



Regional Transportation Planning Agency - Local Transportation Commission
Monterey County Service Authority for Freeways and Expressways
Monterey County Regional Development Impact Fee Joint Powers Agency
Email: info@tamcmonterey.org

Measure X Citizens Oversight Committee

Tuesday, February 20, 2024

****2:00 PM****

MEETING LOCATION

Voting members must attend a physical meeting location to count towards quorum

1441 Schilling Place, Salinas, California

Cinnamon Conference Room

Wi-Fi Network: MontereyCty-Guest (no password required)

Members of the public & non-voting members may join meeting online at:

<https://us02web.zoom.us/j/819167755?pwd=VE91U1FBK1lwOEQzMGhpdEMvY2tndz095>

OR

Via teleconference at +1 669 900 6833

Meeting ID: 819 167 755

Password: 614363

Please note: If all board members are present in person, public participation by Zoom is for convenience only and is not required by law. If the Zoom feed is lost for any reason, the meeting may be paused while a fix is attempted, but the meeting may continue at the discretion of the Chair.

Please see all the special meeting instructions at the end of this agenda

1. QUORUM CHECK - CALL TO ORDER

Call to order and self-introductions. If you are unable to attend, please contact Maria Montiel, 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 Board on any item not on the agenda but within the jurisdiction of the Board. Under this item, each member of the public is allowed three minutes to address concerns. Comments in items on this agenda may be given when that agenda item is discussed. Persons who wish to address the Board for public comment or on an item on the agenda are encouraged to submit comments in writing to Maria at maria@tamcmonterey.org by 4:30 pm the Friday before the meeting, and such comments will be distributed to the Board before the meeting.

Alternative Agenda Format and Auxiliary Aids: 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 staff at 831-775-0903. Auxiliary aids or services include wheelchair accessible facilities, sign language interpreters, Spanish language interpreters, 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.

3. 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 the Draft Minutes of the October 17, 2023 Meeting.

- Maria Montiel

4. RECEIVE presentation on the duties of the Measure X Citizens Oversight Committee.

- Theresa Wright

The duties of the Measure X Citizens Oversight Committee as defined in the Policies & Project Descriptions for the Transportation Safety & Investment Plan are to conduct independent audits, review and make recommendations on any proposed changes to the plan, review and comment on any project delivery schedules, and prepare annual reports regarding the administration of the program.

5. RECEIVE presentation on local Measure X projects from the City of Monterey.

- Theresa Wright, Marissa Garcia

Marissa Garcia, Public Works Engineer from the City of Monterey, will make a presentation on Measure X funded projects in the City of Monterey.

6. RECEIVE presentation and **PROVIDE FEEDBACK** on Sand City's request to modify their Measure X Maintenance of Effort requirement.

- Michael Zeller

The purpose of the Measure X Maintenance of Effort requirement is to assure that no funds previously used for transportation are shifted to other uses and then back-filled with Measure X funds. Since fiscal year 2019/20, Sand City has not been able to meet

this requirement and their Measure X disbursements have been withheld. The City is requesting a modification that would allow them to regain compliance.

7. **RECEIVE** presentation on the status of the State Route 156 / Castroville Boulevard Interchange project and current cost estimates.

- Michael Zeller

Since the last update to the Board in May 2023, Caltrans was successful in receiving a second 12-month time extension to request a funding allocation from the California Transportation Commission, allowing for PG&E to complete their utility relocation work. However, Caltrans recently notified the Agency that the overall project cost has risen significantly, from \$73.5 million to \$114.5 million.

8. **ANNOUNCEMENTS and/or COMMENTS**

9. **ADJOURN**

ANNOUNCEMENTS

Next Transportation Oversight Committee meeting:
Tuesday, April 16, 2024, at 2:00 P.M.

PHYSICAL LOCATION -
County Building at 1441 Schilling Place, Salinas CA, in the Cayenne Conference Room

A quorum of voting members is required to be present to hold this meeting.

There will be a zoom link for hybrid participation by members of the public.

