

**SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS**

**Thursday, July 20, 2006**

**Board of Supervisors Hearing Room  
511 East Lakeside Parkway  
Santa Maria, CA**

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**1. CALL TO ORDER AND ROLL CALL:**

**Members Present:** Salud Carbajal, Supervisor, First District; Susan Rose, Supervisor, Second District; Brooks Firestone, Supervisor, Third District; Joni Gray, Supervisor, Fourth District; Supervisor; Joe Centeno (SBCAG Chair), Fifth District; Russ Hicks, Councilmember, City of Buellton; Donna Jordan, Councilmember, City of Carpinteria; Jonny Wallis (SBCAG Vice-Chair), Mayor, City of Goleta; Lupe Alvarez, Mayor, City of Guadalupe; Dick DeWees, Mayor, City of Lompoc; Marty Blum, Mayor, City of Santa Barbara; Marty Mariscal, Councilmember, City of Santa Maria; Ed Skytt, Councilmember, City of Solvang; Rich Krumholz, Caltrans District 5 Representative

**Members Absent:** None

**Staff Members Present:** Jim Kemp, Executive Director; Stephen VanDenburgh, Deputy Director of Programs; Michael Powers, Deputy Director of Planning; Kent Epperson, TDM Program Administrator; Fred Luna Transportation Engineer; Gregg Hart, Public Information/Government Affairs Coordinator; Cathy Muneio, Board Clerk; Kevin E. Ready, Sr., Senior Deputy County Counsel

**2. PLEDGE OF ALLEGIANCE**

Chair Centeno called for the pledge of allegiance.

**3. RECESS TO CLOSED SESSION**

None.

**4. RECONVENE IN OPEN SESSION AND REPORT FROM CLOSED SESSION**

**5. APPROVAL OF MINUTES**

Mayor Blum moved to approve the minutes of June 15, 2006. The motion was seconded by Councilmember Skytt and carried with Supervisor Gray abstaining.

**6. APPROVAL OF CONSENT CALENDAR**

Supervisor Gray said she would like to comment on Item 6A – Coast Daylight Train. She said that the Coast Rail Coordinating Council was in the process of trying to obtain funding for passenger rail and asked if anyone had met with Union Pacific to discuss the necessary capacity improvements.

Mr. Powers said that Union Pacific Railroad will not have any substantive discussions until funding is in place for necessary improvements.

Supervisor Gray moved to approve the consent calendar. The motion was seconded by Supervisor Carbajal and carried unanimously.

**7. PUBLIC COMMENT**

Eva Inbar, Coalition for a Fair Measure D, said that the campaign, which is in the fundraising stage, is at a critical point and if the board members help advocate for the measure fully it can win.

Alex Pujo, Coalition for a Fair Measure D, said that the \$1.5 billion dollars as a result of the renewal of Measure D is critical for the future of the region and said the SBCAG board's leadership was very necessary.

Chair Centeno welcomed Rich Krumholz as the new District 5 director.

Mr. Krumholz said he was privileged to have the opportunity to serve as District Director and intended to do everything in his power to keep the transportation system safe and efficient and move as many projects forward as possible.

**8. FEDERAL TRANSPORTATION IMPROVEMENT PROGRAM**

Steve VanDenburgh presented the staff report. He explained that adoption of the FTIP is required every two years and that SBCAG chooses to reflect five years worth of projects in the FTIP and the projects listed in the FTIP were previously programmed projects with no new projects included. Mr. VanDenburgh said there was a 45 day public comment period and as a result of comments received after the agenda mailing, there were three project changes before the board from the City of Goleta and County of Santa Barbara.

Supervisor Centeno asked if 100 percent of the FTIP funding was allocated.

Mr. VanDenburgh responded that it was.

Supervisor Rose asked what the delay was with the Hollister Avenue project.

Mr. VanDenburgh responded the change to the project he referenced was a federal earmark project approved by congress reflected in the FTIP. He said the County requested that funding be moved forward to earlier fiscal years which will start after the FTIP is adopted by the state.

Supervisor Carbajal moved to adopt the 2007 Federal Transportation Improvement Program. The motion was seconded by Councilmember Skytt and carried unanimously.

**9. FLEXWORK SANTA BARBARA PHASE 1 FINAL REPORT AND CASE STUDIES**

Mr. Epperson presented the staff report.

Mr. Albiero, the FlexWork consultant, presented the final report PowerPoint presentation.

Supervisor Carbajal requested he be provided with any information available relative to how flex work schedules are affecting the south coast corridor congestion.

Mr. Epperson said that they had not broken out the south coast corridor trips from the total number of trips, but would provide that information to him.

Supervisor Centeno said that the private sector looks at the bottom line and the public sector looks at the services that are being provided. He said that in the public sector you could reduce cars on the road but asked how services could be maintained if the employee was not available during regular work hours.

Mr. Albiero stated one of the goals when working with an organization is to look at the job tasks, and the ones who will affect services are not able to do the flex hours or may only be able to use flexwork for certain tasks.

Councilmember Mariscal asked if there was a way to quantify the trips that are being added to the local streets on days that someone is telecommuting or taking their flexday, and wondered what the air quality impacts are from those trips.

Mr. Albiero pointed out that with telecommuting, the work trip is eliminated but that other non-work trips made during the day would probably not increase but would be made on less congested roads instead. With compressed workweeks, one work trip each week is eliminated, but for the rest of the week you are just shifting the trips to less congested roads. He stated that there are air quality benefits of taking the trips out of the stop go traffic onto free flowing traffic because cars pollute more in stop go traffic.

Supervisor Gray asked if they had looked at employees from the elementary and secondary school.

Mr. Albiero said that they had only looked at the college level.

Mr. Epperson reviewed with the board the proposed Phase II of the FlexWork program indicating that it is a key component of the Traffic Management Program during the construction of the 101 operational improvements project to reduce traffic. He noted that staff would return to the board with a contract recommendation for Phase II next month. Mr. Epperson presented awards to four participating agencies in the FlexWork Program. Three of the four individuals receiving the award expressed their appreciation to the Board.

**10. 101 IN MOTION**

Mr. Kemp introduced the item. He said the focus was not to go back over the consensus recommendations previously approved by the board, but to focus on how they would be moving forward with the projects with funding and implementation. He acknowledged efforts of the members of the Stakeholders Advisory Committee and SBCAG staff Michael Powers, Fred Luna, Gregg Hart, Bill Yim, along with the consultants Bob Bramen, Gerald Comati and Mary Rose. He also acknowledged Matt Dobberteen who served as the facilitator for the SAC and TAG on the project. He then turned this item over to Bob Bramen.

Mr. Bramen said he was very pleased they had reached this milestone and said he would be focusing on the funding analysis and implementation plan. He presented the final report emphasizing the importance of renewing Measure D to ensure complete and timely implementation of the consensus recommendations. He noted that their analysis shows that without Measure D revenues, completion of the 101 widening project would likely be delayed by at least 10 years and other projects in the plan such as commuter rail would not be implemented.

Mayor DeWees said that it appears Union Pacific holds all the cards relative to commuter rail. He asked what discussions had been held with Union Pacific to date and if there were none, why not?

Mr. Powers responded that based on advice received from others, including Caltrans, unless there are commitments related to funding to address these issues UP officials are too busy to discuss this.

Mayor DeWees stated that the sooner that there is some indication of their wishes the sooner decisions can be made on whether to proceed ahead with allocated funds or redirect those funds to other areas.

Supervisor Centeno said he agreed with Mayor DeWees and suggested they present a hypothetical situation on the amount that would be invested into commuter rail, and if they respond no to that amount of funding then it wouldn't be viable to pursue.

Mr. Kemp said work is being done through the LOSSAN Strategic Plan to determine what track improvements will be required to hold the Union Pacific freight lines harmless. He said they don't know the costs of the work to date or whether Measure D funds will be available and explained Union Pacific will not want to negotiate based upon a hypothetical scenario.

Supervisor Carbajal said he understood the frustration that Mayor DeWees and Supervisor Centeno were expressing. He stated that the positive thing they were hearing is that they are open but need facts to make a decision. He said he was hopeful there would be an answer once the LOSSAN study is complete and Measure D passes.

Mayor Wallis said that the rail process is part of the 101 in Motion and there are not going to be any answers unless Measure D passes. She said she was comfortable with the process that was happening currently and there will be answers after the Measure D Renewal election happens in November.

Mayor Blum stated that the city of Santa Barbara has a rail committee and she shares everyone's frustration. She said that the subcommittee has sat down with Union Pacific representatives and they have been very positive but want to know if funding is available. She said they had met with representatives of the Ventura City Council and VCTC and it will take a lot to make this project work. She said that the city council will be taking the train to the League of Cities conference in September and they would be talking to other commuter rail operators to learn more, but the key was Measure D and leveraging funds.

