



**VENTURA COUNTY TRANSPORTATION COMMISSION
LOCAL TRANSPORTATION AUTHORITY
AIRPORT LAND USE COMMISSION
SERVICE AUTHORITY FOR FREEWAY EMERGENCIES
CONSOLIDATED TRANSPORTATION SERVICE AGENCY
CONGESTION MANAGEMENT AGENCY**
www.goventura.org

AGENDA*
FRIDAY, JANUARY 7, 2022
9:00 A.M.

**Actions may be taken on any item listed on the agenda*
The meeting will be held via ZOOM Webinar
Please click the link below to access the webinar:

<https://us02web.zoom.us/j/85322931030?pwd=YjJhYlA1czl4R2VvelVod25rUlqvQT09>

*On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means. On June 11, 2021, the Governor subsequently issued Executive Order N-08-21 maintaining the suspension of certain provisions of the Brown Act to continue to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means through September 30, 2021. In accordance with [AB 361](#), VCTC meetings will continue to conduct its meetings by teleconference, its commissioners will participate in the meeting from individual remote locations, and no physical location will be open to the public for the Commission meeting. Members of the public will be able to virtually view and participate in the Commission meeting remotely. Members of the public who wish to address the commission on an item to be considered at this meeting are asked to please use/click the "Raise Hand" feature in Zoom (or *9 if you are calling into the Zoom meeting) at the time the Chairperson requests public comments. The Clerk will then advise you when it is your turn to speak. Verbal public comments are limited to three minutes.*

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Commission meeting, please contact VCTC staff (805) 642-1591 ext. 101. Notification of at least 48 hours prior to meeting time will assist staff in assuring those reasonable arrangements can be made to provide accessibility to the meeting.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**

4. **PUBLIC COMMENTS** – *Under the Brown Act, the Board should not take action on or discuss matters raised during Public Comment portion of the agenda which are not listed on the agenda. Board members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.*
5. **CALTRANS REPORT** - *This item provides the opportunity for the Caltrans representative to give updates and status reports on current projects.*
6. **COMMISSIONERS/INTERIM EXECUTIVE DIRECTOR REPORT** - *This item provides the opportunity for the commissioners and the Interim Executive Director to report on attended meetings/conferences and any other items related to Commission activities.*
7. **ADDITIONS/REVISIONS** – *The Commission may add an item to the agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Commission subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Commission. If there are less than 2/3 of the Commission members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.*
8. **CONSENT CALENDAR** - *All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no discussion of these items unless members of the Commission request specific items to be removed from the Consent Calendar for separate action.*

8A. MONTHLY BUDGET REPORTS- PG.5

Recommended Action:

- *Receive and file the monthly budget report for NOVEMBER 2021.*

Responsible Staff: Sally DeGeorge

8B. ONE YEAR EXTENSION OF SURFACE TRANSPORTATION PROGRAM (STP) LOANS WITH ORANGE AND SAN BERNARDINO COUNTIES -PG.13

Recommended Action:

- *Extend by one year, to Fiscal Year 2022/23, the repayment of \$15.11 million of STP apportionment funds loaned to the Orange County Transportation Authority (OCTA) and \$14.3 million of STP apportionment funds loaned to the San Bernardino County Transportation Authority (SBCTA).*

Responsible Staff: Peter De Haan

8C. CONTRACT FOR PROFESSIONAL SERVICES FOR GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STANDARD 87, LEASES -PG.15

Recommended Action:

- *Approve the contract for Professional Services (Attachment 1) for GASB 87, Lease with Eide Bailly, LLP, for an amount not to exceed \$46,000.*
- *Amend the operations budget to move \$9,000 from the miscellaneous line item to the audits and actuary line item.*

Responsible Staff: Sally DeGeorge

8D. MOTION TO RE-AUTHORIZE REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE VENTURA COUNTY TRANSPORTATION COMMISSION, INCLUDING ALL ASSOCIATED AGENCIES, AUTHORITIES, AND COMMITTEES, DUE TO THE IMMINENT RISKS TO THE HEALTH AND SAFETY OF ATTENDEES AND MAKING RELATED FINDINGS PURSUANT TO AB 361-PG.17

Recommended Action:

- *It is recommended that the Ventura County Transportation Commission (“Commission”), on behalf of itself and in the role as the Local Transportation Authority, ALUC, service*

Authority for Freeway Emergencies, Consolidated Transportation Service Agency and CMA, make a motion, pursuant to the authority set forth in AV 361 (Government Code Section 54953[e][1]), to reauthorize remote teleconference meetings of all legislative bodies of the Commission, including all associated agencies, authorities and committees, due to imminent risk to the health and safety of attendees if the meetings are held in person.

Responsible Staff: Steve Mattas

DISCUSSION CALENDAR:

9. EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT WITH MARTIN ERICKSON -PG.19

Recommended Action:

- *It is recommended that the Ventura County Transportation Commission ("Commission") approve a resolution approving an employment agreement between the Commission and Martin Erickson to serve as Executive Director of VCTC and its related agencies and authorizing Chairperson Long to execute the Agreement.*

Responsible Staff: Mark Watkins & Steve Mattas

10. U.S. DEPARTMENT OF LABOR DECISION REGARDING FEDERAL GRANTS FOR CALIFORNIA TRANSIT AGENCIES -PG.29

Recommended Action:

- *Receive and file.*

Responsible Staff: Darrin Peschka & Peter De Haan

11. ONE-TIME PROGRAM TO FUND LOCAL STREETS AND ROADS PROJECTS - PG.33

Recommended Action:

- *Approve projects recommended by the Transportation Technical Advisory Committee (TTAC) as shown on the attached list, in amounts totaling \$7,739,750 in unprogrammed Coronavirus Response & Relief Supplemental Appropriation (CRRSA) Act funds and \$3,175,917 in unprogrammed Highway Infrastructure Program (HIP) funds, for a total of \$10,915,667, with the caveat that VCTC staff may move funds between categories if required to facilitate delivery and avoid a lapse of funds.*

Responsible Staff: Peter De Haan

12. VCTC GENERAL COUNSEL'S REPORT:

13. AGENCY REPORTS:

Southern California Association of Governments (SCAG)

Primary: Commissioner Mike Judge

Southern California Regional Rail Authority (Metrolink-SCRRA)

Primary: Vice-Chair Tony Trembley

Alternate: Daniel Chavez

Los Angeles-San Luis Obispo (LOSSAN) Rail Corridor Agency (Amtrak Pacific Surfliner)

Primary: Commissioner Bryan MacDonald

Alternate: Commissioner Jim White

Coastal Rail Coordinating Council

Primary: Commissioner Bryan MacDonald

Alternate: Commissioner Richard Rollins

California Association of Councils of Governments

Primary: Commissioner Carmen Ramirez

California Vanpool Authority (CalVans)
Primary: Commissioner Jim White
Alternate: Commissioner Lynn Edmonds

14. ADJOURN to 9:00 a.m. Friday, February 4, 2022



Item #8A

January 7, 2022

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: SALLY DEGEORGE, FINANCE DIRECTOR

SUBJECT: MONTHLY BUDGET REPORT

RECOMMENDATION:

- Receive and file the monthly budget report for November 2021.