If you have any items for the next agenda, please submit them to:
Theresa Wright, Measure X Citizens Oversight Committee Coordinator
theresa@tamcmonterey.org

Important Meeting Information

Agenda Packet and Documents: Any person who has a question concerning an item on this agenda may call or email the Agency office to make inquiry concerning the nature of the item described on the agenda. Complete agenda packets are on display online at the Transportation Agency for Monterey County website. 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 review at the Agency website. Agency contact information is as follows:

Transportation Agency for Monterey County
www.tamcmonterey.org
55B Plaza Circle, Salinas, CA 93901
TEL: 831-775-0903
EMAIL: info@tamcmonterey.org

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

Memorandum

To: Citizens Oversight Committee
From: Maria Montiel, Administrative Assistant
Meeting Date: February 20, 2024
Subject: **Draft October 2023 Measure X Citizens Oversight Committee Minutes**

RECOMMENDED ACTION:

APPROVE the Draft Minutes of the October 17, 2023 Meeting.

SUMMARY:

FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENTS:

1. Draft X-TOC Minutes - October 2023

WEB ATTACHMENTS:

TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC)

Measure X Citizens Oversight Committee (X-TOC)

Meeting held at the Monterey County Government Center at Schilling Place

Cinnamon Conference Room, 1441 Schilling Place, Salinas

Draft minutes of October 17, 2023, Meeting

Voting Members	OCT 21	FEB 22	APR 22	AUG 22	OCT 22	FEB 23	APR 23	AUG 23	OCT 23
Kevin Dayton Salinas Valley Taxpayers Association <i>(Rick Giffin)</i>	P –	P -	P -	P -	P -	P -	P -	P -	P -
Andrea Manzo Transit Users <i>(vacant)</i>	E E	E -	E -	E -	E -	E -	E -	- -	- -
Janet Brennan League of Women Voters <i>(Howard Fosler)</i>	P P(A)	P P(A)	P E	P E	P P	E P	P P(A) (VC)	P P(A) (VC)	P P(A) (VC)
Tom Rowley Monterey Peninsula Taxpayers Association <i>(Rick Heuer)</i>	P P(A)	P -	P P(A)	P P(A)	P P(A)	P -	P -	P P(A) (VC)	P -
Kalah Bumba Senior or disabled services agency <i>(John McPherson)</i>	A P(A)	P -	E -	E P(A)	E P(A)	E P	E -	A -	A -
Victoria Beach Bicycling Advocate <i>(vacant)</i>	P -	P -	P -	P -	P -	E -	P -	P -	- -
Rod Smalley Labor Organization <i>(Glen Schaller)</i>	P -	P -	P -	P -	P -	E -	P -	A -	- -
Christie Cromeenes Central Coast Builders Association <i>(vacant)</i>	- -	E -	E -	- -	- -	E -	E -	A -	P -
Greg Hammer Salinas Valley Chamber of Commerce <i>(vacant)</i>	- -	E -	E -	- -	E -	E -	E -	P -	P -
Jonathan Geisler Monterey Peninsula Chamber of Commerce <i>(Monica Lal)</i>	P P(A)	P P(A)	P P(A)	P P(A)	- P(A)	E P(A)	E P(A) (VC)	A -	A P(A) (VC)
Dale Agron Habitat Preservation <i>(Rachel Saunders, Big Sur Land Trust)</i>	E E	P E	E -	E P	P -	P -	E P(A)	P -	P -

Gary Cursio Hospitality <i>(vacant)</i>	P	P	P	P	P	P	P	V	V
Norm Groot, Chair Agriculture <i>(Paul Arnaudo)</i>	E	P	P	P	P	P	P	A	P
Brent McFadden Education <i>(Darren Fort)</i>	P(A)	P(A)	P(A)	P(A)	P(A)	-	PV(A)	-	P
Paula Getzelman South County <i>(Carol Kenyon)</i>	E	E	E	-	E	P	P	P	P
Chris Barrera Latino Organization <i>(Diana Jimenez)</i>	-	-	-	-	-	P(A)	P(A)	P(A)	-
Rosemarie Barnard North County <i>(Ed Mitchell)</i>	P	P	P	P	-	P	P	P	P
Robin Lee Pedestrian <i>(Laurie Eavey)</i>	V	V	V	V	V	V		P	-
vacant Youth/College <i>(vacant)</i>	E	E	E	E	P	P	P	A	P
Sean Hebard Construction <i>(Keith Severson)</i>	-	-	V	V	V	V	P(A) (VC)	P(A)	P
TRANSPORTATION AGENCY STAFF	P	P	P	P	P	E	E	P	P
Todd Muck, Executive Director	-	-	-	-	-	-	-	-	-
Theresa Wright, Community Outreach Coordinator	P	E	E	P	P	E	E	V	V
Mike Zeller, Director of Programming & Project Delivery	P	-	-	-	-	-	-	-	-
Robert Brayer, Legal Counsel	E	P	P	P	P	P	P	P	P
Jeff Kise, Deputy for Admin & Finance	P(A)	P(A)	P(A)	P	P	P(A)	P(A)	P(A)	P
Laurie Williams, Transportation Engineer									
Maria Montiel, Administrative Assistant	P	P	P	P	P	P	E	P	P

