



---

Regional Transportation Planning Agency - Local Transportation Commission  
Monterey County Service Authority for Freeways & Expressways - Email: info@tamcmonterey.org

## TRANSPORTATION AGENCY FOR MONTEREY COUNTY

### Measure X eXcellent Transportation Oversight Committee (X-TOC)

Tuesday, April 16, 2019  
\*\*2:00 PM\*\*

#### MEETING LOCATION:

**Community Room, Marina Branch Library, 190 Seaside Circle, Marina**

#### 1. ROLL CALL

Call to order and self-introductions. If you are unable to attend, please contact Elouise Rodriguez, Senior Administrative Assistant. Your courtesy to the other members to assure a quorum is appreciated.

#### 2. PUBLIC COMMENTS

Any member of the public may address the Committee on any item not on the agenda but within the jurisdiction of the Committee. Each member of the public is allotted with three minutes to address any concerns. Comments on items on today's agenda may be given when that agenda item is discussed.

---

#### 3. BEGINNING OF CONSENT AGENDA

Approve the staff recommendations for items listed below by majority vote with one motion. Any member may pull an item off the Consent Agenda to be moved to the end of the **CONSENT AGENDA** for discussion and action.

##### 3.1 APPROVE draft minutes of the January 15, 2019 committee meeting.

- Wright

##### 3.2 RECEIVE Monterey County correspondence in response to questions asked by Measure X Citizens Oversight Committee members at the January 2019 meeting.

- Wright/Ishii

**END OF CONSENT AGENDA**

- 
4. **RECEIVE** presentation on Measure X local projects from the City of Pacific Grove.  
- Wright/Gho

*Daniel Gho, Pacific Grove Public Works Director, will make a presentation to the Committee on the status of Measure X projects in the City of Pacific Grove.*

5. **RECEIVE** report on audit process and **ACCEPT** the Transportation Safety and Investment Plan (Measure X) audit report for fiscal year ending June 30, 2018.

-Goel/Guice, Moss Levy & Hartzheim

*The Transportation Agency for Monterey County financials have been audited and the auditors found no instances of noncompliance that are required to be reported under Government Auditing Standards, nor did they note any matters involving the internal control over financial reporting and its operation that they consider to be material weaknesses. As of April 4, 2019, some jurisdictions that received Measure X funds have only met partial compliance of the independent audits' requirements.*

6. **RECEIVE** presentation on the Measure X First Year Audit results and the Measure X Annual Report.

- Wright/Getzelman

*One of the responsibilities of the Measure X Citizen Oversight Committee is to conduct independent audits of the revenues and expenditure of Measure X funds and to prepare & present annual reports regarding the administration of the program. The subcommittee of the Measure X Citizens Oversight Committee selected to conduct the audit and prepare the first Measure X Annual Report will present their findings.*

7. **RECEIVE** information on the Measure X loan policies and the recent loans to the cities of Del Rey Oaks, Gonzales and Monterey-Salinas Transit.

- Zeller/Reimann

*The Policies and Project Descriptions for the Transportation Safety & Investment Plan states that the Transportation Agency may issue limited loans, from time to time, to finance programs or projects. Loans across categories require a recommendation from the Measure X Oversight Committee. Advancement of funds within the same category may be approved by the Transportation Agency Board of Directors.*

8. **ANNOUNCEMENTS**

9. **ADJOURN**

## NEXT MEETING

### ANNOUNCEMENTS

Next Transportation Oversight Committee meeting:  
**Tuesday, July 16, at 2:00 p.m.**  
Ag Center Conference Room  
1428 Abbott Street, Salinas

*Light refreshments will be provided*

**If you have any items for the next agenda, please submit them to:**  
**Theresa Wright**  
**eXcellent Transportation Oversight Committee Coordinator**  
[theresa@tamcmonterey.org](mailto:theresa@tamcmonterey.org)

Documents relating to an item on the open session that are distributed to the Committee less than 72 hours prior to the meeting shall be available for public inspection at the office of the Transportation Agency for Monterey County, 55-B Plaza Circle, Salinas, CA. Documents distributed to the Committee at the meeting by staff will be available at the meeting; documents distributed to the Committee by members of the public shall be made available after the meeting.

**Transportation Agency for Monterey County**  
**55-B Plaza Circle, Salinas, CA 93901-2902**  
**Monday thru Friday 8:00 a.m. - 5:00 p.m.**  
**TEL: 831-775-0903**  
**FAX: 831-775-0897**

The Committee Agenda will be prepared by Agency staff and will close at noon nine (9) working days before the regular meeting. Any member may request in writing an item to appear on the agenda. The request shall be made by the agenda deadline and any supporting papers must be furnished by that time or be readily available.

*If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals requesting a disability-related modification or accommodation, including auxiliary aids or services, may contact Transportation Agency at 831-775-0903. Auxiliary aids or services include wheelchair accessible facilities, sign language interpreters, Spanish Language interpreters and printed materials, and printed materials in large print, Braille or on disk. These requests may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting, and should be made at least 72 hours before the meeting. All reasonable efforts will be made to accommodate the request.*

### **CORRESPONDENCE, MEDIA CLIPPINGS, AND REPORTS**

**C 1. RECEIVE** correspondence to and from TAMC for the month of March 2019.



***Memorandum***

**To:** eXcellent Transportation Oversight Committee  
**From:** Theresa Wright, Community Outreach Coordinator  
**Meeting Date:** April 16, 2019  
**Subject:** eXcellent Transportation Oversight Committee Minutes

---

**RECOMMENDED ACTION:**

**APPROVE** draft minutes of the January 15, 2019 committee meeting.

**ATTACHMENTS:**

- Draft Committee Minutes for January 2019

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC)**  
**eXcellent Transportation Oversight Committee (X-TOC)**  
**January 15, 2019 Meeting**

Held at the Agricultural Center Conference Room  
1428 Abbott Street, Salinas, CA