DISCUSSION:

The monthly budget report is presented in a comprehensive, agency-wide format on a modified accrual basis. The reports include a combined Balance Sheet, a Statement of Revenues, Expenditures and Changes in Fund Balance detailed by fund and an Investment Report by institution. There are eight funds presented consisting of the General Fund, the Local Transportation Fund (LTF), the State Transit Assistance (STA) fund, the State of Good Repair (SGR) fund, the Service Authority for Freeway Emergencies (SAFE) fund, the Santa Paula Branch Line (SPBL) fund, the VCTC Intercity fund and the Valley Express fund. The Statement of Revenues, Expenditures and Changes in Fund Balance also includes the annual budgeted numbers that are updated as the Commission approves budget amendments or administrative budget amendments are approved by the Executive Director. Staff monitors the revenues and expenditures of the Commission on an on-going basis.

The November 30, 2021, budget report indicates that the revenues were approximately 25.97% of the adopted budget while expenditures were approximately 19.80% of the adopted budget. The revenues and expenditures are as expected at this time. Although the percentage of the budget year completed is shown, be advised that neither the revenues nor the expenditures occur on an even percentage or monthly basis. Furthermore, revenues are often billed and reimbursed in arrears.

Some revenues are received at the beginning of the year while other revenues are received after grants are approved. In many instances, the Ventura County Transportation Commission (VCTC) incurs expenditures and then submits for reimbursement from federal, state, and local agencies which may also cause a slight lag in reporting revenues. Furthermore, the STA, SGR, LTF and SAFE revenues are received in arrears. The State Board of Equalization collects the taxes and remits them to the Commission after the reporting period for the business. STA and SGR revenues are paid quarterly with a two to three-month additional lag and LTF receipts are paid monthly with a two-month lag. For example, the July through September STA and SGR receipts are often not received until October or November and the July LTF receipts are not received until September. The Department of Motor Vehicle collects the SAFE funds and remits them monthly with a two-month lag.

The Commission's capital assets are presented on the Balance Sheet. Capital assets that are "undepreciated" consist of land and rail lines owned by the Commission. Capital assets that are depreciated consist of buildings, rail stations, transit equipment, highway callbox equipment and office furniture and equipment. Capital assets and depreciation are adjusted annually at the end of the fiscal year.

The Commission's deferred outflows, deferred inflows and pension liability are presented on the Balance Sheet. These accounts represent the accrual information for pension accruals with the implementation of the Government Accounting Standards Board (GASB) Statement 68 (pensions) and Statement 75 (other postemployment benefits). This information is based on actuarial information that is provided once a year. The deferred outflows, deferred inflows and pension liability are adjusted annually at the end of the fiscal year.

The Commission's liability for employee vacation accrual is presented on the Balance Sheet. The vacation accrual is adjusted annually at the end of the fiscal year.

**VENTURA COUNTY TRANSPORTATION COMMISSION
BALANCE SHEET
AS OF NOVEMBER 30, 2021**

Assets and Deferred Outflows

Cash and Investments	\$ 53,052,360
Receivables/Due from other funds	2,557,482
Prepays and Deposits	406,520
Capital Assets, undepreciated	26,329,395
Capital Assets, depreciated, net	32,669,510
Deferred Outflows	<u>1,948,045</u>
Total Assets and Deferred Outflows	<u><u>\$ 116,963,312</u></u>

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE

Liabilities and Deferred Inflows:

Accrued Expenses and Due to Other	\$ 2,489,091
Deferred Revenue	3,568,905
Deposits	67,059
Accrued Vacation	226,041
Pension Liability	2,406,909
OPEB Liability	334,163
Deferred Inflows	<u>274,655</u>
Total Liabilities and Deferred Inflows:	<u><u>\$ 9,366,823</u></u>

Net Position:

Invested in Capital Assets	\$ 58,998,906
Fund Balance	<u>48,597,583</u>
Total Net Position	<u><u>\$ 107,596,489</u></u>

For Management Reporting Purposes Only

**VENTURA COUNTY TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2021**

	General Fund Actual	LTF Actual	STA Actual	SAFE Actual	SGR Actual	SPBL Actual	VCTC Intercity Actual	Valley Express Actual	Fund Totals	Budgeted Actual	Variance Actual	% Year
Revenues												
Federal Revenues	\$ 1,462,918	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,576,258	\$ 357,954	\$ 4,397,130	\$ 27,010,019	(22,612,889)	16.28
State Revenues	265,808	11,380,652	1,707,953	467,223	473,385	0	0	0	14,295,021	47,755,731	(33,460,710)	29.93
Local Revenues	86,245	0	0	0	0	278,515	152,952	954,724	1,472,436	3,017,090	(1,544,654)	48.80
Other Revenues	1,870	0	0	60	0	0	60,201	0	62,131	3,790	58,341	1,639.34
Interest	1,712	6,788	9,720	2,970	3,353	0	200	110	24,853	206,000	(181,147)	12.06
Total Revenues	1,818,553	11,387,440	1,717,673	470,253	476,738	278,515	2,789,611	1,312,788	20,251,571	77,992,630	(57,741,059)	25.97
Expenditures												
Administration												
Personnel Expenditures	1,253,252	0	0	0	0	0	89,140	19,945	1,362,337	4,015,150	(2,652,813)	33.93
Legal Services	22,009	0	0	0	0	0	0	0	22,009	40,000	(17,991)	55.02
Professional Services	58,568	0	0	0	0	0	0	0	58,568	155,600	(97,032)	37.64
Office Leases	78,246	0	0	0	0	0	0	0	78,246	189,400	(111,154)	41.31
Office Expenditures	416,634	0	0	0	0	0	53,386	11,945	481,965	622,600	(140,635)	77.41
Total Administration	1,828,709	0	0	0	0	0	142,526	31,890	2,003,125	5,022,750	(3,019,625)	39.88
Programs and Projects												
Transit and Transportation Program												
Regional Transit Technology	16,271	0	0	0	0	0	0	0	16,271	721,200	(704,929)	2.26
Senior-Disabled Transportation	129,042	0	0	0	0	0	0	0	129,042	401,500	(272,458)	32.14
VCTC Intercity Bus Services	0	0	0	0	0	0	2,832,508	0	2,832,508	11,491,790	(8,659,282)	24.65
Valley Express Bus Services	0	0	0	0	0	0	0	385,308	385,308	1,962,300	(1,576,992)	19.64
Transit Grant Administration	349,215	0	0	0	0	0	0	0	349,215	9,968,180	(9,618,965)	3.50
Total Transit and Transportation	494,528	0	0	0	0	0	2,832,508	385,308	3,712,344	24,544,970	(20,832,626)	15.12
Highway Program												
Motorist Aid Services	0	0	0	1,525,727	0	0	0	0	1,525,727	3,065,266	(1,539,539)	49.77
Highway Program Management	371,822	0	0	0	0	0	0	0	371,822	5,249,557	(4,877,735)	7.08
Total Highway	371,822	0	0	1,525,727	0	0	0	0	1,897,549	8,314,823	(6,417,274)	22.82