Ariana Green, Principal Transportation Planner	-	-	-	-	-	-	-	-	-
Doug Bilse, Principal Engineer	-	-	P	-	P	-	P	P(VC)	-
Alissa Guther, Assistant Transp. Planner				P	-		-	-	-
Aaron Hernandez, Assistant Transp. Planner					P	P	P	P	P
Janneke Strause, Transportation Planner	-	P	P	-	P		P	-	-
P = present P(A)= present (alternate) (VC)= Zoom Video-Conference E = excused absence A = unnoticed absence - = alternate absent V = vacant position									
OTHERS PRESENT									
Dave Delfino	TAMC staff			Rick Heuer		Alternate			
Doreen Liberto	City of King City			Carol Kenyon		Alternate			
MacGregor Eddy	Public								

1. WELCOME

Norm Groot, Committee Chair, called the meeting to order at 2:00 p.m. A quorum was established, and Maria Montiel took roll call. Following the roll call, members introduced themselves and the organization/interest that they represented.

2. PUBLIC COMMENT

None.

3. CONSENT AGENDA

M/S/C McFadden /Hebard/ unanimous

3.1 Approved the draft minutes of the August 15, 2023, meeting with the modification to correct the four items noted by Member Dayton.

3.2 Received the 2024 Measure X Citizens Oversight Committee Meeting Schedule.

3.3 Received a summary of how the Measure X Local Streets and Roads distribution formula was developed.

END CONSENT

4. SURF! BUSWAY AND BUS RAPID TRANSIT PROJECT UPDATE

The Committee received an update on the Monterey-Salinas Transit (MST) SURF! Busway and Bus Rapid Transit project in the Monterey Branch Line corridor.

Michelle Overmeyer, Director of Planning & Innovation, Monterey-Salinas Transit (MST) reported that the proposed SURF! Busway and BRT project is part of MST's larger efforts in connecting communities, creating opportunity, and being environmentally sensitive. She noted that MST is building a modern transit network to enhance connections on the Monterey Peninsula and beyond.

In conclusion Ms. Overmeyer noted that the SURF! Project will make it faster and easier to travel from the Salinas Valley and northern Monterey County all the way to downtown Monterey via future rapid transit along US 101. She noted that early planning and environmental review for the SURF! Project is now complete. The current schedule estimates that the design process will be completed in the Spring of 2024 with some construction beginning by the end of 2024. Community outreach is an important aspect of this project. Ms. Overmeyer noted that a number of public outreach events occurred in 2022-2023.

After answering a series of questions about some of the specifics aspects of the project, Ms. Overmeyer concluded her presentation. Chair Groot asked that the link to the video simulation of the SURF! Busway in the presentation be sent to Committee members.

<https://vimeo.com/453809906>

5. ELECTION OF AUDIT SUB-COMMITTEE

The Committee received a call for nominations and elected members to serve on the Measure X Audit Sub-committee.

Chair Groot explained that the Audit Sub-committee was responsible for conducting an independent audit to assure that Measure X funds were expended in accordance with the requirements of the Transportation Safety & Investment Plan and to prepare the audit's annual report to be presented to the public and the TAMC Board of Directors.

He then sought nominations to serve on the audit sub-committee with the Committee's Chair and Vice Chair to conduct the independent audit for fiscal year 2022/2023 and to prepare the annual audit report.

Brennan/Agron/unanimous

Committee member Janet Brennan motioned to appoint Greg Hammer, Christie Cromeenes, Kevin Dayton, Paula Getzelman, Sean Hebard and Norm Groot. The motion was seconded by Dale Agron. They will meet in mid-January 2024 to conduct the audit and draft the annual audit report.

6. ANNOUNCEMENTS AND/OR COMMENTS

Committee member Rowley requested a report about the Eastside Bypass.

Committee member John McPherson announced that the Alliance on Aging no longer has bus passes to hand out to seniors based upon this committee's decision that funding for the bus passes should come from Monterey-Salinas Transit's Measure Q. He stated that he is pursuing this with MST and the Measure Q Oversight Committee. He said he may seek support from this committee to make sure that seniors have access to bus passes as they had prior.