<b>Voting Members</b>	<b>APR 17 2017</b>	<b>JUL 18 2017</b>	<b>OCT 17 2017</b>	<b>JAN 16 2018</b>	<b>APR 17 2018</b>	<b>JUL 17 2018</b>	<b>OCT 16 2018</b>	<b>JAN 15 2019</b>
Kevin Dayton, Chair Salinas Valley Taxpayers Association <i>(Rick Giffin)</i>	P	P	P	P	P	P	P	P
Cesar Lara Transit Users <i>(Monica Gurmilan)</i>	P	P	P	A	P	A	A	
Janet Brennan League of Women Voters <i>(Howard Fosler)</i>	P	E	A	P	P	P	P	P
Tom Rowley Monterey Peninsula Taxpayers Association <i>(Jack Jensen)</i> -Deceased September 2018	P	P	P	P	P	P	P	
Kalah Bumba Senior or disabled services agency <i>(Teresa Sullivan)</i>	P	P	P	P	P	P	P	P
Victoria Beach Bicycling Advocate <i>(Claire Rygg)</i>	P	E	A	E	A	A	P	
Rod Smalley Labor Organization <i>(Glen Schaller)</i>	P	P	P	P	P	P	P	P
Christie Cromeenes-Resigned December 2018 Central Coast Builders Association <i>(Cliff Fasnacht)</i>	A	P	A	A	A	P	A	P
John Haupt Salinas Valley Chamber of Commerce <i>(John Bailey)</i>	P	P	P	P	P	P	P	P
Dan Limesand Monterey Peninsula Chamber of Commerce <i>(Jody Hansen)</i>	P	P	P	P	E	P	E	P
Scott Waltz Habitat Preservation <i>(Sarah Hardgrave)</i>	P	P	P	P	P	P	P	E
Barbara Meister Hospitality <i>(Gary Cursio)</i>	A	P	P	P	P	P	P	E
Barbara Meister Hospitality <i>(Gary Cursio)</i>	P	P	P	P	E	P	P	P
Norm Groot Agriculture <i>(Kurt Gollnick)</i>	P	P	E	P	A	E	A	A
Norm Groot Agriculture <i>(Kurt Gollnick)</i>	P	P	E	P	P	P	P	P
Norm Groot Agriculture <i>(Kurt Gollnick)</i>	P	A	E	A	A	A	A	A

Joshua Jorn Education (Ruben Parra-Resigned December 2018 Patrick Deberdt)	P P P	P A A	A A A	A A A	A A A	A P P	A A A	P - P
Paula Getzelman South County (Carol Kenyon)	P E	P A	P P	P P	P P	P P	P P	P P
Chris Barrera Latino Organization (Vacant)	P -	E -	P -	P -	P -	P -	P -	P -
Ron Rader North County (Scott Freeman)	P E	P A	P A	P A	P A	P A	P -	P P
Heidi Zamzow- Resigned April 2018 Pedestrian	-	-	P	P	P	A	-	
Daniel Hernandez – Appointed October 2018	-	-	-	-	-	-	P	
Anthony Tomas Rocha-Resigned January 2019 Youth/College (Vacant)	- -	A -	P -	P -	E -	P -	A -	A A
Sean Hebard Construction (Keith Severson)	E E	P A	E P	P E	P A	E E	E A	P P
<b>TRANSPORTATION AGENCY STAFF</b>								
Debbie Hale, Executive Director	P	P	P	P	P	P	P	
Todd Muck, Deputy Executive Director	P	P	P	P	P	P	P	P
Theresa Wright, Community Outreach Coordinator	P	P	P	P	P	P	P	P
Mike Zeller, Principal Transportation Planner	E	P	P	P	P	P	P	P
Kay Reimann, Transportation Agency Council	P							
Virginia Murillo, Transportation Planner			P	P	P			
Rich Deal, Transportation Engineer			P	P			P	
Ariana Green, Transportation Planner				P		P		
Rita Goel, Deputy for Administration & Finance					P			
Dave Delfino, Finance Director					P			
Laurie Williams, Transportation Engineer								P
<b>OTHERS PRESENT:</b>								
Laura Giudici Mills, South of Salinas (S.O.S.) US 101 Traffic Safety Alliance							P	P
Butch Lindley, South of Salinas (S.O.S.) US 101 Traffic Safety Alliance								P
Andrew Sandoval – Resident, City of Salinas							P	
Regina Mason - Resident, City of Seaside							P	P

David Jacobs - Public Works Director, City of Salinas							P	P
Maribel Trejo, Alliance on Aging							P	
Jim Sandoval, City of Salinas								P
Manuel, LULAC Salinas Council #								P
Rick Riedl, City of Seaside								P
Randell Ishii, County of Monterey								P
Colleen Courtney, Field Representative, State Senator Monning								P
Rachel Bicken, Field Representative, State Senator Monning								P
Jesse Perez, LULAC/NAACP								

**P-PRESENT**

**E-EXCUSED**

**A-ABSENT**

**- VACANT POSITION**

1. **WELCOME**

Kevin Dayton, Committee Chair, called the meeting to order at 2:01 p.m. Chair Dayton asked each member to introduce themselves and for Theresa Wright, TAMC's Community Outreach Coordinator, to use their introductions as a roll call, by noting who was present. Chair Dayton also asked TAMC staff and members of the public to introduce themselves.

2. **PUBLIC COMMENT**

Chair Dayton called for public comment.

Laura Mills, founding member of SOS US Traffic Safety Alliance, addressed the committee to talk about the Alliance's efforts to find short-term improvements and long-term solutions for the dangerous road conditions on US Highway 101 between Harrison Road and Chualar. Ms. Mills restated the Alliance concerns about Potter and Spence Roads. She explained what the alliance was doing and expressed her support of the Transportation Agency's efforts to address this safety issue. She expressed her gratitude that Measure X funds were going to be used to help solve this problem and thanked the committee for their work.

Butch Lindley, member of the SOS US Traffic Safety Alliance spoke on behalf of residents and business's off Spence Road. He said the conditions were so dangerous that as a matter of practice, business tell their employees to use alternate routes to get to and from work.

Chair Dayton thanked the speakers for their comments. He then proceeded to items on the consent agenda.

3. **CONSENT AGENDA**

Chair Dayton asked if any members wanted any item pulled from the consent agenda. Hearing none, he asked if there were any public comments on the consent agenda. Receiving none, he asked for a motion to approve the consent agenda. The motion was made by member Hebard, seconded by member Getzelman and passed unanimously.

The Chair proceeded to items on the regular agenda.

4. **CALL FOR NOMINATIONS AND ELECT COMMITTEE OFFICERS**

Chair Dayton called for the nomination and election of officers to serve as Chair and Vice Chair of the Measure X Citizens Oversight Committee. Officers will be elected to serve for the term beginning upon their election through the next election of officers at the beginning of the January 2019 meeting.

Member Brennan nominated Paula Getzelman to serve as Chair. The nomination was seconded by member Meister. Member Groot nominated Kevin Dayton to serve as Chair. That nomination was seconded by member Limesand. Chair Dayton thanked them for the nomination, then asked for a moment to consider it. After reflecting upon his tenure and a last year's nomination for member Getzelman to be Chair, Mr. Dayton respectfully asked that his nomination be withdrawn



and stated that he was supportive of member Getzelman's nomination. He then called for a vote. Members unanimously voted for Paula Getzelman to serve as Chair of the Measure X Oversight Committee. After the unanimous vote, he turned the gavel over to the newly elected Chair.

Chair Getzelman called for nominations for a Vice Chair. Member Groot made a motion to nominate Barbara Meister. Member Limesand seconded the motion. Chair Getzelman asked if there were any other nominations. Receiving none, she called for a vote. Members unanimously voted to elect Barbara Meister to serve as Vice Chair of the Oversight committee.