For Management Reporting Purposes Only

**VENTURA COUNTY TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2021**

	General Fund Actual	LTF Actual	STA Actual	SAFE Actual	SGR Actual	SPBL Actual	VCTC Intercity Actual	Valley Express Actual	Fund Totals	Budgeted Actual	Variance Actual	% Year
Rail Program												
Metrolink and Commuter Rail	2,878,807	0	0	0	0	0	0	0	2,878,807	15,203,696	(12,324,889)	18.93
LOSSAN and Coastal Rail	2,500	0	0	0	0	0	0	0	2,500	11,800	(9,300)	21.19
Santa Paula Branch Line	0	0	0	0	0	129,441	0	0	129,441	256,500	(127,059)	50.46
Total Rail	2,881,307	0	0	0	0	129,441	0	0	3,010,748	15,471,996	(12,461,248)	19.46
Commuter Assistance Program												
Reg Transit Information Center	1,079	0	0	0	0	0	0	0	1,079	37,400	(36,321)	2.89
Rideshare Programs	97,254	0	0	0	0	0	0	0	97,254	328,900	(231,646)	29.57
Total Commuter Assistance	98,333	0	0	0	0	0	0	0	98,333	366,300	(267,967)	26.84
Planning and Programming												
TDA Administration	0	5,667,348	276,753	0	18,037	0	0	0	5,962,138	30,495,259	(24,533,121)	19.55
Transportation Programming	2,078	0	0	0	0	0	0	0	2,078	21,300	(19,222)	9.76
Regional Transportation Planning	112,675	0	0	0	0	0	0	0	112,675	660,084	(547,409)	17.07
Airport Land Use Commission	0	0	0	0	0	0	0	0	0	18,500	(18,500)	0.00
Regional Transit Planning	186,774	0	0	0	0	0	0	0	186,774	1,210,200	(1,023,426)	15.43
Total Planning and Programming	301,527	5,667,348	276,753	0	18,037	0	0	0	6,263,665	32,405,343	(26,141,678)	19.33
General Government												
Community Outreach	53,371	0	0	0	0	0	0	0	53,371	207,400	(154,029)	25.73
State and Federal Relations	48,030	0	0	0	0	0	0	0	48,030	106,750	(58,720)	44.99
Management and Administration	63,236	0	0	0	0	0	0	0	63,236	158,900	(95,664)	39.80
Total General Government	164,637	0	0	0	0	0	0	0	164,637	473,050	(308,413)	34.80
Total Expenditures	6,140,863	5,667,348	276,753	1,525,727	18,037	129,441	2,975,034	417,198	17,150,401	86,599,232	(69,448,831)	19.80

For Management Reporting Purposes Only

**VENTURA COUNTY TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2021**

	General	LTF	STA	SAFE	SGR	SPBL	VCTC	Valley	Fund	Budgeted	Variance	
	Fund Actual	Actual	Actual	Actual	Actual	Actual Intercity	Actual Express	Actual	Totals	Actual	Actual	% Year
Revenues over (under) expenditures	(4,322,310)	5,720,092	1,440,920	(1,055,474)	458,701	149,074	(185,423)	895,590	3,101,170	(8,606,602)	11,707,772	(36.03)
Other Financing Sources												
Transfers Into GF From LTF	3,201,237	0	0	0	0	0	0	0	3,201,237	6,634,116	(3,432,879)	48.25
Transfers Into GF From STA	653,226	0	0	0	0	0	0	0	653,226	3,415,535	(2,762,309)	19.13
Transfers In GF From SGR	0	0	0	0	0	0	0	0	0	6,285,557	(6,285,557)	0.00
Transfers Into GF From SAFE	17,223	0	0	0	0	0	0	0	17,223	66,600	(49,377)	25.86
Transfers Into GF From SPBL	50,259	0	0	0	0	0	0	0	50,259	137,900	(87,641)	36.45
Transfers Into SPBL From STA	0	0	0	0	0	0	0	0	0	45,000	(45,000)	0.00
Transfers Into VI From STA	0	0	0	0	0	0	648,809	0	648,809	3,306,775	(2,657,966)	19.62
Transfers Out of LTF Into GF	0	(3,201,237)	0	0	0	0	0	0	(3,201,237)	(6,634,116)	3,432,879	48.25
Transfers Out of STA Into GF	0	0	(653,226)	0	0	0	0	0	(653,226)	(3,395,350)	2,742,124	19.24
Transfers Out of STA Into SPBL	0	0	0	0	0	0	0	0	0	(45,000)	45,000	0.00
Transfers Out of STA Into VI	0	0	(648,809)	0	0	0	0	0	(648,809)	(3,306,775)	2,657,966	19.62
Transfers Out of SAFE Into GF	0	0	0	(17,223)	0	0	0	0	(17,223)	(66,600)	49,377	25.86
Transfers Out of SPBL Into GF	0	0	0	0	0	(50,259)	0	0	(50,259)	(137,900)	87,641	36.45
Transfers Out of SGR Into GF	0	0	0	0	0	0	0	0	0	(6,305,742)	6,305,742	0.00
Total Other Financing Sources	3,921,945	(3,201,237)	(1,302,035)	(17,223)	0	(50,259)	648,809	0	0	0	0	0.00
Net Change in Fund Balances	(400,365)	2,518,855	138,885	(1,072,697)	458,701	98,815	463,386	895,590	3,101,170	(8,606,602)	11,707,772	(36.03)
Beginning Fund Balance w/o capital assets	3,611,690	15,177,134	17,598,320	4,994,852	5,183,759	25,367	199,014	0	46,790,136	33,572,663	13,217,473	139.37
Long-term Pension/OPEB/Vacation Adjustment*	(1,195,482)	0	0	0	0	0	(98,241)	0	(1,293,723)	0	(1,293,723)	0.00
Ending Fund Balance	\$ 2,015,843	\$ 17,695,989	\$ 17,737,205	\$ 3,922,155	\$ 5,642,460	\$ 124,182	\$ 564,159	\$ 895,590	\$ 48,597,583	\$ 24,966,061	\$ 23,631,522	194.65

For Management Reporting Purposes Only

**VENTURA COUNTY TRANSPORTATION COMMISSION
INVESTMENT REPORT
AS OF NOVEMBER 30, 2021**

As stated in the Commission’s investment policy, the Commission’s investment objectives are safety, liquidity, return on investment, prudence, diversification, and public trust with the foremost objective being safety. VCTC has the ability to meet its expenditure requirements, at a minimum, for the next six months. Below is a summary of the Commission’s investments that comply with the Commission’s investment policy and bond documents, as applicable.

Institution	Investment Type	Maturity Date	Interest to Date	Rate	Balance
Wells Fargo	Government Checking	N/A	EAC only	EAC only	\$1,303,091.28
LAIF	State Pool	N/A	\$ 2,273.37	0.25%	8,665,809.79
County of Ventura	Treasury Pool	N/A	22,579.64	0.26%	43,115,545.53
VCCF Bike Fund	Investment	N/A	annually	annually	14,393.70
Total			\$24,853.01		\$53,098,840.30

Because VCTC receives a large portion of their state and federal funding on a reimbursement basis, the Commission must keep sufficient funds liquid to meet changing cash flow requirements. For this reason, VCTC maintains checking accounts at Wells Fargo Bank.

The Commission’s pooled checking account is not earning interest, instead earns “earnings credits” applied against fees because of the low interest rate environment. Cash balances will vary depending on reimbursements and disbursements. The first \$250,000 of the combined balance is federally insured and the remaining balance is collateralized by Wells Fargo bank.

The Commission’s LTF, STA, SGR and a portion of the SAFE funds received from the State are invested in the Ventura County investment pool. Interest is apportioned quarterly, in arrears, based on the average daily balance. The investment earnings are generally deposited into the accounts in two payments within the next quarter. Amounts shown above are not adjusted for fair market value.

The Commission’s funds not needed for immediate use are invested in the California Local Agency Investment Fund (LAIF). Interest is apportioned quarterly, in arrears, based on the average daily balance. The investment earnings are generally deposited into the account the month following the quarter end. A small portion of interest earned in the LAIF account is for unearned revenues and the interest is not recognized until the corresponding expenses are recognized.

Amounts shown above are not adjusted for fair value. Wells Fargo Bank, County of Ventura and LAIF statements are the source for provided information.

VCTC receives an annual disbursement from a permanent fund from the Ventura County Community Foundation (VCCF). The funds are invested in a money market account at VCCF and can only be used for bike purposes. Information is posted once a year at yearend.



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Item #8B

January 7, 2021

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION
FROM: PETER DE HAAN, PROGRAMMING DIRECTOR
SUBJECT: EXTENSION OF SURFACE TRANSPORTATION PROGRAM (STP) LOANS TO ORANGE AND SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITIES

RECOMMENDATION:

- Extend by one year, to Fiscal Year 2022/23, the repayment of \$15.11 million of STP apportionment funds loaned to the Orange County Transportation Authority (OCTA) and \$14.3 million of STP apportionment funds loaned to the San Bernardino County Transportation Authority (SBCTA).

BACKGROUND:

Under federal law, Surface Transportation Block Grant (STBG) funds apportioned to California lapse if they are not used within three years. By state law, California distributes a part of its STBG apportionment to counties under the Regional Surface Transportation Program (STP). State law also applies the three-year lapsing rule to the STP apportionments of each county.

VCTC's policy is that the US 101 improvement early action items project is the priority for STP funds as well as State Transportation Improvement Program (STIP) funds. The STP fund balance must therefore be carefully managed, to build up a large amount of funds that can be used when needed by the project, while at the same time avoiding a lapse of funds. The common practice that is used by a county wishing to build up a STP balance is to provide loans to other counties that are ready to use the funds, and therefore VCTC has been making such loans.

In 2018, the Commission approved loans of \$21.5 million to the OCTA and \$14.3 million to SBCTA, with both loans due to be repaid in Fiscal Year (FY) 2021/22, which was the earliest possible date VCTC might need the funds for the design phase of the US 101 project. However, since the draft environmental document is not yet ready for the US 101 project, there is no longer a chance of final design funds being obligated during the current fiscal year.

DISCUSSION:

When a loan of STP funds is repaid, the repayment occurs with newly-apportioned funds, meaning that the three-year lapsing timeclock starts from the year of repayment. Since the funds scheduled for repayment this year cannot be used this year, it is in VCTC's interest to request a deferral of the repayment for one year, so that VCTC has more time to use the funds once they

are repaid. SBCTA has indicated that instead of repaying the funds this year it can use the funds on another project and then repay VCTC next year using \$14.3 million in FY 2022/23 funds. OCTA has confirmed that a similar arrangement can be made for \$15.11 million of the \$21.5 million that was loaned, so that the \$15.11 can be repaid in FY 2022/23 instead of this year. As a result, only \$6.39 million of the OCTA loan must be repaid now. Staff recommends the Commission approve the proposed one-year deferment for repaying the \$14.3 million loan to SBCTA and \$15.11 million of the \$21.5 million loan to OCTA.

The Transportation Technical Advisory Committee (TTAC) approved this recommendation at its December 15, 2021 meeting.



Item #8C

January 7, 2022

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION
FROM: SALLY DEGEORGE, FINANCE DIRECTOR
**SUBJECT: CONTRACT FOR PROFESSIONAL SERVICES FOR
GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)
STANDARD 87, LEASES**

RECOMMENDATION:

- Approve the contract for Professional Services (Attachment 1) for GASB 87, Leases with Eide Bailly, LLP, for an amount not to exceed \$46,000.
- Amend the operations budget to move \$9,000 from the miscellaneous line item to the audits and actuary line item.

BACKGROUND:

VCTC is required to comply with guidance issued by the Governmental Accounting Standards Board (GASB) when preparing its annual comprehensive financial report that is presented to the Commission and the public. GASB Statement 87, Leases, is required to be implemented this fiscal year (2021/2022).

The objective of GASB Statement 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

DISCUSSION:

In November 2021, the Commission authorized staff to issue a Request for Proposals (RFP) for professional services for GASB Statement 87, Leases. The RFP was sent to six auditing firms and posted the RFP on the VCTC website. VCTC received two proposals for GASB 87 services.

Following standardized RFP practices, both firms (Eide Bailly, LLP and the Pun Group, LLP) proposals were reviewed by the selection committee that consisted of VCTC's Finance Director, Sally DeGeorge and Finance Manager, Thao Le. The committee reviewed and evaluated the proposals according to the terms set forth in the RFP. The committee evaluated the firms understanding and approach to the engagement, the firm's experience with GASB and specifically GASB 87, the adequacy of staffing and associated hours and costs to perform the work.

Based on the evaluations, the selection committee felt the firm Eide Bailly, LLP best met the criteria of the RFP and the needs of VCTC and is recommending the Commission approve a contract with Eide Bailly, LLP. Eide Bailly has significant governmental audit experience, government transit and transportation experience, Government Accounting Standards Board experience (including a former GASB board member on staff), and specifically experience with GASB 87 in both training and client assistance. GASB 87 clients include County of Ventura, Bay Area Air Quality Management, and Port of Stockton.

The professional service work for GASB 87 implementation performed by Eide Bailly is estimated to be between 45-100 staff hours depending on the complexity of the leases. The costs include a split fee schedule of up to \$15,000 for staff time for inspection and listing of leases plus \$300 per lease for journal entries and note disclosures for leases that meet the criteria for reporting under GASB 87. It is estimated that the number of leases to be reviewed is approximately 103 (the majority of which are rail leases). Although it is not anticipated that all leases will meet the criteria, staff is including a not to exceed amount per lease of \$31,000. Therefore, the contract is an amount not to exceed \$46,000 (\$15,000 staff review plus \$31,000 lease entries).

Staff had originally identified funding within the operations indirect budget of \$9,000 from the miscellaneous line item and \$9,000 from costs savings in the audits and actuary line item for a total of \$18,000. This amount would cover up to the maximum staff time of \$15,000 and ten (10) GASB 87 qualifying leases (or any combination thereof). If additional per lease charges occur, the additional costs would be incorporated into the indirect cost allocation plan and be adjusted for in the annual reconciliation process. Therefore, staff's recommendation is to amend the operations budget to transfer \$9,000 from the miscellaneous line item to the audits and actuary line item.

General Counsel reviewed and approved to form the contract (See Attachment 1).