Member McPherson also announced that the Alliance on Aging is one of 15 agencies that received a \$200,000 grant to develop a "age-friendly action plan." This plan will focus on Salinas Valley and North County. He looks forward to coming back to this committee with a report, particularly as it relates to transportation.

Member Brennan said it might be worthwhile to have a presentation on the regional planning process and that would allow the committee to ask about the Eastside Bypass project. Mr. Muck responded that TAMC is in the process of updating the Regional Transportation Plan and could reach out to talk about it.

Executive Director Todd Muck announced the Transportation Agency and Caltrans will be hosting Highway 68 corridor improvement project public hearings for the release of the draft environment document. Staff will send out the public hearing notice with dates and time information.

Member Hamer shared his experience of riding his bicycle and asked if the committee or TAMC had the ability to insert more pressure on the jurisdictions to ensure mobility for all.

7. ADJOURNMENT

Vice Chair Hebard adjourned the meeting at 3:06 p.m.

Memorandum

To: Citizens Oversight Committee
From: Theresa Wright, Community Outreach Coordinator
Meeting Date: February 20, 2024
Subject: **Overview of Measure X Citizens Oversight Committee Duties**

RECOMMENDED ACTION:

RECEIVE presentation on the duties of the Measure X Citizens Oversight Committee.

SUMMARY:

The duties of the Measure X Citizens Oversight Committee as defined in the Policies & Project Descriptions for the Transportation Safety & Investment Plan are to conduct independent audits, review and make recommendations on any proposed changes to the plan, review and comment on any project delivery schedules, and prepare annual reports regarding the administration of the program.

FINANCIAL IMPACT:

Annual revenues from Measure X, the countywide 3/8% local transportation sales tax, adopted in 2016, were conservatively estimated at \$20 million per year, for a total estimate of \$600 million over the 30-year lifespan of the sales tax. Actual revenues, however, have exceeded that amount. Fiscal year 2018/19 Measure X receipts (the second full year of Measure X) totaled \$30.5 million, dropped to \$28.2 million in 2019/20, rose to \$32.0 million in 20/21, and increased again to \$38.1 million in 2021/22. Revenue forecasts estimate that fiscal year 2022/23 receipts will total \$38.4 million, and drop slightly to \$38.1 million in 2023/24.

DISCUSSION:

A Citizens Oversight Committee representing a diverse range of community interests was formed in 2017, in accordance with the Policies & Project Descriptions for the Transportation Safety & Investment Plan for Measure X, the 3/8% transportation sales tax. Annual revenues were conservatively estimated at \$20 million per year for an estimated total of \$600 million over the 30-year lifespan of the sales tax.

Through a tax sharing agreement with the cities and the County of Monterey, 60% of the transportation sales tax funds, estimated at a total of \$360 million over 30 years, is distributed to the jurisdictions for local road maintenance and transportation safety projects. The remaining 40%, estimated to be \$240 million, is distributed to the Transportation Agency for regional safety, mobility and walkability projects overseen by the Transportation Agency.

The Measure X Citizens Oversight Committee provides transparency and assurance to the public, that Measure X revenues are spent in accordance with the Policies & Project Descriptions for the Transportation Safety & Investment Plan. This presentation provides an overview of the following Committee's duties as defined in the policy document (see **web attachment** for full document and

attachment for the relevant excerpt):

- Independent Audits: Have full access to the Agency's independent auditor and review the annual audits, have the authority to request and review specific financial information, and provide input on the audit to assure that funds are being expended in accordance with the requirement of the plan;
- Plan Changes: Review and make recommendations on any proposed changes to the plan, prior to Transportation Agency Board considerations;
- Project Delivery and Priorities: 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
- Annual and Final Reports: Prepare annual reports regarding the administration of the program, to be presented to the Transportation Agency Board of Directors and available for public review.

ATTACHMENTS:

1. Measure X - Policies & Project Descriptions - Oversight Committee section

WEB ATTACHMENTS:

[Measure X - Policies & Project Descriptions - Full document](#)

Transportation Safety & Investment Plan

ROADS & POTHOLES



MOBILITY & ACCESS



SAFETY & TRAFFIC



WALKING & BIKING



Citizens Oversight Committee

A Citizens Oversight Committee representing a diverse range of community interests shall be formed within 6 months of voter approval of this measure. The committee shall meet at least once a year or as often as monthly. Meetings shall be open to the public. The Committee's duties shall be as follows:

- Independent Audits: Have full access to the Agency's independent auditor and review the annual audits, have the authority to request and review specific financial information, and provide input on the audit to assure that funds are being expended in accordance with the requirements of this plan;
- Plan Changes: Review and make recommendations on any proposed changes to the plan, prior to Transportation Agency Board consideration;
- Project Delivery and Priorities: 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
- Annual and Final Reports: Prepare annual reports regarding the administration of the program, to be presented to the Transportation Agency Board of Directors and available for public review.