5. **PRESENTATION ON MEASURE X LOCAL PROJECTS FROM THE CITY OF SEASIDE**

Rick Riedl, Engineer, City of Seaside, provided a presentation on the status of local Measure X projects in the city. Mr. Riedl said that the city bonded their Measure X funds to do road repair work. He also explained that some of the street repairs presented in his PowerPoint presentation were also funded with SB 1 funds. He said the repairs would be done in two phases over the next two years. His presentation was followed with questions from committee members and members of the public.

6. **PRESENTATION ON MEASURE X LOCAL PROJECTS FROM THE COUNTY OF MONTEREY**

Randall Ishii, Chief of Public Works, County of Monterey, presented the road repairs and bridge project improvements completed during the past year by the County. During his presentation he used multiple examples of how Measure X revenues were leveraged to get additional federal funding to help make repairs on 16 different bridges located throughout the county. At the end of his presentation, one of the members of the committee said that it was an impressive list of projects. Another said that the public doesn't hear about the high-profile projects and suggested that the County and TAMC work together to highlight their work to the public. It was noted by the committee that the County had a 90% leveraging of their Measure X funds to get additional funding. As a follow-up to the public comments made at the beginning of the meeting by members of the SOS US 101 Safety Alliance, Mr. Ishii was asked how the County handles community issues raised like those presented by the Alliance. Mr. Ishii explained the County's response process and how they prioritize projects.

7. **OVERVIEW OF THE HISTORY AND CONTEXT OF THE TRANSPORTATION AGENCY AND ITS PROGRESS IN MEETING GOALS**

Todd Muck, Deputy Director, Transportation Agency for Monterey County, presented an overview of the Agency's roles and responsibilities as well as its progress over the past year towards meeting its strategic plan goals and objectives.

**8. MEASURE X FIRST YEAR AUDIT UPDATE**

Theresa Wright, Community Outreach Coordinator, Transportation Agency for Monterey County stated that she was working on the TAMC Annual Report and she wanted to include the Measure X annual report inside of it. In order to do that, she recommended that a sub-committee be created to audit Measure X revenues and expenditures and draft the first Measure X annual report.

Chair Getzelman asked if any members were interested in serving on the sub-committee. Members Dayton, Barrera, Bumba and Meister volunteered to serve on the sub-committee with Chair Getzelman.

**9. ANNOUNCEMENTS AND/OR COMMENTS**

Chair Getzelman called for announcements and/or comments.

Theresa Wright, TAMC's Community Outreach Coordinator, announced that the Transportation Agency was accepting applications for their Bike Secure Program and indicated that flyers were available. She also announced that the 18<sup>th</sup> Annual Transportation Excellence Awards would be held during the January 23<sup>rd</sup> TAMC Board meeting. She added that a group of Monterey County "No on Prop. 6" leaders which include members Dayton, Meister and Smalley would be honored at the ceremony with an award. These members of the committee were being honored for going beyond their own organizations to educate the public about the negative impact that the passage of proposition would have on local transportation projects.

Ms. Wright then reminded the committee that the group photo would be taken outside in the lobby of the library.

**10. ADJOURNMENT**

Chair Getzelman adjourned the meeting at 3:45 p.m.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

***Memorandum***

**To:** eXcellent Transportation Oversight Committee  
**From:** Theresa Wright, Community Outreach Coordinator  
**Meeting Date:** April 16, 2019  
**Subject:** **Monterey County Local Measure X Project Presentation**

**RECOMMENDED ACTION:**

**RECEIVE** Monterey County correspondence in response to questions asked by Measure X Citizens Oversight Committee members at the January 2019 meeting.

**ATTACHMENTS:**

- Monterey County Response

## Theresa Wright

---

**From:** Ishii, Randell <IshiiR@co.monterey.ca.us>  
**Sent:** Wednesday, February 06, 2019 6:29 PM  
**To:** Theresa Wright  
**Cc:** Todd Muck  
**Subject:** TAMC Citizen's Oversight Committee - follow-up responses to Monterey County

Theresa,

I am writing with regards to clarifications to questions asked of Monterey County at the 01/15/2019 TAMC COC meeting. To the extent that it may/may not be relevant, I have two (2) clarifications for questions asked impromptu of me at that meeting.

- 1) Deadlines for Davis Road Bridge funding – while there is a timing issue to our funding sources, the most time-sensitive of them is the Fort Ord Reuse Authority (FORA) traffic mitigation fees. With the sunset of FORA anticipated in year 2020 at this point, Monterey County has slated to program these fees for use in this overall project.
- 2) Location of the piers in the Monterey Bay Scenic Sanctuary Trail (MBSST) – while it was one of our goals to clear-span the Elkhorn Slough, that did not become feasible. According to our Mitigated Negative Declaration (our Environmental Review documents), *“the proposed project would include driving six (6) piers along the mouth of the Elkhorn Slough, just west of the existing SR-1 bridge. The piers of the new bridge will be aligned with the piers of the existing highway bridge to facilitate boat traffic passage under the two bridges”*.

Please let me know if you have any questions.

Sincerely,

**Randy Ishii, M.S., P.E.**

**Chief of Public Works**

Monterey County Resource Management Agency – Public Works

1441 Schilling Place, Second Floor

Salinas, CA 93901

(831) 784-5647

Email: [IshiiR@co.monterey.ca.us](mailto:IshiiR@co.monterey.ca.us)

---

Total Control Panel

[Login](#)

To: [theresa@tamcmonterey.org](mailto:theresa@tamcmonterey.org)

[Remove](#) this sender from my allow list

From: [ishii@co.monterey.ca.us](mailto:ishii@co.monterey.ca.us)

*You received this message because the sender is on your allow list.*



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

**Memorandum**

**To:** eXcellent Transportation Oversight Committee  
**From:** Theresa Wright, Community Outreach Coordinator  
**Meeting Date:** April 16, 2019  
**Subject:** City of Pacific Grove Local Measure X Project Update

**RECOMMENDED ACTION:**

**RECEIVE** presentation on Measure X local projects from the City of Pacific Grove.

**SUMMARY:**

Daniel Gho, Pacific Grove Public Works Director, will make a presentation to the Committee on on the status of Measure X projects in the City of Pacific Grove.

**FINANCIAL IMPACT:**

Revenues generated from Measure X over the next 30 years for City of Pacific Grove transportation improvements is conservatively estimated to be \$8 million. Annually this revenue estimate equates to \$277,000.

**DISCUSSION:**

On November 8, 2016, the voters of Monterey County, approved Measure X on the Monterey County Ballot, thereby authorizing TAMC to impose and administer the proceeds from a three-eighths cent transaction and use tax (“Measure X”). Measure X is estimated to generate over \$600 million over 30 years for transportation improvements in Monterey County. Of that amount, \$360 million (60%) will be distributed to the cities and the County for local projects, while the remaining \$240 million (40%) is programmed to regional safety and mobility projects.