Item #8D

January 7, 2022

TO: VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: STEVE MATTAS, GENERAL COUNSEL

SUBJECT: MOTION TO RE-AUTHORIZE REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE VENTURA COUNTY TRANSPORTATION COMMISSION, INCLUDING ALL ASSOCIATED AGENCIES, AUTHORITIES, AND COMMITTEES, DUE TO THE IMMINENT RISKS TO THE HEALTH AND SAFETY OF ATTENDEES AND MAKING RELATED FINDINGS PURSUANT TO AB 361

RECOMMENDATION:

It is recommended that the Ventura County Transportation Commission ("Commission"), on behalf of itself and in the role as the Local Transportation Authority, ALUC, Service Authority for Freeway Emergencies, Consolidated Transportation Service Agency and CMA, make a motion, pursuant to the authority set forth in AB 361 (Government Code Section 54953[e][1]), to re-authorize remote teleconference meetings of all legislative bodies of the Commission, including all associated agencies, authorities, and committees, due to imminent risks to the health and safety of attendees if the meetings are held in person.

BACKGROUND:

On September 24, 2021 the Commission approved a motion to continue conducting Commission meetings, and all associated agency, authority, and committee meetings, remotely due to imminent risks to the health or safety of attendees if the meetings are held in person. The Commission made findings that the requisite conditions exist for the legislative bodies of the Commission to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953.

Pursuant to Government Code Section 54953(e)(3), in order for all legislative bodies to continue meeting remotely, the Board must declare every 30 days that:

1. The legislative body has reconsidered the circumstances of the state of emergency; and
2. Either the state of emergency continues to directly impact the ability of the members to meet safely in person, or State or local officials continue to impose or recommend measures to promote social distancing.

Emergency conditions persist in Ventura County and throughout the state. The Governor's State of Emergency, declared on March 4, 2020, is ongoing. The local proclamation of emergency, made by the Ventura County Board of Supervisors on March 17, 2020, ratifying the Ventura County Health Officer's declaration of a local health emergency due to COVID-19, continues to exist until its termination is proclaimed by the Ventura County Board of Supervisors.

Due to the continued threat of COVID-19, the Commission continues to implement multiple layers of protection against COVID-19, including physical distancing, for the safety of employees and members of the public. The ongoing state of emergency related to COVID-19, as declared by the Governor and the Ventura County Board of Supervisors, continues to directly impact the ability of members of the legislative bodies of the Commission to meet safely in person, due to imminent risks to the health and safety of attendees if the meetings are held in person.

RECOMMENDATION

It is recommended that the Commission, on behalf of itself and in the role as the Local Transportation Authority, ALUC, Service Authority for Freeway Emergencies, Consolidated Transportation Service Agency and CMA, make a motion, pursuant to the authority set forth in AB 361 (Government Code Section 54953[e][1]), to re-authorize remote teleconference meetings of all legislative bodies of the Commission, including all associated agencies, authorities, and committees, due to imminent risks to the health and safety of attendees if the meetings are held in person.



Item #9

January 7, 2022

TO: VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: MARK WATKINS, INTERIM EXECUTIVE DIRECTOR
STEVE MATTAS, GENERAL COUNSEL

SUBJECT: EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT WITH MARTIN ERICKSON

RECOMMENDATION:

- It is recommended that the Ventura County Transportation Commission (“Commission”) approve a resolution approving an employment agreement between the Commission and Martin Erickson to serve as Executive Director of VCTC and its related agencies and authorizing Chairperson Long to execute the Agreement.

BACKGROUND:

Following an extensive recruitment and interview process, the Commission has selected Martin Erickson to serve as the Commission’s Executive Director. Mr. Erickson currently serves as the Commission’s Public Transit Director and has more than twenty years of public agency management experience. If the attached employment agreement is approved, Mr. Erickson will commence service as Executive Director effective January 16, 2022.

Mr. Erickson will receive an annual salary of \$215,000. In addition, the employment agreement provides that Mr. Erickson will receive a number of benefits, including, but not limited to, life, disability and other insurance, health and dental care insurance benefits, retirement benefits including CalPERS and annual contribution to deferred compensation in an amount equal to \$10,000 per year, vacation, sick and administrative leave, and a monthly vehicle allowance of \$500. The proposed agreement also includes goal setting, evaluation, termination and severance provisions.

Staff recommends that the Commission adopt a resolution approving an employment agreement between the Commission and Martin Erickson to serve as Executive Director of VCTC and its related agencies and authorizing Chairperson Long to sign the agreement on behalf of VCTC.

ATTACHMENTS:

Resolution and Employment Agreement between the Commission and Martin Erickson.

RESOLUTION NO. 2022 - 01

**A RESOLUTION OF THE VENTURA COUNTY
TRANSPORTATION COMMISSION APPROVING THE EMPLOYMENT
AGREEMENT BETWEEN THE VENTURA COUNTY TRANSPORTATION
COMMISSION AND MARTIN ERICKSON TO SERVE AS EXECUTIVE DIRECTOR**

WHEREAS, following an extensive recruitment process, the Commission has selected Martin Erickson to serve as the next Executive Director of the Ventura County Transportation Commission and its related agencies; and

WHEREAS, it is the desire of the Ventura County Transportation Commission to enter into an employment agreement with Martin Erickson to serve as Executive Director of VCTC and its related agencies effective January 16, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE VENTURA COUNTY TRANSPORTATION COMMISSION:

1. The Ventura County Transportation Commission hereby approves the Employment Agreement between the Ventura County Transportation Commission and Martin Erickson to serve as Executive Director for VCTC and its related agencies, attached hereto and incorporated herein as Exhibit A.
2. The Chairperson of the Ventura County Transportation Commission is hereby authorized to execute the Agreement.

PASSED, APPROVED, AND ADOPTED this 7th day of January, 2022.

KELLY LONG, Chair

ATTEST:

Roxanna Ibarra, Clerk

APPROVED AS TO FORM:

Steve Mattas, General Counsel

Exhibit A
Employment Agreement

EMPLOYMENT AGREEMENT BETWEEN
THE VENTURA COUNTY TRANSPORTATION COMMISSION, FOR ITSELF AND IN ITS
DESIGNATED CAPACITIES, AND MARTIN ERICKSON

This EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into this 7th day of January 2022, by and between the Ventura County Transportation Commission, for itself and in its designated capacities as the Commissioners/ Board of Directors of the Local Transportation Authority, the Airport Land Use Commission, the Service Authority for Freeway Emergencies, the Consolidated Transportation Service Agency and the Congestion Management Agency, (hereinafter the "Commission"), and MARTIN ERICKSON, an individual (hereinafter the "Executive Director" or "Erickson").

RECITALS

WHEREAS, it is the desire of the Commission to employ an individual to serve in the position of Executive Director for Commission; and

WHEREAS, it is the desire of the Commission to (1) secure and retain the services of Executive Director, (2) to provide inducement to the Executive Director to maintain such employment, and (3) to provide a mechanism for terminating Executive Director's services, if and when necessary; and

WHEREAS, Erickson desires to accept employment as such from the Commission.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Commission and Erickson hereby agree as follows:

AGREEMENT

1.0 EMPLOYMENT & DUTIES

The Commission hereby employs Erickson as Executive Director to perform the functions and duties specified in Public Utilities Code sections 130050.1, et seq., and 21670, et seq., and Article III, section E, of the Commission's Administrative Code, as the same may be amended from time to time, and to perform such other legally permissible and proper duties and functions as the Commission shall, from time to time, direct or assign.

