; Michael Powers, Deputy Director of Planning; Stephen VanDenburgh, Deputy Director of Programs; Debbie Barber, Public Information Officer; Cathy Muneio, Executive Secretary; Kevin E. Ready, Sr., Senior Deputy County Counsel, John Asuncion, Transportation Planner.

2. **Public Comment**

There were no comments made by the public.

The Executive Director reported on the following items:

SBCAG is refunding the outstanding revenue bonds that were issued in 1993 to accelerate completion of the Measure D regional highway program. Bids were opened on September 9, and the favorable rates offered by the apparent low bidder will result in a present value savings of nearly \$1.3 million.

Staff is planning to begin electronic mailing of board meeting agenda packages using its website to reduce cost, time and paper waste. Notices will be sent to everyone who currently receives

the agenda packages. Paper mailings will continue to be sent to board members and to those who cannot download material from the website.

Staff completed its move to the new offices in mid-July. The address is 260 N. San Antonio Road. Staff phone numbers will remain the same. Board members were invited to visit the Casa Nueva office.

The highway call box system has been experiencing systemic interruptions in cellular service since June that have taken as many as 40 boxes out of service for extended periods. Staff met recently with representatives of the cellular service contractor, AT&T wireless, and it now appears that the problem has been corrected.

A celebration and press event has been scheduled to commemorate the 2 millionth Amtrak Pacific Surfliner passenger this year. The event is scheduled for September 30 at 3:00 p.m. at the Santa Barbara Amtrak station. All board members and the public were invited.

### **3. 2004 RTIP/FTIP PROGRAMMING CYCLE**

Stephen VanDenburgh presented the Regional Flexible Funding Cycle. He explained that SBCAG is responsible for programming state and federal funds through the Regional Transportation Improvement Program and Federal Transportation Improvement Program, respectively. Because of the state's fiscal situation he said that the funds that are programmed in the STIP would be delayed. The State Highway Account has been drained and the state has had to borrow funds from the State Highway Account to cover the deficit in the general fund. Projects are being placed on a pending allocation list. The state has borrowed federal money to keep Caltrans operating and construction going on projects that are in the field.

Mr. VanDenburgh said that renewing TEA 21, the federal transportation act, has not been completed by Congress. He also said that CMAQ funds may be lost due to improved air quality in the region.

Mayor DeWees asked if federal funding comes directly from Washington DC or does it go through the state. Mr. VanDenburgh responded that it goes through the state.

Mr VanDenburgh said what it means to SBCAG is that the state has cash flow problems. The state has allowed SBCAG to program funds to projects such as the 101 Ortega Hill project, the 101 Milpas to Hot Springs project and the 101 Santa Maria widening project, but the cash is not in the state's accounts to pay for continued work on those projects. The region also has an outright shortfall of nearly \$200 million on projects previously programmed by the Board. Projects with known funding shortfalls were identified.

Mayor Weinberg asked whether the state could take funds away from a programmed project.

Mr. VanDenburgh responded that the state could ask the region to reduce the amount of dollars it has programmed but it would generally be up to the regional agency to decide which projects would be cut.

Mayor Weinberg asked if Measure D were the only funds that SBCAG could count on.

Mr. VanDenburgh responded that Measure D is at present the most reliable source of revenue available to the region.

Mr. Kemp explained that projects that can't be funded or allocated due to cash flow problems go on a pending allocation list until the state has enough funds or the project rises in priority. The project doesn't get eliminated and remains programmed and put on hold until the CTC allocates the funds.

Mr. Albright said that, statewide, the reasons projects go on the pending allocation list are due in part to additional projects being started through the environmental phase than there is the funding capacity to deliver the projects to construction.

Mayor Weinberg asked if the CTC's project priorities for granting allocations could change.

Mr. Albright stated that the CTC could change the priorities.

Councilmember Smyser asked what would happen if the allocation is less than the future project would cost.

Mr. VanDenburgh said he was not sure if there was a precedent for that. Normally, funds would be allocated only if a phase of the project can be completed. He said the CTC has indicated that if you program the projects they will find the funds, but it may take a while. In the short term, the CTC may unprogram projects since they are required by law to adopt a balanced STIP.

Mayor Lavagnino asked if there were any CTC commissioners in our area.

Mr. VanDenburgh stated that Commissioner Lawrence was in the North Los Angeles County area. He asked the Board to provide direction if there were surplus funds should they used for the 101 widening.

Mr. Kemp said there were two different sources of Measure D funding. He said the available money earmarked for the 101 widening was estimated to be about \$16 million dollars. The other source is a projected ending balance in 2009 after all of the revenues collected for the next several years. The revenues have grown faster than expected. He stated it might be time to decide if we want to use those funds for STIP projects to keep them moving.

Supervisor Schwartz asked if there was any precedent for the state to sign a contract to repay the loan of Measure funds made to the state.