Transportation Safety & Investment Plan

ROADS & POTHOLES



The Citizens Oversight Committee membership shall include one representative from each of the following organizations or interests:

- League of Women Voters
- A bona fide taxpayers association from the Salinas Valley
- A bonafide taxpayers association from the Monterey Peninsula
- Senior or disabled services agency
- Pedestrian or bicycle transportation advocate
- Transit users
- Labor organization
- Central Coast Builders Exchange
- Chamber of Commerce –Salinas Valley
- Chamber of Commerce - Monterey Peninsula
- Agriculture
- Habitat preservation
- Hospitality
- Education

MOBILITY & ACCESS



SAFETY & TRAFFIC



WALKING & BIKING



Members and their alternates shall be nominated by the bona fide organization they are representing and appointed by the Transportation Agency Board of Directors. Additional members may be appointed by the Transportation Agency Board of Directors to assure that a broad range of geographic and stakeholder interests are represented on the committee; however, no case shall Committee membership excluding alternates exceed 20. Initial member terms shall be staggered with half serving a 2-year term and half serving a 3-year term as specified by the Transportation Agency. Any member may be reappointed to a 2-year term for an unlimited number of terms.

Memorandum

To: Citizens Oversight Committee
From: Theresa Wright, Community Outreach Coordinator, Marissa Garcia
Meeting Date: February 20, 2024
Subject: **City of Monterey Local Measure X Presentation**

RECOMMENDED ACTION:

RECEIVE presentation on local Measure X projects from the City of Monterey.

SUMMARY:

Marissa Garcia, Public Works Engineer from the City of Monterey, will make a presentation on Measure X funded projects in the City of Monterey.

FINANCIAL IMPACT:

Revenues generated from Measure X over the 30-year lifespan of the Measure are estimated to be \$600 million with 60% of these funds allocated to the County and twelve cities for local road maintenance and safety projects. In fiscal year 2022/2023, the City of Monterey received \$1,330,512 in new Measure X funding.

DISCUSSION:

During Fiscal Year 2022/23, the City of Monterey Measure X fund balance totaled \$5,644,671. The \$5.6 million includes \$4,218,342 carryover money from the previous year, new Measure X funding in an amount of \$1,330,512 and \$95,817 in earnings on interest.

The City of Monterey is actively using its Measure X funds to improve local streets within the city. Marissa Garcia, Public Works Engineer, will make a presentation on the City's Measure X funded projects which include the following:

- North Fremont Bike and Pedestrian Improvement from Casanova to Canyon Del Rey (North Side) Project, known as the "North Fremont Street Gap Closure Project,"
- Citywide Wayfinding Sign Program
- Citywide Speed Survey Update
- Citywide Traffic Signal Adaptive System
- Abrego Street and Church Street rectangular Rapid Flashing Beacon Installation Project
- Casanova Avenue and Melway Circle Rectangular Rapid Flashing Beacon Installation Project
- Citywide Post/Median Alert Installation Project
- Crossroads Software Improvement
- Lighthouse Avenue and Prescott Avenue Crosswalk Removal Project
- Marina Parking Lot Improvement Project

Measure X tax proceeds can be used to pay for eligible programs or projects as defined in the Transportation Safety

and Investment Plan, and attached is an excerpt of the Plan covering the local project policies.

ATTACHMENTS:

1. Local Share Project Eligibility and Criteria

WEB ATTACHMENTS:



Keep Monterey County Moving



Policies & Project Descriptions for the Transportation Safety & Investment Plan



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.

Memorandum

To: Citizens Oversight Committee
From: Michael Zeller, Director of Programming & Project Delivery
Meeting Date: February 20, 2024
Subject: Sand City - Measure X Maintenance of Effort

RECOMMENDED ACTION:

RECEIVE presentation and **PROVIDE FEEDBACK** on Sand City's request to modify their Measure X Maintenance of Effort requirement.