2.0 TERM

2.1 Term. The term of this Agreement shall be for a term of three (3) years, commencing on January 16, 2022 until January 15, 2025.

2.2 Extension. If in the third year of the term, the Commission does not then intend to extend the term of this Agreement, the Commission will provide notice to Executive Director at least six (6) months before the end of the term.

2.3 Employment Status. Executive Director is an "at-will" employee serving at the pleasure of Commission, acting through its Board of Directors, and subject to summary dismissal without any right of notice or hearing, including any so-called "Skelly" hearing. Except as provided in Section 2.4 below, Commission may terminate the employment of Executive Director at any time, with or without cause, upon compliance with the provisions set forth in Sections 3.0 or 4.0 of this Agreement, and upon the affirmative vote of nine (9) members of the Board of Directors.

2.4 Separation by Executive Director. If Executive Director determines to terminate this Agreement, he shall be required to give a minimum of sixty (60) days' advance written notice to Commission prior to the effective date of his termination, unless a shorter period is acceptable to Commission, and Executive Director shall not be eligible for severance pay in the event of his voluntary resignation.

3.0 SEVERANCE

3.1 Severance Payment. Except as provided in Section 4.0 hereafter, should Commission elect to terminate this Agreement, and the services of Executive Director thereunder, Commission shall, upon the effective date of such termination, pay to Executive Director severance pay equal to six (6) month's salary as defined in Section 5.1 hereinafter, plus medical and dental benefits through Cobra for the six month period following termination, provided that such medical and dental benefits shall terminate if Erickson is employed in a new position during that six month period and receives medical and dental benefits.

3.2 Payment for Accrued Benefits. Upon the termination of this Agreement, and the services of Executive Director thereunder, Commission shall pay to Executive Director the cash equivalent of all accrued benefits to the same extent as Commission employees are entitled to be paid for accrued benefits.

3.3 Sole Rights. The severance rights provided in this Section 3.0 shall constitute the sole and only entitlement of Executive Director under this Agreement in the event of the termination, other than for cause, of the services of Executive Director hereunder, and Executive Director expressly waives any and all other rights except as provided herein.

4.0 TERMINATION FOR CAUSE

Commission shall not be obligated to make any severance payment as described in Section 3.0 above if Executive Director is terminated for corrupt or willful misconduct in office, willful malfeasance constituting grounds for removal from office due to an indictment of the grand jury, or conviction of an illegal act (excepting minor traffic or moving violations) amounting to an act of moral turpitude. In the event Executive Director is under investigation for any of the foregoing reasons, Commission may withhold part or all of any severance payment afforded Executive Director, in Section 3.1 above, until it is determined if charges will be filed, and if charges are filed, until final judgment is rendered; provided, however, that Commission

may not withhold the severance payment (if any), in whole or in part, beyond twelve (12) months of the initiation of an investigation and/or the filing of charges, whichever shall last occur.

5.0 SALARY

5.1 Annual Compensation. Commission agrees to compensate Executive Director for his services rendered hereunder at an annual salary of two hundred fifteen thousand dollars (\$215,000) as may be adjusted, from time-to-time, in accordance with Sections 5.2 and 5.4 hereinafter, or as this Agreement may be amended. Such salary shall be payable in installments at the same time as other Commission employees are paid.

5.2 Annual Salary Review. Commission and Executive Director agree to conduct an annual salary review concurrently with the annual performance evaluation set forth in Section 6.2 hereinafter. Such annual salary review shall include consideration of those benefits afforded Executive Director in this Agreement. Executive Director will only be eligible for a salary increase following an annual performance evaluation of at least satisfactory. Any salary increase will be at the sole discretion of the Commission.

5.3 Across the Board Salary Increase. Notwithstanding Section 5.2 above, Executive Director shall be entitled to receive a salary increase equal to any across the board/COLA increase that is provided all Commission department directors, and as such increase may be effected by resolution of the Commission from time to time.

5.4 Effectuating Salary Adjustment. Commission and Executive Director agree that the affirmative vote of nine (9) members of the Board of Directors shall be required to effectuate an increase in the salary paid to Executive Director paid pursuant to this Agreement.

5.5 Deferred Compensation. As additional compensation, Commission shall contribute into Commission's Deferred Compensation Plan, and on behalf of Executive Director, ten thousand dollars (\$10,000) per year during the term of the Agreement with such annual amount payable in equal increments as part of each pay period.

6.0 PERFORMANCE EVALUATION

6.1 Purpose. The performance review and evaluation process set forth herein is intended to provide review and feedback to Executive Director so as to facilitate a more effective management of the Commission. Nothing herein shall be deemed to alter or change the employment status of Executive Director (as set forth in Section 2.3 above), nor shall this Section 6.0 be construed as requiring "cause" to terminate this Agreement, or the services of Executive Director thereunder.

6.2 Annual Evaluation. Commission shall review and evaluate the performance of Executive Director annually commencing in 2023 in accordance with Article III, section F, of the Commission's Administrative Code, as the same may be amended from time to time. Such review and evaluation shall be conducted concurrently with an annual salary review,

and in accordance with the purpose noted above. It shall be the obligation of Executive Director to notify Board of Directors of the need to conduct the evaluation required by this Section.

6.3 Written Summary. Commission and Executive Director agree to jointly prepare a written summary of each performance evaluation of Executive Director, and to include the same in his personnel file within two (2) weeks following conclusion of the review and evaluation process, and shall schedule at least one (1) closed personnel session with Executive Director to deliver and discuss the evaluation.

6.4 First Evaluation. Notwithstanding the timing provided in Section 6.2 above, Executive Director's first performance evaluation shall take place six (6) months after the start of his employment with the Commission.

6.5 Goal Setting. Within ninety (90) days of the effective date of this Agreement, the Commission will participate in a goal setting session to provide Executive Director with direction for the upcoming year.

7.0 HEALTH AND LIFE INSURANCE COVERAGE

The Commission shall pay the following for the Executive Director's health and life insurance coverage: (1) full medical for employee and his dependents, including any increase in premium, (2) full dental coverage for employee and his dependents, (3) vision care for dependents and employee, if available, (4) State Disability Insurance and Long Term Disability Insurance, and (5) the premium for term life insurance coverage in the amount of Sixty Thousand Dollars (\$60,000).

8.0 AUTOMOBILE

8.1 Car Allowance. Executive Director shall be afforded a five hundred dollar (\$500) monthly vehicle allowance in full compensation for the usage of Executive Director's personal vehicle for Commission-related business. Payments will be made bi-weekly as part of the payroll process.

9.0 VACATION, SICK LEAVE, & OTHER BENEFITS

The Executive Director shall be subject to the provisions of the Commission's adopted Personnel Policies and Procedures, as the same may be amended from time to time, subject to the following:

9.1 Vacation Leave. Executive Director shall accrue vacation leave at the same rate as is accrued by Commission employees with ten (10) years of service. Executive Director shall also participate in any excess vacation accrual cash buy-out policy adopted by the Commission.

9.1(A) Administrative Leave. Forty (40) hours of administration leave will be deposited in the Executive Director's account on January 16, 2022 and then annually on January

1 of each year thereafter. Administrative leave hours not used by the end of the calendar year in which they were deposited will expire.

9.2 Sick Leave. Executive Director shall accrue additional sick leave at the same rate as other Commission department directors.

9.3 Holidays. From and after the effective date of this Agreement, Executive Director shall be entitled to such holidays as are currently afforded Commission employees as the same may be modified for all Commission employees by resolution of Commission from time to time.

9.4 Retirement. Commission shall pay the employer portion to the California Public Employees Retirement System ("CalPERS") for the Executive Director. Executive Director shall pay the employee portion.

10.0 PROFESSIONAL DEVELOPMENT

Dues, Subscriptions and Professional Development. Commission agrees to budget and to pay for the professional dues and subscriptions of Executive Director necessary for his participation in national, regional, state and local associations and organizations necessary and desirable for his professional participation, growth and advancement, and for the good of the Commission. The Commission hereby agrees to budget and to pay the travel and subsistence expenses of Executive Director for professional and official travel, meetings and occasions adequate to the professional development of Executive Director and to adequately pursue necessary official and other functions for the Commission. The amounts budgeted for items in this Section 10.1 shall be determined in the sole discretion of the Commission.

11.0 TRAVEL & MEETING EXPENSES

The Executive Director shall be subject to the provisions of the Commission's adopted Personnel Policies and Procedures, as the same may be amended from time to time, provided that nothing contained in the Personnel Policies and Procedures shall modify Executive Director's status as an at-will employee subject exclusively to termination provisions set forth in this Agreement. .

12.0 BONDING

The Commission shall bear the full cost of any fidelity or other bonds required of the Executive Director by the Commission or as required under any law or ordinance.

13.0 AMENDMENT OF AGREEMENT

Commission agrees that any amendment, alteration, extension, or modification to this Agreement shall be in writing, signed by the parties hereto, approved by the affirmative vote of nine (9) members of the Commission with the consent of Executive Director.

14.0 INDEMNIFICATION

For the purpose of indemnification and defense of legal actions, Executive Director shall be considered an employee of the Commission and entitled to the same rights and subject to the same obligations as are provided for all other employees of the Commission.

15.0 GENERAL PROVISIONS

15.1 Entire Agreement. This Agreement represents the entire agreement between the parties and supersedes any and all other agreement, either oral or in writing, between the parties with respect to the employment of Executive Director by the Commission and contains all of the covenants and agreements between the parties with respect to that employment. Each party to this agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement of promises not contained in this Agreement shall be valid or binding upon either party.

15.2 Heirs and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the heirs at law and executors of the Executive Director.

15.3 Effect of Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

15.4 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

15.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, in full force and effect as of the date of execution.

15.6 Independent Legal Advice. Commission and Executive Director represent and warrant to each other that each has received, to the extent desired, legal advice from independent and separate legal counsel with respect to the legal effect of this Agreement and, Commission and Executive Director further represent and warrant that each has carefully reviewed this entire Agreement and that each and every term thereof is understood and that the terms of this Agreement are contractual and not a mere recital. This Agreement shall not be construed against the party or its representatives who drafted it, or who drafted any portion thereof.

IN WITNESS WHEREOF, the Commission has caused this Agreement to be signed and executed on its behalf by its Chairperson, and duly attested by its officers thereunto duly authorized, and Executive Director has signed and executed this Agreement, both in duplicate.

Ventura County Transportation Commission

Kelly Long, Chairperson

Date: _____

ATTEST:

Roxanna Ibarra, Clerk of the Commission

APPROVED AS TO FORM:

Steve Mattas, General Counsel

Executive Director

Martin Erickson

Date: _____

5035391.2



Item #10

January 7, 2022

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION

FROM: DARRIN PESCHKA, PROGRAM MANAGER, GOVERNMENT AND COMMUNITY RELATIONS; PETER DE HAAN, DIRECTOR OF PROGRAMMING

SUBJECT: U.S. DEPARTMENT OF LABOR DECISION REGARDING FEDERAL GRANTS FOR CALIFORNIA TRANSIT AGENCIES

RECOMMENDATION:

- Receive and file.

DISCUSSION:

In October, the U.S. Department of Labor (DOL) made a determination that potentially could prevent California transit agencies, including those in Ventura County, from receiving billions in federal grants, including COVID-19 emergency relief funds and funds included in the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA), which President Joseph R. Biden recently signed.

Under Section 13(c) of the Urban Mass Transit Act of 1964, the Federal Transit Administration (FTA) cannot obligate funds to transit agencies under most programs unless the U.S. Department of Labor certifies that the grant recipient has labor protective agreements that the Labor Secretary determines are fair and equitable.

In response to a lawsuit filed in August 2019 by the Amalgamated Transit Union (ATU), the Department of Labor in October determined that California's pension reform law, the Public Employee Pension Reform Act of 2013 (PEPRA), interferes with the collective bargaining rights of transit workers. This determination was a reversal on the part of the Labor Department, which previously had determined that PEPRA does not interfere with employees' collective bargaining rights.

When this issue first surfaced almost a decade ago, the Department of Labor agreed with the ATU and blocked funding to two California transit agencies: the Sacramento Regional Transit District and Monterey-Salinas Transit. In response to a lawsuit filed by the State of California and the transit agencies, the U.S. District Court for the Eastern District Court of California ruled in favor of the state and transit agencies, allowing grants to be certified. Over the years, the courts have ruled in California's favor three times on this issue, and in 2019, the Department of Labor formally concluded

that PEPRA does not interfere with collective bargaining rights. The DOL changed that position in October.

The State of California filed a cross-complaint and a motion asking the U.S. District Court for the Eastern District of California to stay implementation of the DOL determination. On December 17, the court issued an order granting the State of California's motion to stay the implementation. For now, the Department of Labor is prohibited from failing to process and certify grant applications from California transit agencies. The next court hearing in the matter is scheduled for February 11, 2022.

If the Labor Department's determination stands, the impact to California transit agencies will be severe. Published reports estimate that California could lose about \$9.5 billion in funding from the recently passed infrastructure bill and \$2.5 billion in American Rescue Plan Act (ARPA) money.

U.S. Sens. Alex Padilla and Dianne Feinstein of California, along with California Gov. Gavin Newsom, have sent letters to U.S. Labor Secretary Marty Walsh, as well as to leaders of the Department of Justice and Department of Transportation, strongly objecting to the Labor Department decision and urging the department to restore California transit agencies' access to federal grants. The letters point out that many essential workers need public transportation to get to their jobs, that transit agencies rely on federal grants to keep trains and buses running, and that public transit ridership has dropped dramatically because of the COVID-19 pandemic, making immediate access to emergency federal funding even more critical.

The nonprofit transit advocacy group California Transportation Association (CTA) has organized an effort to ensure federal grants to California transit agencies continue uninterrupted. The Ventura County Transportation Commission (VCTC) is a member of the CTA. In addition, the Southern California Association of Governments (SCAG) and its member agencies sent a letter to the Department of Transportation outlining the potential financial losses for transit agencies in Southern California. VCTC provided information and signed the letter. (Copy attached).

Impact on Current FTA Funding in Ventura County

The DOL position will not affect previously approved FTA grants, but it could potentially impact grants that are not yet approved. There are four transit operators that are direct recipients of FTA funds in the County, with VCTC being the grant recipient not only for its own bus service but also for Camarillo, Moorpark, and Thousand Oaks, which receive funds as VCTC subrecipients. Gold Coast Transit and Simi Valley administer their own FTA grants, as does the Southern California Regional Rail Authority (SCRRA), whose grants include Ventura County apportionments programmed by VCTC. For the current fiscal year, all of the transit operators were programmed to receive Urbanized Area Formula (Section 5307), and the bus operators were also programmed to receive a share of the one-time Ventura County apportionments from the American Rescue Plan (ARP) Act. FTA has already awarded all of this year's Section 5307 funds, as well as the ARP funds for VCTC and subrecipients and for Simi Valley. FTA has not awarded the \$8,151,600 from ARP for Gold Coast, so that grant is potentially impacted by the DOL issue. Also, there are pending Congestion Mitigation and Air Quality (CMAQ) transit vehicle replacement grants of \$4,664,076 for Gold Coast and \$2,444,542 for Simi Valley. These three Gold Coast and Simi Valley grants from ARP and CMAQ are the short-term bus funds currently in jeopardy. On the other hand, VCTC and its subrecipients currently have the awarded FTA grants for all their budgeted FY 2021/22 funds.

With regard to Metrolink, SCRRA has provided the following list of funding that is potentially delayed due to DOL's position:

- a. Annual Rehabilitation/New Capital Budget. The FTA will fund approximately \$23 million of the adopted FY22 capital budget. That \$23 million is spread across numerous projects, so a delay would prevent a significant number of projects from starting until the grant is ultimately approved. A cascading effect would be the inability to utilize other grant funding allocated to

stalled projects (e.g., state funds), some of which have looming expiration dates. Those funds would be at risk of expiring.

- b. Annual Preventive Maintenance (PM). The FTA funding of approximately \$10 million in formula funding towards preventive maintenance expenses in the annual operating budget is at risk from the DOL determination.
- c. Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act. Metrolink estimates that approximately \$4 million in funding for operations under the CRRSA Act is at risk due to the DOL determination.
- d. ARP. Metrolink estimates that approximately \$18 million in funding under the ARP Act used for operations are at risk due to the DOL determination.

All of the transit agencies will have additional FTA grants for next year's funding that could also be subject to delay should this issue not be resolved by spring of 2022. Furthermore, there is \$46,896 programmed to Thousand Oaks, which will be permanently lost if not approved in a grant by September 2022.

All of the county's FTA direct recipients are currently monitoring the situation. In particular, the agencies with pending grants are awaiting confirmation of the DOL's decisions with regards to their particular grants.



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Item #11

January 7, 2021

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION
FROM: PETER DE HAAN, PROGRAMMING DIRECTOR
SUBJECT: ONE-TIME PROGRAM TO FUND LOCAL STREETS AND ROADS PROJECTS

RECOMMENDATION:

- Approve projects recommended by the Transportation Technical Advisory Committee (TTAC) as shown on the attached list, in amounts totaling \$7,739,750 in unprogrammed Coronavirus Response & Relief Supplemental Appropriation (CRRSA) Act funds and \$3,175,917 in unprogrammed Highway Infrastructure Program (HIP) funds, for a total of \$10,915,667, with the caveat that VCTC staff may move funds between categories if required to facilitate delivery and avoid a lapse of funds.

BACKGROUND:

Last year the federal government approved the CRRSA Act, which provided a one-time emergency appropriation of highway funds to states. California has since adopted policies to apportion these funds to counties, with VCTC receiving an apportionment of \$7,938,028. These funds can be used for transportation capital projects, and a portion of the funds can also be used for operational purposes. Up to \$198,278 of VCTC's apportionment can be used by VCTC for Planning, Programming and Monitoring, and VCTC approved that use of the funds at its October meeting. Thus, there remains a \$7,739,750 unprogrammed CRRSA fund balance. All the CRRSA funds must be obligated by September 2024, or they will be lost.

Since FY 2017/18, Congress has supplemented the authorized funds with additional monies using the name "Highway Infrastructure Program," or HIP. California has apportioned these funds following the same distribution formula as the Regional Surface Transportation Program (STP), and VCTC has applied to these funds its policy of the U.S. 101 project being the top priority for STP money. These funds have various lapse dates based on the years of appropriation, and VCTC has attempted to loan these funds to other counties as it did with its other Regional STP funds, but has found that due to various federal restrictions the loaning of HIP is more difficult. VCTC currently has an unprogrammed HIP balance of \$3,175,917.

At last month's meeting, the Commission adopted a policy to program the remaining uncommitted balances of CRRSA and HIP funds for local street and road work, with projects to be recommended by TTAC.

DISCUSSION:

Although SB 1, approved in 2017, has significantly improved the local streets and roads funding outlook, it has not completely filled the need that VCTC previously identified in its Comprehensive Transportation Plan and Measure AA Expenditure Plan. Meanwhile, VCTC has a relatively short time frame to obligate federal highway funds that were provided in recent years above and beyond the amounts anticipated at the time that the U.S. 101 project was identified as the funding priority through the Comprehensive Transportation Plan. Therefore, it appears to be prudent to make a one-time set aside of these one-time federal CRRSA and HIP funds, for use by local jurisdictions for street and road priorities, especially maintenance.

At its December meeting, TTAC approved the attached list showing recommended projects in each jurisdiction and the amount for each project to come from the two fund sources. The total of each agency's recommended projects is equal to that agency's proportional share of the population of Ventura County, except that no agency is receiving less than \$300,000.

In assigning the type of funds to be used, VCTC staff provided HIP funds to projects that appeared eligible for those funds, which are less flexible than the Local Assistance CRRSA. Staff also took into account the schedule of the various projects, since some of the HIP funds have an earlier obligation deadline. The project schedules indicate that, following the recommended distribution of the CRRSA and HIP funds, the local project sponsors should have no problem obligating any of the money by the required deadlines. However, should unanticipated issues arise staff may swap project funds between the two categories.

VENTURA COUNTY 2021/22 – 2023/24 ONE-TIME LOCAL STREET & ROAD PROGRAM

AGENCY	PROJECT	CRRSA	HIP
Camarillo	Road Rehabilitation	885,324	
Fillmore	Street Maintenance	300,000	
Moorpark	Princeton Avenue Improvements		456,976
Ojai	Street Maintenance Operations	300,000	
Oxnard	Traffic Operations / Maintenance	866,490	
Oxnard	Public Works Road / Signal Maintenance	866,490	
Oxnard	Ventura Boulevard Pedestrian Improvement	619,065	247,424
Port Hueneme	Channel Islands Boulevard Resurfacing	300,000	
Santa Paula	City Street Maintenance	389,790	
Simi Valley	Madera Road Rehabilitation		1,300,000
Simi Valley	Pavement Delineation	280,802	
Thousand Oaks	Rancho Conejo Biotech Area Sidewalk	1,592,969	
Ventura	Bristol Road Rehabilitation	1,338,820	
County Unincorporated	Hueneme Road Preliminary Design & Environmental		1,171,517
	TOTAL	\$7,739,750	\$3,175,917



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