Mr. Kemp responded that state law does allow for this. The Agency would use its own dollars to advance the project into the current year and in the year that the project was originally scheduled it would be repaid. Normally, the repayment is in the form of a replacement project or projects rather than cash.

Supervisor Schwartz requested more information on this.

Mayor Hawxhurst asked if it was better to go forward with the ballot measure to renew Measure D now or when the state is out of money later.

Mr. Kemp said he would suggest putting Measure D into programmed projects to fully fund them or loan the money to the state for reimbursement at a future time.

Mayor DeWees asked how much money was set aside for the widening of 101.

Mr. Kemp said that the current estimated amount of Measure D funds available for the project to widen 101 and improve interchanges south of San Ysidro Road was approximately \$16 million.

Councilmember Smyser stated if you are going to have to go back and vote for a renewal of Measure D then it would be better to move forward with the operational projects.

Mr. Kemp said he had originally placed on the retreat agenda a discussion of the Measure D renewal, but removed it due to previous Board concerns that progress would have to be made improving Highway 101 before a Measure renewal would be discussed. He said there were 15 regional highway projects in Measure D, and that 14 of the 15 had been completed. The only project that has not been delivered is the 101 widening, and there has never been enough money to complete the whole project.

Supervisor Gray asked if we could use the Measure D funds for the 101 widening on the 101 operational improvements. Assuming that the Ortega Hill project would take the pressure off of the Hwy 101, she stated that we should take part of our Measure D funds to do the project.

Supervisor Schwartz said the bottleneck on Milpas would be relieved with the auxiliary lanes constructed between Milpas and just beyond Cabrillo/Hot Springs. She stated that feeds into the Cabrillo/Hot Springs Interchange Project that is more expensive but not fully funded. She said that if we are looking at taking some immediate steps to alleviate the 101 bottleneck we have to look at the interchange project.

Supervisor Gray stated that the priorities have shifted and the 101 bottleneck appears to be the big problem right now.

Supervisor Schwartz said that there is a \$12 million shortfall for the 101/Milpas to Hot Springs operational improvement project.

Mr. Kemp indicated that there were two funding problems that would delay progress on the operational improvements. The first was an immediate cash flow problem due to lack of STIP funds, the other is a budget shortfall for the projects. He said he would sit down with Caltrans to see how the Measure D funds could assist with expediting the operational improvements.

Councilmember Hart asked if Caltrans had a way to work with staff to move forward with this project.

Mr. Albright said he would put strategies together to consider this.

Mayor Hawxhurst asked since they were focusing on the Milpas to Hot Springs portion of the highway if there were any chance that the work could be done prior to reauthorization in 2008. He asked for input on the larger issue of making programming commitments to too many projects and then not having enough funding to complete them.

Mr. Kemp explained that the Board decided in the 2002 FTIP cycle that it wanted to do small portions of very expensive projects and therefore programmed just enough money for the environmental work, and knew they would have to come back to the Board later to fund the remaining costs for the projects. He said he would review the very large projects that have been programmed.

Mayor Hawxhurst said that we needed to be a little more realistic.

Supervisor Schwartz stated that the Santa Maria Bridge Project is an example where in the past bridge money was available from the state that let us pick up the project.

Mr. Siegel asked how much money was in reserve from the 2002 funding cycle.

Mr. Kemp responded about \$22 million in STIP funds were in reserve. The region received a county share of \$60 million in STIP funds in the 2002 STIP programming cycle and programmed about \$40 million for projects, but it was not known how much of this reserve amount would be available in the next funding cycle. He explained that by statute the funds that go to each agency are divided and how much we receive depends on what the CTC fund estimate is.

Mayor Weinberg said that the \$15 million in Measure D should be applied to the Milpas to Hot Springs project which would show the public that Measure D funds were at work in the 101 corridor and 4-6 years down the road the state could start repayment.

Mr. Kemp stated in addition to using Measure D funds to address near term issues that having the IP underway would be a long term strategy that the voters would be able to look at.

#### 4. **Regional Transit Services**

Mr. Epperson presented this report. He said that the Board had allocated \$95,000 STA funds earlier this year to help pay for the Clean Air Express operating shortfall. He noted continuing funding shortfalls would be coming up in 2005/06 based on existing contracts and fares and the loss of APCD subsidies.

He reviewed with the Board the options to help with these funding issues and explained that a fare increase was one of the options.

Supervisor Schwartz mentioned that the chart showed replacing of vehicles in 2006-08 and asked if this shouldn't be a capital cost and should be shown elsewhere since SBCAG may be able to receive other funding for capital projects. She explained that putting it in with operational costs skews the picture.

Mr. Epperson stated that CMAQ funding can't be used for purchasing those buses since they will be diesel replacement buses with limited emission benefits.