SUMMARY:

The purpose of the Measure X Maintenance of Effort requirement is to assure that no funds previously used for transportation are shifted to other uses and then back-filled with Measure X funds. Since fiscal year 2019/20, Sand City has not been able to meet this requirement and their Measure X disbursements have been withheld. The City is requesting a modification that would allow them to regain compliance.

FINANCIAL IMPACT:

For fiscal year 2022/23, Sand City's share of local Measure X funds were \$39,680. These funds are being withheld pending resolution of their compliance issues. After two years of non-compliance, the offending jurisdiction's withheld funds are to be re-distributed to the remaining compliant jurisdictions.

DISCUSSION:

The Transportation Agency has fiduciary responsibility for the administration of the voter-approved Transportation Safety and Investment Plan (Measure X) funds. Each jurisdiction entered into a tax sharing agreement with the Transportation Agency in order to receive their share of Measure X Local Streets & Roads revenues. In exchange, these agreements require the jurisdictions to submit audit reports annually to the Transportation Agency detailing the steps taken to comply with the implementing ordinance. This includes verification by an independent auditor that the jurisdiction met their annual "Maintenance of Effort" requirement.

The purpose of the Maintenance of Effort requirement is to assure that no funds previously used for transportation are shifted to other uses and then back-filled with Measure X monies - the so-called "bait and switch." Measure X is meant to be additional funding for transportation improvements to help the jurisdictions catch up on their backlog of maintenance needs. The Maintenance of Effort is a means to ensure that jurisdictions are continuing their transportation investments.

Currently, as amended in 2019, the Maintenance of Effort is defined as the larger of a jurisdiction's Senate Bill 1 Local Streets and Roads Maintenance of Effort (average of expenditures from fiscal years 2010/11, 2011/12 and 2012/13) or their transportation expenditures from fiscal year 2016/17, adjusted annually for inflation. This resulted in Sand City's Maintenance of Effort requirement being calculated as \$537,776 for the past reporting period using their SB1 Maintenance of Effort as the

base, which is significantly higher than what the city receives in Measure X revenues.

Since fiscal year 2019/2020, the City has not been able to verify compliance with their Maintenance of Effort and, as a result, have had their Measure X disbursements withheld. Transportation Agency staff has attempted to work with City staff to rectify the issue, starting with providing the City with information to try to revise their Senate Bill 1 Maintenance of Effort with the State Controller. These efforts were unsuccessful as the City was unable to account for the funding amounts that were reported to the State and how they should be modified. Recently, the City provided a letter to the Transportation Agency (attached) outlining the steps the City has taken to address the Measure X compliance issues, and their challenges with auditing and correcting their past transportation expenditures. The letter closed with a request from the City to modify the Maintenance of Effort requirement for the City to a more reasonable level of around \$200,000, which the City would be able to meet and comply with going forward.

Due to the large difference between what the City receives in Measure X revenues versus what they are required to spend for a small city to remain compliant, and the fact that their Maintenance of Effort may have been calculated using data the City believes to be incorrect, Transportation Agency staff has been open to finding a solution that would bring the City back into compliance, including modifying the Maintenance of Effort requirement again just for Sand City. Transportation Agency staff has requested additional information from the City to substantiate their requested amount of \$200,000 or any other reasonable amount before proceeding.

If the Maintenance of Effort is recommended to be modified for Sand City, this would likely require an amendment to the Measure X ordinance. The Transportation Safety and Investment Plan Policies includes an established process for how the ordinance may be amended:

1. Review and recommendation from the Citizens Oversight Committee;
2. Provide a 45-day comment period; and
3. Hold a noticed public hearing; and
4. Receive approval from the Transportation Agency Board by a 2/3 vote and by a simple majority weighted vote based on population.

Agency staff will present this update to the Committee and seek feedback on how to proceed.

ATTACHMENTS:

1. Letter from Sand City regarding Measure X Maintenance of Effort

WEB ATTACHMENTS:



City of Sand City
1 Pendergrass Way
Sand City, CA 93955

December 22, 2023

Todd A. Muck
Executive Director
Transportation Agency for Monterey County
55 B Plaza Circle
Salinas, CA 93901

Re: **Sand City Measure X MOE**

Dear Todd,

I am writing to request that TAMC consider adjusting Sand City's Maintenance of Effort (MOE) requirements for Measure X funding. Sand City's original MOE baseline was established at an artificially high rate of \$478,218 per year, based on the City's reporting of transportation expenditures to the State Controller. Since taking on the position as City Manager last year, I have tried to uncover the basis for the original MOE. However, neither the prior Finance Specialist, nor the City's auditors (CliftonLarsonAllen, formerly Hayashi & Wayland) have been able to unearth what the transportation expenditures reported to the State Controller were based upon. It appears that underlying reports and records were not retained by the auditors or the City. I have reached out to the State Controller's Office but to date have not heard back.