Measure X tax proceeds will be used to pay for eligible programs or projects as defined in the Transportation Safety and Investment Plan (the “Measure X Investment Plan”) Attached is an excerpt of the Plan covering the local project policies. The City of Pacific Grove intends to use the Measure X funds for much needed road repairs, primarily for overlays and reconstruction projects. The City's Measure X 5-Year Capital Improvement Program identified the following projects and their anticipated costs as the first Measure X funded road repairs:

- Fountain Avenue overlay from Pine Street to Lighthouse Avenue: \$130,880
- Congress reconstruction from David Ave. to Forest Grove Elementary School: \$1,055,680
- Del Monte Blvd reconstruction from Jewell Street to Asilomar: \$1,324,679

To date, the first Measure X project completed in the City of Pacific Grove is the Fountain Avenue Repaving Project at a cost of \$329,825.

The City's Measure X Five Year Capital Improvement Program is provided as an attachment in this report.

**ATTACHMENTS:**

- ▢ Measure X local project policies
- ▢ City of Pacific Grove 5-Year CIP



## Local Road Maintenance, Pothole Repairs & Safety

## Local Project Policies

### Distribution of Funds

Through tax sharing agreements with the cities and the County of Monterey, this program will receive 60% of the transportation sales tax funds, estimated at a total of \$360 million over 30 years.

This program will provide flexible funding to cities and the County of Monterey to help them reduce the maintenance backlog on their aging street and road systems. In addition, these funds can be used for other local transportation needs that will reduce accidents and improve operations for all people and transportation modes, including local bicycle and pedestrian projects.

City and county formula shares shall be allocated based 50% on population and 50% lane miles. The Transportation Agency for Monterey County will update the funding shares formula annually at the beginning of each fiscal year using Department of Finance population figures and Association of Monterey Bay Area Governments (or equivalent) lane mile data. If the number of incorporated cities changes, the funding calculation shall account for changes in population and lane miles for the new and existing jurisdictions.

City and the county formula shares will be distributed to each city and the County by the County of Monterey Auditor-Controller on a quarterly basis subject to an agreement between TAMC and the County. This program is intended to augment, rather than replace, existing transportation expenditures; accordingly, the tax sharing agreements with cities and the County will include each of the following requirements to receive funds:

### Use for Transportation Purposes Only

The cities and County must agree to use sales tax funds for transportation purposes only, subject to full repayment for any misuse.



## Local Road Maintenance, Pothole Repairs & Safety

### **Transportation Safety & Investment Plan Account**

For ease of tracking and to assure full transparency, all revenues received and expenditures of these funds will be accounted for and tracked in its own separate budget and fund titled “Transportation Safety & Investment Plan Account” and will not be comingled with any other funds.

### **Regional Development Impact Fees**

Cities and the County shall maintain participation in the Transportation Agency for Monterey County’s Regional Development Impact Fee program and impose these fees on new development as applicable to assure that new development pays for its impacts on the regional transportation system.

### **Eligibility Verification**

The cities and County will select transportation projects that meet eligibility criteria as identified in this plan. The local jurisdictions will certify in an annual verification submitted to TAMC that these transportation funds were used for eligible expenses.

### **Maintaining Local Transportation Funding Efforts**

The local jurisdictions will certify in an annual verification submitted to TAMC that these transportation funds will be used to augment and not supplant local resources spent. For purposes of this calculation an average of the prior three (3) years spent for local transportation purposes as defined in this document will be used. Exemptions from this calculation include onetime capital expenses, and expiration of any voter-approved fund sources that were used for local transportation purposes. In the case of expired voter-approved fund sources, the three-year average baseline would be recalculated in the next annual verification period without said expired fund sources.





## Local Road Maintenance, Pothole Repairs & Safety

### Monitor Local Street and Road Conditions

In order to receive these funds, the cities and County shall utilize a pavement management program and submit regular reports on the conditions of their streets, to ensure timely repairs and keep the public informed. Development of a pavement management program by TAMC is eligible to be funded out of this program prior to distribution of funds to the cities and County.

### Enforcement of Policies

The tax sharing agreements will include enforcement procedures, designed to reassure the public that tax revenues are spent in accordance with the ballot language. For example, each of the above conditions will be subject to verification and annual audit by the Transportation Agency for Monterey County. Failure to meet any of the above conditions will result in the suspension of the distribution of funds to the deficient city/county. Resumption of funding distribution to the deficient city/county will resume only after full repayment for any misuse, and conformation of compliance to each of the above conditions by the Transportation Agency for Monterey County. Transportation Safety & Investment Plan funding accrued due to the failure of a city/county to meet the above conditions will be held in trust for up to two (2) years for said jurisdiction, after which the funds will be redistributed to the remaining cities/county in Monterey County per formula. The tax sharing agreements will also provide that resumption of funding can occur at any time during the life of the Transportation Safety & Investment Plan upon compliance with the above conditions and full repayment of any prior misused funds.



## Local Road Maintenance, Pothole Repairs & Safety

### Eligibility Criteria

#### Road and Street Maintenance and Repairs

Filling potholes, repairing, resurfacing or reconstructing roads, streets and bridges, or otherwise conducting maintenance to extend the lifetime of the roadway network and/or reduce or eliminate liability and safety concerns. Repairs, reconstruction or maintenance of walkways or bikeways are also eligible.

#### Road Safety and Operations

Improvements designed to reduce traffic collisions and related injuries and fatalities, as well as projects designed to reduce traffic delays. Examples of safety projects include, but are not limited to: roundabouts, turning lanes, traffic signals or other intersection improvements, hazard eliminations, safety barriers, traffic calming or speed reduction measures. New lane miles or roadways are not eligible with the exception of the Pinnacles Parkway Connection project.

#### Walkability and Pedestrian Safety

Projects designed to make neighborhoods or corridors walkable by making walking safer, more comfortable and convenient. Examples include, but are not limited to: sidewalks, lighted crosswalks, walking paths, landscaping or other barriers from traffic, bulbouts to shorten the crossing distance, safe haven islands, pedestrian countdown signals, street or path lighting and traffic calming.

#### Bike Safety Projects

Projects designed to support safe and convenient bicycling for all levels of riders. Examples include, but are not limited to: new or improved bikeways (lanes, paths, bridges, protected lanes or other barriers to automobile traffic); removing barriers to bicycling (curbs, medians, etc.); signal detectors; and, bicycle racks, lockers and other storage facilities.



## Local Road Maintenance, Pothole Repairs & Safety

### Street Enhancements

Streetscape projects that enhance the safety and experience of the transportation corridor. Examples include, but are not limited to: lighting, landscaping, drainage improvements.

### New Technology

Projects that support or include new technology to promote transportation safety, mobility, cost savings or air quality improvements. Examples include, but are not limited to: electric vehicle chargers, vehicle detection systems, traffic signal synchronization.

### Matching Funds

These funds can be utilized to match grants, loans, programs and pay annual debt service to fund eligible local road maintenance or safety projects as defined in this document. Eligible costs include those directly-related to projects or programs described above, including: corridor studies, research and planning, environmental review and mitigation, right-of-way acquisition, construction, improvement, maintenance, and operations. Examples are not exhaustive but projects must be transportation-oriented. However, in no instance shall funding be used to pay for general operating or staff costs that are not directly related to an eligible transportation project.