Mr. Kemp stated it would be hard to receive CMAQ funding for buses that use diesel but there may be other funding sources that can be tapped into.

Councilmember Smyser asked if SBCAG might want to look at partnering with an agency where funds might be available.

Mr. Epperson stated that STA funds is a pot of money to offset the costs of the Clean Air Express and that SBCAG would need to go through MTD, SMAT, COLT or SMOLT to receive funds.

Mr. Epperson explained that FTA funds are not available to SBCAG since we are not a transit agency.

Mr. Epperson explained that SBCAG and VCTC are partners in running the Coastal Express. He said it operates all day and weekends and that ridership and productivity are quite good.

Councilmember Smyser asked if service is originated in Ventura and then went all the way to the North County then they may be able to receive funding from the north county transit agencies.

Mr. Epperson said that if the Coastal Express and Clean Air Express were to become one bus service then they would be eligible for 5307 funds but that the population of the urbanized area is too small to qualify for ridership based FTA 5307 apportionments.

Mr. Ready said if it was the population of the jurisdiction then SBCAG should go together with VCTC and form a Joint Powers Authority to provide service and then they might be considered in the same jurisdiction.

Mayor Hawxhurst said both bus services are utilized by large employers and he suggested UCSB, the Chumash and Vandenberg should have their own buses.

Mr. Epperson said that Clean Air Express had received \$10,000 from UCSB and that they do have an excellent vanpool program.

Mr. Kemp mentioned that other employers already subsidize employee bus passes.

Councilmember Hart suggested a 5% fare increase annually instead of 10% bi-annually.

Mayor DeWees said he had received calls at City Hall stated that the Clean Air Express was breaking down a lot and service was about one-half hour late.

Mr. Kemp stated that one of the older buses based in Lompoc was inoperable one day recently and that the trip had to be cancelled because the spare bus was being serviced. He said the spare bus is now back in service. He said he hopes to be taking delivery on 7 new buses which would take care of that problem.

Mr. Epperson asked for direction from the Board on the funding options presented to address the Clean Air Express and Coastal Express shortfalls.

Supervisor Schwartz asked Mr. Epperson to separate capital costs from the operating costs.

Councilmember Smyser said he didn't view using TDA funds as taking away from MTD but spreading transportation funds across an entire county where it is needed.

Councilmember Hart suggested that north county TDA funds should be used for the Clean Air Express rather than continue to be used for roadway improvements.

Supervisor Gray said she also felt it would be wiser to put TDA funds into transit rather than roads.

Mayor Arca suggested that other funding sources be looked at to fund these buses.

Mayor DeWees said that Lompoc had a segment of its population that requires social services and now that the funding for SMOOTH will no longer be available, another service would be necessary to carry passengers from Lompoc to Santa Maria.

Mr. Kemp mentioned that SBCAG was just issuing an RFP for the North County intercommunity pilot bus program.

Michael Powers stated that there will be \$3 million in TDA funds available annually for transit that are currently being used for streets and roads by North County agencies.

Mr. Kemp stated there is a shortfall with the Coastal Express that can't be paid for with TDA funds. He stated that he heard a hesitation to commit to using Measure D funds for this service until action is taken on the Highway 101 IP. He stated he would explore the use of other funding sources and would also look at the suggestion of a JPA approach to generate additional revenue.

## **5. Regional Planning**

Tom Frutche presented this report. He stated he was half way through the Interregional Jobs-Housing Partnership study and that he was required to get the final report back to the counties as well as the state prior to the end of June 2004.

Mr. Frutche said that there was a Steering Group that meets monthly and that anyone was welcome to attend. He said the next step would be to complete the long term and short term strategies.

Mr. Powers said that one of the next steps would be to look at land use economic implications.

Mr. Siegel suggested that they look at the impact on 101 relative to jobs/housing balancing.

Mr. Powers stated it was usually the land use decisions that impact transportation.

Mayor Arca asked how jobs could be brought in that would encourage people not to commute. He said that we need to look at the core of the problem. He said we need to be cognizant of people living according to income.

Mr. Powers said that there are problems with companies moving, less money for jobs and the high cost of living in this area.

Supervisor Gray said that people decide to have a job that they need to commute to and they make the decision prior to experiencing the pain of commuting.

Mr. Powers stated that jobs have been relocating due to the cost of living.

Mr. Frutche said that this is not a simple pattern anymore. It is much more complex and single solutions aren't going to work anymore.

Supervisor Schwartz asked, assuming the IP moves forward within the next several months, how will anticipated results be useable and pulled into that plan?

Mr. Powers responded that the interregional partnership will address some of the concerns that people have had relative to the land use impact. To that extent the jobs/housing partnership will look at that aspect of it.

Supervisor Schwartz stated that much of the Santa Barbara County consists of matured areas.

Mr. Powers stated that new businesses can't provide enough housing.

The Board retreat adjourned at 4:00 p.m.