In fiscal year 21-22 Sand City's MOE was \$500,979 – for our city that is only .55 square miles with 5.1 centerline miles and only receives an average of \$33,000 annually in Measure X revenues. As a point of comparison, other smaller cities in Monterey County have significantly lower MOE requirements. For example, the MOEs for Del Rey Oaks, King City, Gonzales, and Greenfield range from zero to \$63,948.

In recent years -- where data on how much Sand City has spent on eligible transportation expenses is available -- our audited financial amounts have ranged from \$241,426 to \$364,356. In addition, the City has improved its street network by leveraging development projects to rehabilitate portions of existing streets and construct brand new streets within the City: In 2022 and 2023, extensive new asphalt pavement and street improvements were completed in Sand City resurfacing approximately 16% of the City's streets.

We are hereby respectfully requesting that TAMC consider adjusting the MOE to a more reasonable amount reflecting a city of our small size. Looking forward, Sand City could commit its budget to a level of effort of \$200,000.

With continued great appreciation,



Vibeke Norgaard
City Manager

cc:

Mary Ann Carbone, Mayor
Jennifer Pope, Finance Manager
Leon Gomez, City Engineer

Memorandum

To: Citizens Oversight Committee
From: Michael Zeller, Director of Programming & Project Delivery
Meeting Date: February 20, 2024
Subject: State Route 156 / Castroville Blvd Update

RECOMMENDED ACTION:

RECEIVE presentation on the status of the State Route 156 / Castroville Boulevard Interchange project and current cost estimates.

SUMMARY:

Since the last update to the Board in May 2023, Caltrans was successful in receiving a second 12-month time extension to request a funding allocation from the California Transportation Commission, allowing for PG&E to complete their utility relocation work. However, Caltrans recently notified the Agency that the overall project cost has risen significantly, from \$73.5 million to \$114.5 million.

FINANCIAL IMPACT:

A total of \$73.5 million has been secured from various local and state sources to construct the SR 156 Castroville Boulevard Interchange project. A competitively secured Trade Corridor Enhancement Program grant accounts for \$20 million of the construction funding, plus an additional expected \$8 million supplemental allocation that Caltrans has agreed to fund. There is a significant risk the \$28 million grant will be revoked by the California Transportation Commission if the project fails to meet the June 30, 2024 construction allocation deadline.

Additionally, recent cost estimates for all phases of the project have increased to a total of \$114.5 million, \$41.0 million higher than the budget approved by the Board in May 2023. According to the Baseline Agreement between Caltrans, the California Transportation Commission, and TAMC, the additional construction costs will be shared between the State and TAMC. The final design and right-of-way phases are to be funded solely by TAMC. The Transportation Agency's share of this \$41 million cost increase is estimated to be between \$33 to \$35 million, with the State covering the remaining balance.

DISCUSSION:

The State Route 156 Castroville Boulevard Interchange project is one of the regional safety and mobility projects listed in Measure X and approved by 67.7% of Monterey County voters in 2016. The project will provide safety improvements by removing the existing signalized intersection, constructing a new roundabout interchange to separate traffic movements, and improving the connection between the Castroville bike and pedestrian bridge and the existing pathway for students traveling to North Monterey County high school. The Transportation Agency has successfully leveraged Measure X to secure funding for the project with construction now scheduled to start in early 2024.

In May 2023, the Board received an update on the project from Caltrans that included a revised

project cost estimate for construction and discussion of challenges of working with Pacific Gas & Electric on the utility relocation needed for the project. At that time, the cost estimate was revised upwards from a total of \$55.5 million to \$73.5 million due to increased unit costs for contract items; soil import needed due to unsuitability of existing soil; additional environmental mitigation; and vertical drains for soil settlement. The Transportation Agency Board approved an additional \$9.972 million of Measure X funds to cover the Agency's share of the cost increase, with Caltrans agreeing to provide the remaining \$8 million from the Trade Corridor Enhancement Program (this funding split was determined by the Baseline Agreement between the agencies for funding cost increases). Below is a table outlining the fund sources programmed to the project and the agencies responsible for the funding.