Councilmember Mariscal said that there is a state bond proposal for three billion dollars on the November ballot for goods movement, of which one billion is allocated for air quality improvements and that those funds could be leveraged. He noted that Sonoma and Petaluma had a measure on the ballot for rail between Sonoma and Petaluma and split out rail because it went to the legislature and they formed a special transportation district for rail.

Councilmember Mariscal expressed concern about the environmental document for the 101 widening and hoped that the consensus that has been reached to move forward with the project would be maintained.

Mr. Bramen responded that a broad range of alternatives were considered and rejected and in designing the project you next have to look at alternatives on how the physical widening should be done, i.e., inside or outside shoulder area.

Mayor Wallis moved to receive the presentation on the 101 in Motion Final Report including financing and implementation plans and short-term actions to implement consensus recommendations, approve the 101 in Motion Final Report and authorize the Chair to sign letters of appreciation to members of the Stakeholder Advisory Committee for their assistance on this project and to Matt Dobberteen for serving as the facilitator of both the Stakeholder Advisory Committee and Technical Advisory Group. The motion was seconded by Supervisor Rose and carried unanimously.

#### **11. FEDERAL LOCAL ASSISTANCE FUNDING**

Mr. VanDenburgh presented the staff report.

Supervisor Firestone arrived.

Supervisor Centeno moved to authorize the Executive Director to execute a memorandum of understanding with the Sacramento Area Council of Governments to exchange \$5.9 million in unobligated CMAQ apportionment for \$2.95 million in STP apportionment and obligational authority in the 2007/08 and 2008/09 fiscal years, adopt a position of support for SB 1587 (Lowenthal) which provides for a two-year phase out of federal Congestion Mitigation and Air Quality program funding, and authorize the Executive Director to execute a memorandum of understanding with the San Luis Obispo Council of Governments to exchange \$75,000 in unobligated Regional Transportation Enhancement apportionment for \$75,000 in SAFE call box funds. The motion was seconded by Supervisor Gray and carried unanimously.

Councilmember Hicks commended staff for its efforts to secure the CMAQ phase out funding through SB 1587.

Supervisor Firestone informed the Board that Solvang was just named the host city for one of the stages of the Amgen Tour of California bicycle race in February and said it would involve some road work.

#### **12. MEASURE D REGIONAL PROGRAM FINANCING**

Mr. Luna presented the staff report.

Supervisor Gray asked what the current interest on the debt service was.

Mr. Luna responded he would provide that information as soon as possible.

Councilmember Mariscal asked the reason for the cash flow deficit.

Mr. Luna responded that the last Strategic Plan was presented in 2003 and since that time there have been a number of project cost increases. He said construction costs for the Milpas/Hot Springs project had increased dramatically along with right of way costs, increases to the Ortega Hill project as well as other increases in the program. He indicated that the program will be experiencing high cash flow needs during the next several months to complete the remaining projects.

Councilmember Mariscal asked what the increases were for the Cabrillo undercrossing.

Mr. Luna answered that when last presented to the board the project construction cost was estimated to be \$33 million but the cost was up to \$47 million.

Mayor Alvarez said the interest rate was a very crucial part of the bond.

Pam Becker with Municipal Capital Management said the rate on the 2003 bonds was just over 2½ percent and the new interest rate was currently estimated at around 4 percent due to an increase in market interest rates.

Supervisor Centeno asked if there was assurance that within the current Measure D and all resources and debt service on top of it that by the time the measure sunsets all of the projects and debt service will be paid with possibly some funds left over. He stated he did not want to owe money at the end of Measure D.

Mr. Kemp responded that in regards to completing projects there were a number of assumptions built in. Construction costs have been rising dramatically and by issuing bonds, project delays and significant cost increases associated with the delays would be avoided. It is a more fiscally prudent approach to complete the projects quicker using debt financing in order to keep costs down.

Supervisor Centeno said he sensed this was a pretty conservative proposal.

Mr. Luna said that other options that allowed us to borrow enough to get us over but there would be that much less funding at the end of the day and if costs increased there would be less flexibility to address those increases.

Supervisor Gray asked how the five percent increase yearly on sales tax was figured.

Mr. Luna said it was based on using a rate comparable to the historical average over the fifteen years of the program. In those years due to economic cycles, there have been periods of lower annual growth as well as higher annual growth. Generally, the annual growth has ranged from 2% to 10%, and in the last four years around 3.5% to 6.5%.

Supervisor Gray asked if there was any information regarding the early 1990s house prices.

Mr. Luna said the growth was fairly flat but peaked in the mid 1990s.

Supervisor Gray asked if the growth in sales tax correlated positively with the housing market. She said she was seeing a low sales figure in housing sales.

Mr. Luna said there are two main components that are looked at when evaluating annual growth in sales tax revenue. Those two factors are per capita spending, which is generally reflective of how the economy is doing and population growth.

Supervisor Carbajal asked if there was any assurance with the bond and what might be the ultimate risk and how conservative the strategy was.

Ms. Becker said the bond would be looked at by rating agencies and bond insurers. She said there would be bond insurance. She said they have been very conservative and this will go

through a fine tooth comb in the next several weeks before being brought to the board for final action.

Supervisor Centeno asked for additional analysis.

Mr. Luna said that a sensitivity analysis was completed on the projected revenue and that they looked at revenue projections at two percent or zero percent and how that would affect revenues.

Supervisor Carbajal moved to A) approve the recommended finance strategy in the Measure D Strategic Plan to issue approximately \$8.2 million in bonds within 6 months and adopt the 2006 Measure D Strategic Plan; B) authorize the chair to execute Amendment No. 1 to the contract with Municipal Capital Management, Inc. (MCM) to act as financial advisor for the 2006 bond financing, increase the amount of their contract by \$41,500, and amend the scope of the current services they are provided; and C) authorize the chair to execute an agreement with Kutak Rock in the amount of \$40,000 to provide bond counsel services for bond financing. Supervisor Firestone seconded the motion and it carried unanimously.

**13. US 101 OPERATIONAL IMPROVEMENTS: MILPAS TO CABRILLO-HOT SPRINGS**

During the presentation of the staff report Mr. Luna informed the Board that 95 percent of the design work had been completed. He explained that SBCAG has a team designing the local improvements and Caltrans has a team working on the main line and ramp improvements. He said that Union Pacific was presented with two alternatives for the Cabrillo pedestrian tunnel with which they generally approved but which could cause a delay of starting the overall improvement projects so they will be delivered on a separate schedule.

Councilmember Mariscal asked what the trestle will cost.

Mr. Luna responded that it would cost about \$4 million.

Councilmember Mariscal asked if there was an existing EIR.

Mr. Luna responded that Caltrans completed the EIR for the project in 2004 and that the City of Santa Barbara as part of the permit process amended it to include the additional scope of work.

Councilmember Mariscal asked if they would run into problems with the Cabrillo underpass.

Mr. Luna responded that discussions will continue with Caltrans to address the exact scope of work and how it may affect the current EIR.

Mayor DeWees asked if the projects were designed to meet the basic need without the extras.

Mr. Kemp said the answer depended on who was looking at the project design. The City of Santa Barbara holds permit authority over this project which includes a pedestrian underpass and explained that these are permit conditions with costs associated with them and have been moving forward with the assumption that they are part of the project and would run into permit problems if changed. He said this brings up an important issue with the board on where the line should be drawn on adding local project features when the larger 101 widening project is designed. For the 101 operational improvement project, however, he explained that trying to change the project features at this late stage would delay the project and this would increase

the project cost and might jeopardize our ability to access the \$50 million in STIP funding that is programmed for the project.

Mayor DeWees said he was addressing future projects and asked how much additional funds were going to be spent on community outreach and said he did not want to go backwards from 95 percent complete to 85 percent complete.

Mr. Luna said this was his approach also and explained that the community outreach effort was focused on how to work with the community during the construction phase. He said that they had met with 30-40 groups regarding this project and as Mr. Epperson indicated earlier he would continue to work on the Traffic Management Plan with business owners to reduce peak hour commute trips during construction.

Supervisor Carbajal moved to authorize the Chair to A) execute Amendment No. 2 to the contract with Moffatt & Nichol Engineers to increase the contract amount by \$285,000, to be funded from project contingency, for additional work related to final design, right of way acquisition, and utility coordination; and B) adopt an expenditure plan amendment approving an increase in the allocation of Measure D regional funds in the amount of \$3.815 million for right of way capital expenditures pursuant to the cooperative agreement with Caltrans executed in December 2004. The motion was seconded by Mayor Blum and carried with Councilmember Mariscal opposed.

Mayor Blum explained that the project was a road and a bridge, nothing more.

Supervisor Centeno said that Santa Barbara has planters in the center of the freeway that are added extras and are not part of the road projects. He suggested that the benefiting agency should pay for adding to the aesthetics.

Supervisor Carbajal said he appreciated that perspective but that the south county constituents expect the center dividers to be landscaped.

Supervisor Centeno said the important issue that Mayor DeWees raised was at what point do we add to a basic project just what is needed.

Mayor DeWees said that Lompoc streets are not beautified and people ask when they are going to be fixed. He said if he wants to improve the north entrance into Lompoc he is not going to expect that Caltrans or SBCAG to pay for it because it should be the responsibility of Caltrans.

Councilmember Mariscal said that the item in front of the board is what is being voted on, but a policy issue of concern is if City of Santa Barbara holds the cards with the coastal development permit and then Carpinteria holds the cards with the coastal development we just adopted a 101 in Motion project and created delays. He said that you can't ignore the fact that additional meetings cost more money and he said he has a problem with this.

#### **14. STATE INFRASTRUCTURE BOND PROPOSITIONS**

Mr. VanDenburgh presented the staff report.

Mayor DeWees asked if both Proposition 42 and Measure D funds are allocated the same way.



Mr. VanDenburgh said that city's allocations are based on population and the county's allocation is based, as best he could recall, on lane miles and population. Measure D allocations are based solely on population.

Mayor Alvarez said on page 8 that most of the transit agencies are listed but said he did not see anything for Guadalupe.

Mr. VanDenburgh stated Guadalupe was included in the Santa Ynez Valley/Cuyama estimate.

Mayor Alvarez asked for a breakdown on Guadalupe's portion.

### **COMMITTEE REPORTS**

Councilmember Hicks gave a report on the CALCOG Regional Issues Forum and annual delegates meeting. Discussions included Proposition 42 and its affect on everything. He said the key point was the ability to leverage funds for self help counties. As money starts coming from federal projects that are ready to go funds will be received. He explained that they want to see projects built, not just designed.

Councilmember Hicks said that the state has asked us to prepare a regional blueprint and the state is looking at seeding funds into those agencies that have not yet developed one. The SBCAG board previously voted against developing a regional blueprint because they did not want the state involved in local issues.

Mr. Kemp added that there was a great deal of interest on the state level to tie land use decisions to transportation issues. He said when a city makes a decision on land use it can affect the larger region and that the blueprint is intended to help understand these impacts and create a common vision for the region. If an application is submitted by SBCAG he said it would be likely that it would be funded by the state. Under the housing bond program Mr. VanDenburgh mentioned there is funding available for transit oriented development. The state is attempting to use that bond money as an incentive for development of the growth blueprint.

Mr. Kemp reported that Councilmember Hicks was nominated at the First Vice-President of CALCOG.

Supervisor Centeno said that a meeting may need to be held to discuss the growth blueprint issue.

Counsel Ready reported that the Board of Supervisors approved an ordinance to place Measure D on the November 2006 ballot. He said that an impartial analysis was almost complete and that a call for ballot statements pro and con had been issued.

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Kemp said SBCAG staff would be submitting a grant application due by mid August to help complete the consolidated human services-transportation plan that is a requirement for receiving federal JARC/NF funds for projects in the county.

Mr. Kemp reported that the state budget has been approved on time and that Proposition 42 will be fully funded which will result in a significant bump in funding for the STIP and for local street and road funding. There is also funding for a farmworker transportation program that may be of interest to our county.

### **CALTRANS DISTRICT DIRECTOR'S REPORT**

Mr. Krumholz said he was looking forward to his tenure as District Director. He said that David Fapp, formerly District 5 Design Chief, has accepted the interim position of Deputy Director of Planning.

Mr. Krumholz said that the contract for the Santa Maria Six-Lane Widening project was approved and the job had been awarded to Diablo Construction. He said the first official day of work would be the following day. The contractor has to find staging areas, set up an office area, place signs and fencing. He said there would be regular communication on lane closures.

Councilmember Skytt complemented Caltrans for a project they had agreed to do in Solvang. He said there were several people who had asked the status of the Edison/Hwy 154 four way stop project.

Mr. Krumholz responded that the contract had been awarded for that and construction should begin by late summer with completion in the late fall.

#### **COMMUNICATIONS**

None.

#### **ADJOURN**

Chair Centeno adjourned the meeting at 12:10 pm.