### Environmental and Engineering Standards

Projects will be designed to meet current standards, and will include bicycle and pedestrian access whenever possible. Projects will be thoroughly studied for environmental impacts and the identified environmental mitigations will be included in the project.

**CITY OF PACIFIC GROVE  
MEASURE X FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM  
FOR FISCAL YEARS 2017/18– 2022/23**

**YEAR 1**

<b>Project</b>	<b>Description &amp; Phase</b>	<b>Total Cost</b>	<b>Measure X</b>	<b>PCI</b>
Congress Ave Road Rehabilitation	combination of overlay and road reconstruction, pedestrian walking path, and construction of ADA ramps.	\$1,208,362	\$530,000	60
<b>Totals:</b>		\$1,208,362	\$530,000	

**YEAR 2**

<b>Project</b>	<b>Description &amp; Phase</b>	<b>Total Cost</b>	<b>Measure X</b>	<b>PCI</b>
TBD. Dependent upon results of County Pavement Management Results. Results needed to properly prioritize maintenance.		TBD	TBD	
<b>Totals:</b>		TBD	TBD	

**YEAR 3**

<b>Project</b>	<b>Description &amp; Phase</b>	<b>Total Cost</b>	<b>Measure X</b>	<b>PCI</b>
TBD. Dependent upon results of County Pavement Management Results. Results needed to properly prioritize maintenance.		TBD	TBD	
<b>Totals:</b>		TBD	TBD	

**YEAR 4**

<b>Project</b>	<b>Description &amp; Phase</b>	<b>Total Cost</b>	<b>Measure X</b>	<b>PCI</b>
TBD. Dependent upon results of County Pavement Management Results. Results needed to properly prioritize maintenance.		TBD	TBD	
<b>Totals:</b>		TBD	TBD	

**YEAR 5**

<b>Project</b>	<b>Description &amp; Phase</b>	<b>Total Cost</b>	<b>Measure X</b>	<b>PCI</b>
TBD. Dependent upon results of County Pavement Management Results. Results needed to properly prioritize maintenance.		TBD	TBD	
<b>Totals:</b>		TBD	TBD	

**DEFINITIONS OF REQUESTED INFORMATION:**

1. **Project:** The title of the project to receive Measure X funding.
2. **Description & Phase:** A general description of the project and the phase (e.g. Environmental; Design; Right-of-Way; or Construction) that will be funded in the given year.
3. **Total Cost:** The total cost of the project.
4. **Measure X:** The amount of Measure X funding that will be expended on the project.
5. **PCI:** The Pavement Condition Index for the roadway, from the local jurisdiction’s Pavement Management Program.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

**Memorandum**

**To:** eXcellent Transportation Oversight Committee  
**From:** Rita Goel, Director of Finance & Administration  
**Meeting Date:** April 16, 2019  
**Subject:** **Financial Audit Report for FY ending June 30, 2017**

**RECOMMENDED ACTION:**

**RECEIVE** report on audit process and **ACCEPT** the Transportation Safety and Investment Plan (Measure X) audit report for fiscal year ending June 30, 2018.

**SUMMARY:**

The Transportation Agency for Monterey County financials have been audited and the auditors found no instances of noncompliance that are required to be reported under Government Auditing Standards, nor did they note any matters involving the internal control over financial reporting and its operation that they consider to be material weaknesses. As of April 4, 2019, some jurisdictions that received Measure X funds have only met partial compliance of the independent audits' requirements.

**FINANCIAL IMPACT:**

The cost of the annual audit is \$1,750.00.

**DISCUSSION:**

The Transportation Agency has fiduciary responsibility for the administration of the Transportation Safety and Investment Plan (Measure X) funds. Ordinance 2016-01 was passed by 67.7% of the Monterey County voters in November 2016 and started being collected effective April 1, 2017.

Measure X is anticipated to generate an estimated \$20+ million annually, for a total of \$600+ million over thirty years. The funding source is a retail transactions and use tax of 3/8 cents. The revenue from the sales tax measure can only be used to fund transportation safety and mobility projects in Monterey County.

Measure X funds are divided into two programs:

1. Local road maintenance, pothole repairs and safety: 60% of Measure X funds are allocated to the

County of Monterey and twelve incorporated cities for local street and road safety and maintenance improvements.

2. Regional safety, mobility and walkability: 40% of Measure X funds are allocated to regional safety and congestion relief, transit and bicycle/pedestrian projects and expended on projects as prioritized in the Strategic Expenditure Plan.

Moss, Levy & Hartzheim, Certified Public Accountants, completed the audit for fiscal year ending June 30, 2018. The purpose of the audit is to confirm that the Transportation Agency for Monterey County, the County of Monterey, and the twelve incorporated cities complied with Ordinance 2016-01-Transportation Safety and Investment Plan; that the financial statements are free of material misstatement; assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Transportation Agency for Monterey County financials have been audited and the auditors found no instances of noncompliance that are required to be reported under Government Auditing Standards, nor did they note any matters involving the internal control over financial reporting and its operation that they consider to be material weaknesses.

FY 17/18 is the first year of the independent audits' requirements and there has been a learning curve for all entities. As a result, as of April 9, 2019, some jurisdictions that received Measure X funds have only met partial compliance of the independent audits' requirements. Attached is a draft report from Moss, Levy & Hartzheim on the current status of the independent audits of all the cities and the County of Monterey. At this time, staff is not recommending withholding of distributions to the non-compliant entities. Instead, staff will work with the jurisdictions to evaluate this year's process and recommend changes to help avoid issues in the future.

Attached with this report are the summary tables from the audit ending June 30, 2018.

The audit is also available on the Agency website:

<http://www.tamcmonterey.org/information/audits/index.html>

The total funds and interest collected during the audit reporting period was \$28,129,899. Payouts and expenditures made during the audit period were \$17,262,295 The Transportation Safety and Investment Plan has a fund balance of \$12,475,665 as of June 30, 2018.

The trust fund's administrative costs are paid for by the Transportation Agency for Monterey County and then reimbursed to the Agency as specified in the Measure X documents.

## **ATTACHMENTS:**

▫ Measure X Audits Report for Oversight Committee

TRANSPORTATION AGENCY FOR MONTEREY COUNTY  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 June 30, 2018

	Private Purpose Trust Funds				Totals
	Local Transportation Fund	State Transit Assistance Fund	State Highway Account Fund	Transportation Safety and Investment Plan Account Fund	
<b>ASSETS</b>					
Cash and investments	\$ 1,092,606	\$ 594	\$ 14,939,439	\$ 12,138,837	\$ 28,171,476
Accounts receivable	2,845,567	1,424,921		4,324,996	8,595,484
Due from King City	231,730				231,730
Total assets	<u>4,169,903</u>	<u>1,425,515</u>	<u>14,939,439</u>	<u>16,463,833</u>	<u>36,998,690</u>
<b>LIABILITIES</b>					
<b>Liabilities:</b>					
Due to other agencies	<u>1,403,580</u>	<u>1,424,921</u>	<u>1,414,667</u>	<u>3,988,168</u>	<u>8,231,336</u>
Total liabilities	<u>1,403,580</u>	<u>1,424,921</u>	<u>1,414,667</u>	<u>3,988,168</u>	<u>8,231,336</u>
<b>NET POSITION</b>					
Unrestricted	<u>2,766,323</u>	<u>594</u>	<u>13,524,772</u>	<u>12,475,665</u>	<u>28,767,354</u>
Total net position	<u>\$ 2,766,323</u>	<u>\$ 594</u>	<u>\$ 13,524,772</u>	<u>\$ 12,475,665</u>	<u>\$ 28,767,354</u>

The notes to basic financial statements are an integral part of this statement.



**TRANSPORTATION AGENCY FOR MONTEREY COUNTY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
For the Fiscal Year Ended June 30, 2018

	Private Purpose Trust Funds				Totals
	Local Transportation Fund	State Transit Assistance Fund	State Highway Account Fund	Transportation Safety and Investment Plan Account Fund	
<b>Additions:</b>					
SB 1 Additional Gas Tax	\$ -	\$ 775,355	\$ -	\$ -	\$ 775,355
Sales tax	17,923,550	3,678,161		28,026,311	49,628,022
State Highway Account funds			4,815,966		4,815,966
Interest, loss recovery and other fees	21,432	1,413	143,194	103,588	269,627
<b>Total additions</b>	<b>17,944,982</b>	<b>4,454,929</b>	<b>4,959,160</b>	<b>28,129,899</b>	<b>55,488,970</b>
<b>Deductions:</b>					
Claims paid to:					
Carmel			13,000	195,926	208,926
Del Rey Oaks				71,397	71,397
Gonzales				229,707	229,707
Greenfield				426,723	426,723
King City	572,695		83,427	388,534	1,044,656
Marina				670,802	670,802
Monterey			1,342,352	1,027,838	2,370,190
Pacific Grove				557,922	557,922
Salinas			31,973	4,247,511	4,279,484
Sand City			116,407	28,228	144,635
Seaside			614,335	1,007,912	1,622,247
Soledad				569,545	569,545
County of Monterey				7,212,614	7,212,614
TAMC					
Administration	908,484			131,477	1,039,961
Materials, services and project costs	17,977		157,448	496,159	671,584
Monterey - Salinas Transit	16,757,050	4,454,426			21,211,476
<b>Total deductions</b>	<b>18,256,206</b>	<b>4,454,426</b>	<b>2,358,942</b>	<b>17,262,295</b>	<b>42,331,869</b>
<b>Change in net position</b>	<b>(311,224)</b>	<b>503</b>	<b>2,600,218</b>	<b>10,867,604</b>	<b>13,157,101</b>
Net position - beginning of fiscal year	3,077,547	91	10,924,554	1,608,061	15,610,253
Net position - end of fiscal year	\$ 2,766,323	\$ 594	\$ 13,524,772	\$ 12,475,665	\$ 28,767,354

The notes to basic financial statements are an integral part of this statement.

**TRANSPORTATION AGENCY  
FOR MONTEREY COUNTY**

**Compilation Report on Compliance with  
Ordinance No. 2016-01 and the Measure X  
Master Programs Funding Agreement**

June 30, 2018

**Draft**

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY**  
**Compilation Report on Compliance with Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement**  
**TABLE OF CONTENTS**  
**June 30, 2018**

---

Independent Accountants' Report on Applying Agreed Upon Procedures..... 1  
Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance ..... 3  
Findings ..... 4

**Draft**

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED UPON PROCEDURES**

Transportation Agency for Monterey County

We have performed the procedures enumerated below, which were agreed to by the Transportation Agency for Monterey County, solely to assist it in evaluating management's assertion that the cities of Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Seaside, Soledad, and the County of Monterey complied with their Measure X Funding Agreements and with the Measure X Investment Plan of the Transportation Agency for Monterey County including Maintenance of Effort requirement, during the fiscal year ended June 30, 2018. Management of each of the entities listed above is responsible for compliance with their Measure X Funding Agreements and with the Measure X Investment Plan of the Transportation Agency for Monterey County including the Maintenance of Effort requirement. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. We did not audit the financial statements of the Traffic Safety and Investment Plan Account Funds of the entities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance, is based solely on the report of the other auditors.

Procedures Applied

1. Obtained the audited financial statements and/or Traffic Safety and Investment Plan Account Fund audited financial statements of each of the entities for the fiscal year 2017-2018.
2. Read the audited financial statements to determine total revenues, expenditures, and fund balances of the Measure X Fund for the fiscal year 2017-2018 for each jurisdiction.
3. Obtained an opinion from the entity's independent auditor on the entity's compliance in accordance with the compliance requirements described in the Transportation Agency for Monterey County's (TAMC) Ordinance No. 2016-01 and in the Measure X Master Programs Funding Agreement (the Agreement) between TAMC and each entity.
4. Made a determination if the entities met their Maintenance of Effort requirement based upon our review of the annual average of its expenditures from its general fund during the preceding three fiscal years, as reported to the Controller pursuant to Streets and Highways Code section 2151 ("Maintenance of Effort").
5. Summarized our findings in the accompanying Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance for the fiscal year ended June 30, 2018.
6. Determined that each entity segregated monies received pursuant to Measure X in a separate Traffic Safety and Investment Plan Account Fund and has a reasonable method of allocating interest to unspent funds.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the Board of Directors and management of the Transportation Agency for Monterey County, and is not intended to be and should not be used by anyone other than these specified parties.

Santa Maria, California  
April XX, 2019

**Draft**

Transportation Agency for Monterey County  
 Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance  
 For the Fiscal Year Ended June 30, 2018

	Carmel	Del Rey Oaks	Gonzales	Greenfield	King City	Marina	Monterey	Pacific Grove	Salinas	Seaside	Soledad	County of Monterey	Total
<b>Revenues in Local Measure X Funds:</b>													
Measure X allocation received	\$ 180,580	\$ 67,453	\$ 184,093	\$ 315,835	\$ 305,107	\$ 618,260	\$ 947,335	\$ 430,205	\$ 4,887,167	\$ 1,159,700	\$ 569,545	\$ 6,647,661	\$ 16,312,941
Measure X loan proceeds			2,500,000										2,500,000
Interest earned	4,034			1,768	1,294			1,153	634		849	48,072	57,804
<b>Total Measure X revenue available</b>	<u>184,614</u>	<u>67,453</u>	<u>2,684,093</u>	<u>317,603</u>	<u>306,401</u>	<u>618,260</u>	<u>947,335</u>	<u>431,358</u>	<u>4,887,801</u>	<u>1,159,700</u>	<u>570,394</u>	<u>6,695,733</u>	<u>18,870,745</u>
<b>Expenditures in Local Measure X Funds:</b>													
Expenditures:	144,000		2,684,093	58,073	8,117	38,630	321,586	329,825	4,563,847	83,235	72,275	1,068,843	9,372,524
<b>Total Measure X funding spent</b>	<u>144,000</u>		<u>2,684,093</u>	<u>58,073</u>	<u>8,117</u>	<u>38,630</u>	<u>321,586</u>	<u>329,825</u>	<u>4,563,847</u>	<u>83,235</u>	<u>72,275</u>	<u>1,068,843</u>	<u>9,372,524</u>
<b>Net change in fund balance</b>	40,614	67,453		259,530	298,284	579,630	625,749	101,533	323,954	1,076,465	498,119	5,626,890	9,498,221
<b>Fund balance, beginning of fiscal year</b>				49,969	(91,629)			84,020	(222,785)		85,771		(94,654)
<b>Ending fund balance</b>	<u>\$ 40,614</u>	<u>\$ 67,453</u>	<u>\$ -</u>	<u>\$ 309,499</u>	<u>\$ 206,655</u>	<u>\$ 579,630</u>	<u>\$ 625,749</u>	<u>\$ 185,553</u>	<u>\$ 101,169</u>	<u>\$ 1,076,465</u>	<u>\$ 583,890</u>	<u>\$ 5,626,890</u>	<u>\$ 9,403,567</u>
<b>Compliance with Maintenance of Effort:</b>													
General Fund Street Expenditures 2014-15	\$ 804,641	\$ 14,819	\$ -	\$ -	\$ -	\$ 531,903	\$ 2,440,234	\$ -	\$ 2,763,928	\$ 656,888	\$ -	\$ 3,768,551	
General Fund Street Expenditures 2015-16	314,328					135,070	2,555,294	137,023	3,984,744	476,040		4,478,822	
General Fund Street Expenditures 2016-17	175,508	61,043			51,308	434,257	2,919,095	184,000	4,429,476	653,790		4,940,363	
Average of prior 3 years:	431,492	25,287			17,003	367,077	2,638,208	107,008	3,726,049	595,573		4,395,912	
General Fund Street Expenditures 2017-18	1,428,859	40,826			92,428	33,942	2,794,699	204,506	4,494,506	Unknown		5,480,243	
<b>In Compliance?</b>	Yes	Yes	Yes	Yes	Yes	No	Yes	Unknown	Yes	No	Yes	Yes	
<b>Statement from Independent Auditor</b>													
stating compliance with the Measure X funding agreement and Investment Plan?	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	

**TRANSPORTATION AGENCY FOR MONTEREY COUNTY**  
**Compilation Report on Compliance with Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement**  
**Findings**  
**For the Fiscal Year Ended June 30, 2018**

**Finding 2018-1**

**Finding:** The Measure X Master Programs Funding Agreement between the Cities and the Transportation Agency for Monterey County required that the City must expend each fiscal year from its general fund for street and highway purposes an amount not less than the annual average of its expenditures from its general fund during the preceding three fiscal years, as reported to the Controller pursuant to Streets and Highways Code section 2151 (“Maintenance of Effort”). For purposes of this calculation, an average of the prior three (3) years spent for local transportation purposes will be used. The cities of Marina and Seaside were not in compliance with Maintenance of Effort requirements. The City of Pacific Grove did not provide the 2014-15 expenditures and thus we cannot determine the status of the City’s compliance.

**Result:** The Cities must increase their expenditures of General Fund money for street and highway purposes in order to maintain their maintenance of effort requirement.

**Finding 2018-2**

**Finding:** The Measure X Master Programs Funding Agreement between the Cities and the Transportation Agency for Monterey County Article III.B.2 required that the entities shall conduct an independent annual audit of Measure X revenues received and expenditures made by the entity to demonstrate such expenditures comply with the agreement and the Measure X Investment Plan, and shall provide said audit to TAMC. The cities of Marina, Monterey, Pacific Grove, Salinas, and Seaside were not in compliance with Article III.B.2 independent audit on Measure X compliance requirements.

**Result:** The Cities must obtain an independent audit of Measure X revenues received and expenditures made by the entity to demonstrate that such expenditures comply with the Measure X Master Programs Funding Agreement and Measure X Investment Plan.



TRANSPORTATION AGENCY FOR MONTEREY COUNTY

**Memorandum**

**To:** eXcellent Transportation Oversight Committee  
**From:** Theresa Wright, Community Outreach Coordinator  
**Meeting Date:** April 16, 2019  
**Subject:** Measure X First Year Audit Results

**RECOMMENDED ACTION:**

**RECEIVE** presentation on the Measure X First Year Audit results and the Measure X Annual Report.

**SUMMARY:**

One of the responsibilities of the Measure X Citizen Oversight Committee is to conduct independent audits of the revenues and expenditure of Measure X funds and to prepare & present annual reports regarding the administration of the program. The subcommittee of the Measure X Citizens Oversight Committee selected to conduct the audit and prepare the first Measure X Annual Report will present their findings.

**FINANCIAL IMPACT:**

Measure X is estimated to generate \$600 million over 30 years for transportation improvements in Monterey County. Of that amount, \$360 million (60%) will be distributed to the cities and the County for local projects, while the remaining \$240 million (40%) programmed to regional safety and mobility projects.

**DISCUSSION:**

In accordance with the Policies & Project Descriptions for the Transportation Safety & Investment Plan, a Citizens Oversight Committee representing a diverse range of community interests was formed within 6 months of voter approval of Measure X. Members and their alternates were nominated by the organization they are representing. Additional members were nominated by the Transportation Agency Board of Directors to assure that a broad range of geographic and stakeholder interests are represented on the committee.



The duties of the Committee as defined in the Policies & Project Descriptions for the Transportation Safety & Investment Plan are as follows:

- Conduct independent audits to assure that funds are being expended in accordance with requirements of the Transportation Safety & Investment Plan;
- Review and make recommendations on any proposed changes to the plan, prior to the Transportation Agency Board consideration;
- Review and comment on project delivery schedules as represented in the Strategic Expenditure Plan and make recommendations to the Transportation Agency on any proposals for changing project delivery priorities, and
- Prepare annual reports regarding the administration of the program, to be presented to the Transportation Agency Board of Directors and available for public review.

In accordance, the Measure X Citizen Oversight Committee established a subcommittee on January 15, 2019 to conduct the independent audit of the revenues and expenditure of Measure X funds. The subcommittee was asked to report the results of the audit to the full committee at their next meeting and to prepare the Measure X Annual Report.

This presentation provides the results of the first Measure X audit and the Measure X Annual Report prepared by the subcommittee.

**WEB ATTACHMENTS:**

[Measure X Citizens Oversight Committee First Year Audit](#)



***Memorandum***

**To:** eXcellent Transportation Oversight Committee  
**From:** Michael Zeller, Principal Transportation Planner  
**Meeting Date:** April 16, 2019  
**Subject:** Measure X Loan Policies

**RECOMMENDED ACTION:**

**RECEIVE** information on the Measure X loan policies and the recent loans to the cities of Del Rey Oaks, Gonzales and Monterey-Salinas Transit.

**SUMMARY:**

The Policies and Project Descriptions for the Transportation Safety & Investment Plan states that the Transportation Agency may issue limited loans, from time to time, to finance programs or projects. Loans across categories require a recommendation from the Measure X Oversight Committee. Advancement of funds within the same category may be approved by the Transportation Agency Board of Directors.

**FINANCIAL IMPACT:**

The first year of Measure X revenues received by the Transportation Agency was \$28.2 million, which exceeded the anticipated amount of \$20 million. This additional funding provides the revenue to fund limited loans to finance programs or projects in the Investment Plan.

**DISCUSSION:**

The Policies and Project Descriptions for the Transportation Safety & Investment Plan, approved by the Transportation Agency Board of Directors in May 2016, includes a provision allowing for loans to be made using the regional share of Measure X funds. In addition, the Transportation Agency Board approved a policy to allow the three smallest cities (Gonzales, Del Rey Oaks, and Sand City) to borrow funds from the Transportation Agency to complete specific projects and repay the principal and interest using their local share of Measure X revenues. To date, two cities have borrowed funds for the following projects:

City of Gonzales:

The City of Gonzales requested that the Transportation Agency provide a \$2.5 million loan to the City for their Alta Street Rehabilitation project. This \$4.275 million project consisted of grinding the existing pavement of Alta Street between Gonzales River Road and Gloria Road down to the base layer, and reusing the ground pavement to reestablish the base and repave the roadway. This is an area that receives a high portion of truck traffic and was the City's top priority Measure X project. The project was completed in March 2018, and the City is repaying the interest-bearing loan from the City's share of Measure X revenues.

City of Del Rey Oaks:

The City of Del Rey Oaks requested that the Transportation Agency provide an \$861,300 loan to the City to complete reconstruction road work on some of the City's most distressed streets. These projects consisted of complete reconstruction road work on 14 cul de sacs along with Carlton Place and Carlton Drive, which were the City's top priority Measure X projects. Work has commenced on these projects and the City is repaying the interest-bearing loans from the City's share of Measure X revenues.

Monterey-Salinas Transit:

In addition to these advancements of local Measure X funds, on February 27, 2019, the Transportation Agency Board of Directors unanimously approved an agreement with Monterey-Salinas Transit for short-term Measure X loans up to \$3,000,000 for payroll and other operating costs, to be repaid upon receipt of Federal Transit Administration funds. Delays in federal funding have resulted in cash-flow problems affecting Monterey Salinas Transit's ability to meet payroll obligations and other operating expenses. Unless Monterey Salinas Transit can obtain funds at a reasonable interest rate to keep an adequate cash-flow pending receipt of federal funds, Monterey Salinas Transit could be forced to reduce their services to the community. These loans of regional Measure X funds fall under the Mobility for All category of the Transportation Safety & Investment Plan. This action is consistent with Ordinance 2016-01, Monterey County Transportation Safety & Investment Plan (Measure X) and the Policies and Project Descriptions document and only requires Transportation Agency Board approval.

Loans from One Measure X Category to Another:

The Measure X Policies and Project Descriptions document also allows for loans of Measure X funds to be made to projects in another category (Local, Regional, Mobility for All), with additional conditions and oversight. The policy states that unspent regional Measure X funds may be loaned from one category to another at prevailing interest rates provided that repayment occurs within five years. Loans may also be made to projects outside of the regional Measure X program to projects at risk of delays due to a shortfall in State or federal funding, provided repayment is made within five years. Such loans are not interfere with the implementation of programs or projects in the loaning category and must be approved with a two-thirds vote of the Transportation Agency Board of Directors and by a simple majority weighted vote of the Board of Directors based on population, with Citizens Oversight Committee review and recommendation of approval.

Transportation Agency staff will provide a presentation with a review the previous Measure X loans and advancements, and the role of the Citizens Oversight Committee in potential future loans. The

Policies and Project Descriptions document is also attached for reference.

**ATTACHMENTS:**

- ▣ Measure X Policies and Project Descriptions - Loan Policy

# Transportation Safety & Investment Plan

## ROADS & POTHOLES



### Amendments to the Plan

It is the intent that this plan will be implemented as approved by the voters. However, there may be unforeseen circumstances that occur over the 30-year implementation period. The Transportation Agency for Monterey County may propose amendments to the Plan to respond to unforeseen circumstances, or to provide for the use of additional federal, state, local or other funds. To modify the plan, an amendment must be approved by a 2/3 vote of the Transportation Agency for Monterey County Board of Directors, and by a simple majority weighted vote of the Transportation Agency for Monterey County Board of Directors based on population, following a noticed public hearing, a 45-day comment period and Citizens Oversight Committee review and recommendation of approval.

## MOBILITY & ACCESS



### Loans Within the Program

Unspent funds may be loaned from one category to another at prevailing interest rates provided that repayment occurs within five years. Loans may also be made to projects outside of this program to projects at risk of delays due to a shortfall in State or federal funding, provided repayment is made within five years. Such loans may not interfere with the implementation of programs or projects in the loaning category and must be approved with a 2/3 vote of the Transportation Agency for Monterey County Board of Directors and by a simple majority weighted vote of the Board of Directors based on population, with Citizens Oversight Committee review and recommendation of approval.

## SAFETY & TRAFFIC



### Bonding Provisions

Early delivery of projects is a goal of this program to maximize project benefits and reduce costs. This Investment Plan anticipates accelerating the delivery of projects in the Regional Safety, Mobility, & Walkability program by issuing bonds. The issuance of bonds is based on the assurance that repayment of bonds is the first priority for the use of sales tax funds.

## WALKING & BIKING



### Published Results of Audits and Annual Reports

Results of the Independent Audit, Citizens Oversight Committee findings, and the Annual Report must be published and made available to the general public.



***Memorandum***

**To:** Board of Directors  
**From:** Debra L. Hale, Executive Director  
**Meeting Date:** April 16, 2019  
**Subject:** Correspondence

---

**RECOMMENDED ACTION:**

**RECEIVE** correspondence to and from TAMC for the month of March 2019.

**ATTACHMENTS:**

- ▢ Fiscal Year 2019/20 Measure X Local Streets and Road Fund Estimate by Jurisdiction

**Transportation Agency for Monterey County  
Measure X Fund Estimate**



**FY 2019/20 Estimate**

Measure X Local Streets & Road Maintenance	\$16,968,108
Carmel	\$199,854
Del Rey Oaks	\$72,828
Gonzales	\$234,312
Greenfield	\$435,277
King City	\$396,322
Marina	\$684,248
Monterey	\$1,048,441
Pacific Grove	\$569,106
Salinas	\$4,332,654
Sand City	\$28,794
Seaside	\$1,028,116
Soledad	\$580,962
County	\$7,357,194