Fund Source	Agency	Design & ROW	Construction	Totals
STIP	TAMC	\$25.7 million	\$4.1 million	\$29.8 million
Federal Earmark	TAMC	\$0.312 million	\$0	\$0.312 million
Measure X	TAMC	\$0	\$10.4 million	\$10.4 million
Regional Fees	TAMC	\$0	\$5.0 million	\$5.0 million
Trade Corridors	Caltrans	\$0	\$28.0 million	\$28.0 million
Totals:		\$26.0 million	\$47.5 million	\$73.5 million

Since that time, Caltrans was successful in receiving a second 12-month time extension to June 2024 to request allocation of the Trade Corridors Enhancement Program funds (\$20 million, plus \$8 million supplemental) and the State Transportation Improvement Program funds (\$4.1 million). This additional time was to allow for the utility relocations to be completed, which needs to be resolved before Caltrans can finalize the right-of-way certification for the project and request the construction funding allocation from the California Transportation Commission. Pacific Gas & Electric has both a gas line as well as electric distribution lines that need to be relocated prior to construction. Caltrans has been coordinating with PG&E for over a year on these relocations, but staffing issues and other priorities within PG&E have stalled progress on the relocation work. However, with the funding extension, Caltrans was able to engage with PG&E on a schedule to have the utility conflict maps completed in December 2023, allowing the utility agreements to then be in place by January 2024, and the project to receive its right-of-way certification in February 2024.

Transportation Agency staff remained in close coordination with Caltrans during this process to ensure the utility relocations were progressing, and the project would meet its funding deadlines. At a quarterly meeting in October 2023, Caltrans notified Agency staff that project costs were likely to further increase due primarily to the relocation of the high-pressure gas line. The relocation of this gas line is critical for the project as it is currently located almost directly through the middle of where one of the proposed roundabouts would be constructed. Caltrans provided a revised cost estimate at the end of November and then further revised the estimate in early January 2024, which is shown in the table below. The revised estimate shows cost increases across all phases of work plus two new unfunded child projects for landscape planting and bio monitoring (included in construction capital).

Phase	Current Budget (funded)	Estimated Costs to Complete (January 2024)	Cost Increase
Final Design	\$6.2 million	\$8.7 million	\$2.5 million
Right-of-Way Support	\$1.4 million	\$2.0 million	\$0.6 million
Right-of-Way Capital	\$18.4 million	\$45.0 million	\$26.6 million
Construction Support	\$5.5 million	\$8.4 million	\$2.9 million
Construction Capital	\$42.0 million	\$50.4 million	\$8.4 million

Totals:	\$73.5 million	\$114.5 million	\$41.0 million
----------------	-----------------------	------------------------	-----------------------

After TAMC and Caltrans staff provided a comprehensive presentation of the cost and schedule challenges at the January 2024 TAMC Board of Directors meeting, the TAMC Board evaluated four alternatives to determine what the project’s next steps should be.

Alternatives	Time Delay	Risks
Fund the increased costs	0 - 6 months	Increased Measure X contribution and potential the project still does not meet funding deadlines.
Reapply for SB1 Cycle 4	6 months - 1 year*	Forfeit current grant; Complete ROW and design with local funds, * potential the project is not awarded a future grant.
Value Engineering	2 - 4 years	Stop the project and forfeit current grant; value engineering results in modest cost improvements.
Reevaluate project	5 - 7 years	Stop the project and forfeit current grant; most time delay of alternatives; possible that no other alternatives meet State goals.

After reviewing the time delays and risks associated with each alternative, the Board of Directors directed staff to move forward with reapplying for Senate Bill 1 Cycle 4 funds. While this will delay the project by 6 months to a year, the timing for the upcoming grant cycle aligns well with the current project schedule. This option will also allow a larger portion of the project’s cost to be covered by the State grant rather than having to be covered by local funds. Both Caltrans and California Transportation Commission staff have been supportive of this approach, and Caltrans has been working closely with TAMC staff to begin preparing the grant application nomination forms for the upcoming cycle.

Agency staff will provide an update on the project at the February Citizens Oversight Committee meeting.

ATTACHMENTS:

None

WEB ATTACHMENTS:

Memorandum

To: Citizens Oversight Committee
From:
Meeting Date: February 20, 2024
Subject: **ANNOUNCEMENTS and/or COMMENTS**

RECOMMENDED ACTION:

SUMMARY:

FINANCIAL IMPACT:

DISCUSSION:

ATTACHMENTS:

None

WEB ATTACHMENTS: