



NEVADA COUNTY TRANSPORTATION COMMISSION

Grass Valley • Nevada City • Nevada County • Truckee

MINUTES OF MEETING January 16, 2013

A meeting of the Nevada County Transportation Commission (NCTC) and the Nevada County Airport Land Use Commission (NCALUC) was held on Wednesday, January 16, 2013 in the Nevada City Council Chambers, 317 Broad Street, Nevada City, California. The meeting was scheduled for 9:30 a.m.

Members Present: Nate Beason*, Jason Fouyer, Ann Guerra, Sally Harris, Larry Jostes, and Ed Scofield

Members Absent: Carolyn Wallace Dee

Staff Present: Daniel Landon, Executive Director; Mike Woodman, Transportation Planner; Nancy Holman, Administrative Services Officer; Toni Perry, Administrative Assistant

Standing Orders: Chairman Jostes convened the Nevada County Transportation Commission meeting at 9:32 a.m.

Pledge of Allegiance

PUBLIC COMMENT

There was no public comment.

CLOSED SESSION

Conference with Legal Counsel: Pursuant to Government Code Section 54956.9(d)(1), Existing Litigation. Name of Case: *City of Grass Valley et al. v. Nevada County Airport Land Use Commission et al.*; Nevada County Superior Court Case No. 77990.

Conference with Legal Counsel Regarding Potential (or Anticipated) Litigation: Significant exposure to litigation pursuant to Government Code Section 54956.9(d) – one potential case.

Chairman Jostes announced the CLOSED SESSION with Legal Counsel at 9:33 a.m. The six Commissioners in attendance (Commissioners Beason, Fouyer, Guerra, Harris, Jostes, and Scofield), Legal Counsel Matthew McOmber, and Executive Director Landon left the council chambers to meet in a private room.

Chairman Jostes reopened the meeting from the CLOSED SESSION at 10:22 a.m., and announced there were no items to report out. *Commissioner Beason left the meeting at this point.

CONSENT ITEMS

Executive Director Landon asked to pull Item #6 from the Consent Calendar. Commissioners Harris and Scofield requested to pull Item #2 from the Consent Calendar.

1. Financial Reports
 - A. October and November 2012. *Approved.*
3. Allocation Request from the Town of Truckee for Regional Surface Transportation Program (RSTP) Funds. *Adopted Resolution 13-01 approving allocation of \$250,000 from RSTP funds to the Town of Truckee for the Truckee River Legacy Trail Phase 3B Project.*
4. Termination of Vehicle Use Agreement. *Adopted Resolution 13-02 authorizing the Executive Director to transfer legal ownership of two Ford 350 vans to Gold Country Telecare, Inc. and to terminate the Vehicle Use Agreement dated November 21, 2001.*
5. FTA Section 5311 FFY 2013 Program of Projects (POP). *Adopted Resolution 13-03 approving the Federal Fiscal Year 2013 Program of Projects.*

Commissioner Scofield made a motion to approve the Consent Calendar minus Items #2 and #6. Commissioner Harris seconded the motion. The motion passed unanimously.

ITEMS PULLED FROM THE CONSENT CALENDAR

2. NCTC/NCALUC Minutes

November 21, 2012 Meeting Minutes. *Approved with abstentions from Commissioners Fouyer, Guerra, and Chairman Jostes who did not attend the November meeting.*

Executive Director Landon explained that the Minutes could be approved at this meeting, since the three abstention votes are not votes against the item. Commissioner Harris made a motion to approve the November 21, 2012 NCTC/NCALUC Meeting Minutes. Commissioner Scofield seconded the motion. The motion passed with aye votes from Commissioners Harris and Scofield.

6. FY 2011/12 Fiscal and Compliance Audits.

Executive Director Landon explained that staff received a late notice from our auditor that there was going to be a change made. Therefore, staff recommended approval of audits for the Town of Truckee, Grass Valley, Nevada County, and Gold Country Telecare. He requested that the Nevada County Transportation Commission audit be brought back to the next NCTC meeting.

Commissioner Harris made a motion to accept the FY 2011/12 Fiscal and Compliance Audits for the Town of Truckee, Grass Valley, Nevada County, and Gold Country Telecare. Commissioner Fouyer seconded the motion. The motion passed unanimously.

INFORMATIONAL ITEMS

7. Correspondence

There were no comments or discussion on Correspondence.

8. Executive Director's Report

8.3 Unmet Transit Needs Public Hearing

Commissioner Guerra complimented staff on the outcome of the public hearing; it appeared to be well attended. She said at times participation at public hearings ebbs and flows, but it appeared they were successful in getting broad representation and good input. Transportation Planner Michael Woodman commented that it was a very productive meeting and it was a new approach to have the Social Services Transportation Advisory Council (SSTAC) meeting conduct the unmet transit needs hearing. He felt it was beneficial. He added that Susan Healy-Harman, Transit Services Manager for Gold Country Stage, was able to update the SSTAC with transit reports and what has happened with the transit system. She also was able to review the priorities for additional funds that became available and were approved by the Transit Services Commission. Mr. Woodman said there was very thoughtful discussion, as well as good attendance by the public.

8.4 Regional Traffic Model Update

Executive Director Landon reported that staff is working in a joint manner with the City of Grass Valley staff to update the Regional Traffic Model. He said years ago when he worked on traffic models, he would drive around and literally count houses and look at the type of buildings to get the database correct. Now he is able to use a web tool with Google Maps, and he referred the Commissioners to a map with blue highlighting in their handout. He stated they can get the square footage of a building, determine the number of floors in the building, and the type of business located there, if they do not already know. On the basis of that data, they are able to create the trip generation that goes into the traffic model. Mr. Landon said they are going to have a very robust database and he is interested in seeing how it all comes out. He noted that traffic modeling is an iterative process where you get your first outputs, look at them, and see where they are off; then you make adjustments until you get outputs that are matching existing counts. He thought the calibration would go much quicker this time.

Chairman Jostes asked if there was any way to know the date when you look at a Google satellite map. Commissioner Fouyer said it appears in the lower left hand corner of the screen and it is quite amazing how often they update the images.

There were no further comments or discussion on the Executive Director's Report.

9. Caltrans District 3 Project Status Report: Winder Bajwa, Caltrans Project Manager for Nevada County; Tom Brannon, Caltrans District 3 Deputy District Director, Program/Project Management; Dave Catania, Construction Engineer and Overseer for the SR 49/La Barr Meadows Road Project; Tim Kiser, Public Works Director for the City of Grass Valley.

- *SR 49/La Barr Meadows Road Widening Project* – Mr. Bajwa requested the report start with details of this project. Executive Director Landon said he did not think any of the current Commissioners were on the NCTC when the La Barr Meadows Road project was first scoped and designed. He stated that Tom Brannon was our Project Manager at that time who helped get the project kicked off.

Tom Brannon said he was glad to be back in front of the Commission, but wished it was under better circumstances. He reported that the La Barr Meadows project enjoyed some cost savings from the original program amount through the engineers estimate; during the bidding time the contracting community was very competitive and they received very good bids on the job. Mr. Brannon said the project was primarily funded through CMIA (Corridor Mobility Improvement Account) and Stimulus Funds. There was also money included from Caltrans State Transportation Improvement Program (STIP) shares and NCTC STIP shares. He said the Stimulus Funds have been treated as a one-time deal with a certain amount of money put into a project, but if additional money is needed, there is no more money of that type available. What has been discovered with the SR 49/La Barr Meadows Road project is that there is a potential overrun for completion of the work that is planned on the job. Mr. Brannon said he would set the overview and then let Dave Catania, Construction Lead, give the Commission more details.

Mr. Brannon reported there is a need for an additional \$840,000 to complete the work. He said Caltrans is coming to the Commission to ask that future NCTC and Caltrans STIP shares be used to provide the \$840,000. He said he is painfully aware that this is the second time in a matter of a few years that Caltrans has come to NCTC saying there is a cost overrun on a job and it means there is a need to use future STIP shares. Mr. Brannon apologized and said Caltrans should have been following the expenditures through construction far more closely than they did. He said there were things that came up, and Mr. Catania would cover the details. But, the red flag that should have jumped up to them was the cash flow going out was higher than it should have been and Caltrans should have been making projections about it and coming to the NCTC many months ago telling them there is a situation that will probably need additional funds to complete all the scope of work on the job. Mr. Brannon said one thing he wanted the Commission and staff to understand was that Caltrans is proposing to the California Transportation Commission (CTC) that an additional \$840,000 be voted to the job. He said there is not a 100% guarantee that the CTC will agree with it and they may indeed tell Caltrans to go back with the funds they have remaining and finish the job. Mr. Brannon said they have a "Plan B" already in mind where they would eliminate the final surface paving of the open-grade asphalt, as well as eliminate the thermoplastic striping that would provide a better long-term striping for the road. A few other small items would be eliminated that would not affect the overall usefulness of the road, but Caltrans would certainly like to see all of those things added, rather than not built.

Mr. Brannon asked if there were any questions. Commissioner Harris said since this situation is a complete surprise to the Commission, and two key Commissioners were missing from the meeting, she thought the Commission could talk about the situation and get more information at this meeting, but the subject should be reagendaized for any action. She felt Commissioner Beason would not have left the meeting had he known about this issue. Commissioner Fouyer asked staff if there was any action to be taken. Commissioner Harris said she heard Mr. Brannon say he wanted authorization to use STIP funds. Mr. Brannon responded there may be no action to be taken, but Caltrans is planning on going to the March 5th CTC meeting to ask for the STIP funds. Commissioner Harris said that would take away from other projects. Executive Director Landon replied yes, it potentially would, depending on what the revenue flow is. He said it would mean \$400,000 would not be available for another future project. Executive Director Landon stated he was sensitive to the issue brought up by Commissioner Harris, and the item was not listed as an Action Item on the agenda. He asked, if Caltrans submits their request to the CTC, and if the NCTC decides subsequently they do not want to go forward with that action, could it be pulled. Mr. Brannon said the request could be pulled up to the very last day before the March 5th meeting. Commissioner Harris said the NCTC does not have a meeting scheduled before that date. Mr. Brannon said there was an additional alternative, and maybe Dave Catania could speak to this. Mr. Brannon suggested that Caltrans could delay their proposal to the CTC

until after the next NCTC meeting on March 20th. He added that the next CTC meeting would be early in May since the CTC is now on an every-other-month schedule. That would give the NCTC an opportunity to sit with all of their members and make a decision. Mr. Brannon said he would want to hear from Mr. Catania as to whether or not there are any risks in delaying that action for two months. Executive Director Landon said there is a possibility of doing a special meeting to take up this item. Commissioner Harris said this action could affect Truckee, and the other Commissioners probably would have been at the meeting if they had known. She said it could affect all of the jurisdictions in terms of future projects. Mr. Brannon said it is a "mortgage" against NCTC's future STIP shares.

Commissioner Scofield said he would hope the CTC would consider the fact that the project came in so far under the engineer's estimate, and perhaps they would give NCTC some money. However, he said the other option for the Commission might be to say they do not want those extra pieces to the project and the NCTC does not want to spend their additional monies on this project. Chairman Jostes said the Commission appreciated Caltrans coming and giving a briefing, and perhaps what the NCTC would want to do is hear a short briefing because there were important Commissioners not involved that day. He said this is evolving into an Action Item, and in order to deal with it: 1) The Action Item alternatives need to be formulated; 2) the Commission would have to have briefings that address those alternatives at the time. Chairman Jostes agreed that the entire Commission needed to be at the meeting because it is a good amount of money and it does affect various jurisdictions. He questioned staff if they could conceive a process that may require a special meeting, where the Commission would be presented with specific alternatives that they can act on, with appropriate counsel from all the parties. Chairman Jostes thought the Commission would be willing to do that. Executive Director Landon said he had received a letter the previous day from Caltrans that he was unable to get out to the Commissioners prior to the meeting. The letter listed alternatives and basic costs associated with each alternative. Mr. Landon said staff could distribute the letter quickly to allow the Commissioners to review it and talk it over with staff, or whomever else, before the meeting. Commissioner Scofield asked if these issues would delay the second lane opening southbound on SR 49 at the project. Winder Bajwa said no.

Dave Catania, Caltrans Construction Engineer and the Overseer of the SR 49/La Barr Meadows Road Widening Project, introduced himself and reported there were four items that led to exceeding the project allotment of funds. He said three of those items were unforeseen, uncontrolled items that the state had no bearing on:

- 1) During the life of the contract, they had a new General Construction Stormwater Permit that was issued for the project. He said that permit has led to \$320,000 of additional costs that were unforeseen and could not have been controlled. Chairman Jostes asked him to elaborate on what this money was spent on. Mr. Catania asked if it would be agreeable to state the three items causing the cost overrun and then go into specifics on them. Chairman Jostes agreed to that process.
- 2) There was approximately \$200,000 in additional drainage work that was necessary as a result of the more stringent stormwater permit.
- 3) The third uncontrollable item was the Crude Oil Index adjustment. He said when the project went out to bid the Crude Oil Index was very low, and at the time of paving it was relatively high; that cost an additional \$218,000.

He said those three items sum up to \$738,000. On a project like that Caltrans gets about a 5% contingency and 5% supplemental funds totaling about \$900,000. Mr. Catania said he is asked to deliver this project with \$900,000 for unforeseen things. During the life of the project they ended up starting out with these three unforeseen expenses, and it left a very small amount of money to work with. Dave Catania reported there were forty-two other regular change orders that normal contracts have in a two-year period and that totaled \$450,000. With those changes they have gone over the amount allotted for the project, which means they have to scope back, and that is what they were asking for at the meeting.

To go back over specifics, Mr. Catania reported that on July 1, 2010 they were required to get a new Stormwater Permit, which necessitated Caltrans write a change order for about \$220,000. He said the change order entailed covering new criteria on their Water Pollution Control Manager. Instead of having just a regular Project Manager be the Stormwater Manager, they had to have a qualified stormwater developer that had training, certification, and credentials. They wrote a change order to implement this new person into the contract and it costs \$7,200 per month; that started at the inception of the project. Mr. Catania said part of that new permit required a new stormwater plan for the site. It also required inspections that were done bi-weekly and the new inspection form went from a three page form to a twenty page form, so their weekly inspection costs went up. They also had to do water and pH sampling. Each time there was a forecasted rain of 30% or greater, they would have to do a Rain Event Action Plan (REAP) report and that would have to be submitted by the stormwater developer prior to a forecasted storm. That plan would show what they would do and how they would mitigate and make sure the project did not discharge above the allowable limits. Mr. Catania said the allowable limits with the new permit were 250 NTU's (Nephelometric Turbidity Units). He brought two vials to the meeting and showed the Commissioners what 100 NTU's would look like, which was pretty clear, and what 800 NTU's would look like. He said the permit states that all water leaving the job site could not be above the required 250 NTU's, which is very close to the clear sample. He said Nevada County's soil is red clay that breaks down into fine particles and when it rains the creek changes colors; that color exceeds the allowable levels. Mr. Catania said the stormwater permit alone, which was required by the Water Board, led to \$320,000 in additional expenses.

Mr. Catania explained the drainage aspect, which was another \$200,000. Each time there was a rain event in the past two years, they would exceed allowable levels and there was nothing they could do about it. They kept fortifying the soil, which is also what the permit requires, in order to prevent it from happening again. He said that is why the drainage costs kept going up, because the ditches are normal construction ditches, but they had to put in mats and dissipaters and diversions in retention areas to try to mitigate. They continue to struggle with these issues because the criteria are so stringent. The permit does not look at regions and say because you have red clay they will allow the levels to be higher; it is a state-wide level of 250 NTUs that must be hit. Mr. Catania said they have done pretty good addressing wide areas, but there are other areas that could be fortified that have not been done yet. This is because they are realizing they want to deliver a safe project to the community and have it function, so there are things they are holding back on that they would like to do, but do not have the funding to do.

Mr. Catania said the Crude Oil Index increase is a normal cost of doing business. The bidding climate was great and the prices came in low, but when it became time to pave, the prices were high and they spent \$218,000. Chairman Jostes stated that was built into the contract. Mr. Catania replied that \$70,000 was allotted for an increase, so only a portion of the additional cost was covered.

Mr. Catania said if you took out the three categories that had major overruns and Caltrans had no control over, they really did well as far as getting the project built. With the \$450,000 spent on change orders, not counting the three other items, they would not have exceeded the \$900,000 they had to work with. Winder Bajwa added that the contract had already been awarded before the water permit issues came up.

Chairman Jostes said he understood the problem completely, and the drainage/stormwater issues represent \$520,000, which is a lot of the overrun. Tom Brannon stated what Caltrans should have done right away, as soon as they knew there was a different stormwater permit condition, was to inform the Commission. Commissioner Harris agreed and said it was two-and-a-half years late, and it is the second time the Commission has experienced this in the last year. She asked what the other project was. Executive Director Landon replied that it was right-of-way overruns on the Dorsey Drive Interchange project. Mr. Catania asked to clarify that when the project went out to bid Caltrans Headquarters gave them the necessary permits, even though they knew the Water Board was coming up with this new general permit. When the new requirements went into effect, they did a change order and complied with the new guidelines. He said he was not aware of the full impact this would have on the project. Even though he knew there would be additional costs, and they started out with a change order of \$200,000, it went up to \$320,000. Mr. Catania said what was unforeseen was the drainage costs because they did not know if it was going to rain or be a dry winter. If there had been light winters the past two years there would not have been all of these problems and expenses. But the heavy rains led to the additional drainage work and he does not think they could have seen the full magnitude at the beginning of the project.

Commissioner Fouyer said the stormwater permits affected "all" construction that disturbs over one acre of land, not just Caltrans work, so everyone had to deal with these new regulations. He said 2010 was a very wet year and it was the year the new requirements were implemented, so there were drastic increases in costs and a lot of unknowns. Regardless of all that, Commissioner Fouyer did not think those were the issues the Commission was currently concerned with. He said the issues were the surprise and a history of events of issues that keep coming back to NCTC, and as they go and do business more and more, at what point do we keep getting hit up for additional monies to come out of all the Commission's funds. Commissioner Fouyer asked what responsibility does Caltrans take upon themselves for correcting some of the errors, and as Mr. Brannon said, someone should have been more on top of this. He said the Commission and the community are the ones that feel the pain on these types of overruns on projects. He said it was difficult to have repeated events.

Commissioner Harris agreed and said even though she appreciated all the details given, she thought the NCTC wanted some type of assuredness that this is not going to happen again with such a delay of time from when a problem starts to when the Commission is informed. She said the NCTC is at a point now where they have little influence over how to change the scope of the project, if it would be the desire of the Commission to stay within this budget. The question is whether NCTC wants to expend additional STIP funds on this project, or if NCTC feels there is a higher priority elsewhere. Mr. Catania said most of the paving was done in August and September this year, so the \$218,000 was an additional cost that came this year. He said when he got this project at the time of bid, he did not know that he would be looking at these numbers.

Commissioner Fouyer said his concern was if Caltrans goes to the CTC and they say no, and Caltrans comes back to NCTC and they say no, then Caltrans goes to Plan B, which eliminates the rubberized open-graded asphalt and permanent thermoplastic striping. A part of the project is based upon a certain level of safety and all of a sudden there is a lesser project that also could

create safety concerns with more lanes, speed increase, and less paving and less striping. So, it does cause the Commission a little bit of concern. Mr. Catania said the striping would still be done yearly by Caltrans, but the thermoplastic striping is a one-time application that is a good durable paint that lasts longer than regular paint. He said there will not be any substandard product used on the striping. Mr. Catania stated the Caltrans Maintenance crews are not big fans of open-grade asphalt in Nevada County because it is snow country; it has its pluses and minuses. He said they plan to have a dense grade surface; they do not feel there is a safety element to that. The road is wider, it did not have shoulders before and now there are eight foot shoulders, it has a continuous left-turn pocket through the project, and you have four lanes versus two. Mr. Catania said that Caltrans believes, no matter what, that this community will have a safer project when they are done and it will look beautiful; the residents will have a nice intersection and the local public living in the area of the project will have less traffic noise.

Commissioner Scofield reviewed that it is an option to tell Caltrans that NCTC does not want to give them future STIP funds. Mr. Catania replied that is an option, but Caltrans would like to deliver the project the way it was promised. As you drive by now, it is beautiful; the sound walls are almost done, the K-rail will be gone within the next couple of weeks, and they are hoping to have all four lanes open within the next two weeks. Commissioner Harris said it was an option to deny use of further STIP funds, but not for today. Commissioner Scofield agreed.

Mr. Brannon said he wanted to be sure Mr. Catania answered if there would be any risk involved in waiting until May to allow the NCTC to make a decision. Mr. Catania said yes, there is a concern in waiting, because the funds are really tight and the longer the project stays open, the longer they have to pay for a Stormwater Manager. The average costs are \$15,000 per month for all of the stormwater costs. Chairman Jostes said what he thought needed to be done at this point, for the reasons stated, would be to have Caltrans put together a list of options, as quickly as possible, that the NCTC could take action on and get this issue behind them. Commissioner Harris suggested a special meeting. Chairman Jostes agreed it would be good to call a special meeting. He would like to have the options clearly stated and brought before the NCTC.

Chairman Jostes said he had one comment on the process for this project, and he did remember the other project where this happened, and the same question came up in his mind. He said he spent a career on doing projects and certainly the opportunity to do sophisticated cost control is much better now than when he was in business, since he has been retired for a number of years. Chairman Jostes said he understands on day one it was not understood the effects this would have and the costs upcoming, but nine to ten months later it certainly was. He said it amazed him that, with the sophistication of computer programs and timelines on projects and cost control, there must have been projections, or if not, the program should offer projections of end costs, and those should be shared with the NCTC earlier than they are. Chairman Jostes said if he was running a project, and he has been in both of their positions, he would not want to be surprised. He added if their programming does not exist where they can project in a reasonable way what the end costs are going to be well before the end comes, it should exist, because you make these projections. He said a few months after they knew there was a pattern of expenditures for this new permitting process, someone should have come before the NCTC and reported the trajectory and the direction where it was leading the project. Chairman Jostes said these are the same comments the NCTC made before, when there were opportunities to adjust goals back then, but not now. Mr. Catania said that was not true; everything else he said was true except for that. He said they did look at the fact that they were getting to that level and how to scope back the project, because when they got the permit there was always a concern about getting the whole project done.

Commissioner Harris commented that it was nice that Caltrans was looking at that, but Chairman Jostes was making the point that the NCTC wants to be a part of that process. She said every time the NCTC has a meeting this project is on the agenda, so the Commission needed to be informed sooner into this because NCTC lives with this project and it is our community. She said it was good that they knew, but as a finance person she could have told him that the oil index was going to cause them problems long before they paved last summer. Commissioner Harris said you can watch the commodities market and know that. She completely agreed with Chairman Jostes and stated this needs to be fixed going forward; if this happens a third time, whoever is sitting there, she feels sorry for them. Mr. Brannon said he did not want this to happen and he wanted to emphasize that he thought Construction has done an incredibly good job building the project. Mr. Brannon added that within the Caltrans organization they have the thought processes of what might need to be dropped out. He said where they blundered was in not making those projections more accurately and not bringing those projections to NCTC. Chairman Jostes responded to Mr. Brannon's point that he did not want to debate the particulars of the project. He felt Caltrans knows their business quite well and he was not arguing that. Chairman Jostes thought the point now was not that the NCTC expected Caltrans to change the scope or even that they "could" have changed the scope; what the Commission is simply asking for is that they be made aware of what is happening. He said if their answer is the scope cannot be changed, then that is their technical opinion and the Commission will listen to it. Chairman Jostes asked to not debate the particulars of the project, but now was the question of a communication process on these projects.

Commissioner Fouyer asked if any of the funds spent on water issues and keeping in compliance included a fine from the Water Board for exceedances. Dave Catania responded there were no fines. They kept showing an increased effort to improve and as long as they were making every effort possible, and the Board recognized that, even though there were exceedances, they were doing due diligence.

Chairman Jostes said unfortunately not all of the Commissioners were in attendance at the meeting. He said, since it was known that this issue would be addressed again with full membership and with specific action items, unless there was something else that needed to be discussed, he suggested the Commission stop at this point. The idea was that NCTC would meet again, and the presenters would have to repeat some of the information again, but the issue would not be moved forward at this meeting. Chairman Jostes said Caltrans knows where NCTC is coming from, staff understands what the Commissioners would be looking for in terms of an Action Item that could move this issue forward. He thanked everyone for their time and the information they presented.

Mr. Bajwa apologized to the Commission for not bringing information to them so decisions could be made on a timely basis. He promised that Caltrans will do a better job in the future. Commissioner Scofield asked Mr. Bajwa if he was aware of the shortcomings. Mr. Bajwa replied that he knew about the new stormwater permit, but all along he thought these unforeseen expenses could be covered under the contingency funds that Mr. Catania mentioned. Chairman Jostes asked Mr. Bajwa to keep in mind each time he reports on a project, that while the NCTC has great interest in how the project itself proceeds, the Commission has perhaps an even greater interest and importance in the costs and timing. He encouraged Mr. Bajwa when he prepares his presentations each time, to keep in mind those are subjects the Commission is interested in.

- *SR 89 Mousehole Pedestrian Undercrossing Project* – Mr. Bajwa stated that he received a status report from Becky Bucar from the Town of Truckee. The Town is the lead agency on the project and Caltrans is doing oversight. He said they are 90% done with

the design work and they are meeting the end of January to review the plans to make sure everything is up to required specifications. The Town has been working with the Union Pacific Railroad on appraisals for the easement they are acquiring. He said the appraisal is done and it is in the review process, which should be completed soon. Ms. Bucar told him that design and right-of-way acquisition should be done by May 2013, and the project will be ready for advertisement. The funds are currently programmed in the 2014/15 FY and Mr. Bajwa is working with the Town, NCTC, and Caltrans Headquarters staff to see if funds can be moved forward for construction in the 2013/14 FY.

- *SR 49 Minor A SHOPP Projects* – Mr. Bajwa said the design work is done for the Carriage Road, Ladybird Drive, and Cherry Lane project scheduled for FY 2013/14. He said they are waiting for environmental permits, due to proposed work that will impact the environment. That should take four to six months and then the project can be advertised.
- *SR 20/49 Major SHOPP Rehabilitation Project from East of Indian Springs Road in Grass Valley to the Junction of SR 49 East of Nevada City* – Mr. Bajwa reported that this project was awarded to Teichert Construction for \$7.7 million. The project is ready to go; they are waiting for better weather conditions in April or May. He said Dave Catania and his staff will be working on this project.

Commissioner Harris asked if the project scope still includes a rubberized asphalt surface to reduce road noise. Mr. Bajwa was not sure and said he would check on it. Executive Director Landon said he recalled from previous meetings that the surface would be rubberized asphalt. Commissioner Harris asked that Mr. Bajwa keep an eye on that detail so it is not cut out of the project. Mr. Bajwa assured the Commission that the scope of the project has not changed. Commissioner Scofield asked if the project excludes any portion of the freeway. Mr. Bajwa said the project only excludes the Dorsey Drive Interchange section of the freeway. Commissioner Scofield said the rough section of pavement coming up over the Gold Flat area needs attention.

Dave Catania said he believed it was rubberized asphalt to be used on this project. Commissioner Harris said they had been told it reduces noise as vehicles travel over it so she thought that would be a positive thing. Mr. Catania said open-grade asphalt in general is great for noise because it has a lot of voids in it, so the sound does not bounce. He said the rubberized asphalt in snow country is really not a great product. He added that he is just being honest with the Commission; open-grade asphalt is a preference. Mr. Brannon said the contract has already been awarded for the project and it is rubberized asphalt. Commissioner Guerra asked if the concern in winter weather is that the asphalt degrades more quickly. Mr. Catania said the rubberized asphalt does not bond as well; when you have regular open-grade there is more asphalt in the mix with rock. With the rubberized, you have asphalt and rubber chips with rock, so the bond is not as good; it is still good, but not as good. He said if you look at the longevity, it does not have the same longevity and require less maintenance down the road. Commissioner Scofield said maybe they can use an open-grade asphalt and save \$840,000.

- *SR 49 Sinkhole at the Golden Chain Motel North of the La Barr Meadows Road Project*

Commissioner Scofield asked what funding was being used to fix the sinkhole north of the La Barr Meadows Road project. Mr. Bajwa replied with a washout like that, Caltrans has emergency funds for storm damage projects. Commissioner Scofield asked if the work affects any funding for the La Barr Meadows Road project. Mr. Bajwa said the location is outside of the La Barr Meadows Road project.

Dave Catania reported that the culvert crossing failed during a major storm with twelve inches of rain in two days. He said the main section of the pipe is repaired, and that day they finished up some soil stabilization, and they hope to be able to pave it in the next couple of weeks, and take out the delineation route in three weeks. Mr. Catania said it is an emergency contract. He reported that the hole went down twenty-seven feet below the roadway, and that was the tough part of getting down that close, because the void was actually under the traffic. They put in pilings and shoring and large stones. He said it was a tricky job with mine shafts and natural springs in the area, but the project should be completed soon. They have to line the culvert because it is compromised, so they have to do a cured-in-place pipe liner that is still in the plan. He said it is ordered and takes three to four weeks lead time, but they do not have to install it before opening up the traffic lane.

- *Dorsey Drive Interchange* – Tim Kiser, Public Works Director and Engineer for the City of Grass Valley, gave the update on the project.

Tim Kiser said the bid opening was changed from January 10th to January 22nd at the request of several bidders, because over the holidays they had trouble getting subcontractors to timely provide responses to them. He said that still meets the city's time frame of taking the project to the city council for consideration on the evening of January 22nd. Mr. Kiser asked for questions.

Chairman Jostes asked if they had taken into account the state permitting on stormwater. Mr. Kiser replied they have the permit in place. He said being a small city overseeing a contract is a little different process than Caltrans; every change order will be going across his desk and that is one of the big things that he has. He does not want to see his contingency at 50% spent in the first few months of the job. Therefore, he would immediately be looking at what are the options, where can he cut some things, etc. Chairman Jostes said the contract is obviously to the city's specifications. Mr. Kiser said they have the latest permit up front with all the requirements included, and they also have an oil adjustment factor. There were no other questions.

ACTION ITEMS

10. Update of the Nevada County Transportation Commission Personnel Manual

Executive Director Landon reported that the NCTC Personnel Manual was originated in May 1998 and has not been updated since that time. He said staff had gone through an extensive reformatting and redoing of the document to reflect current labor laws and human resource management practices. He brought one significant change to their attention, which was included in the staff memo: it was proposed to change staff vacation to allow employees with over eleven years of service to accrue twenty-five days of vacation a year; and pending approval of the Executive Director, staff could receive payment in lieu of taking vacation for up to eighty hours. Mr. Landon stated this was formulated by him due to two events that occurred in the recent past: 1) the reinstatement of the full 6.2% of Social Security/Medicare tax, which impacted employee take-home pay by a 2% decrease; 2) staff received notice from their health insurance carrier that, again, their health insurance would be going up in 2013 by about 10.5%. He said that increase also reflected another 2% decrease in take-home pay for NCTC staff.

Executive Director Landon reported that back in 2005 the Commission adopted a program whereby employees were given a certain amount for health benefits, and it was utilized to set up a Health Savings Account (HSA) and a high-deductible health insurance program. Since 2005, staff has been able to work within that amount, but at this point it is now going over the amount. In response to that, Mr. Landon proposed that vacation accrual be modified to allow the

employees to take eighty hours of cash-out, which would then offset the 4% decrease at this point without changing their salary or the budget. He also noted that when he does the budgeting each year, he includes a 5% contingency in both salary and benefits. By allowing staff to cash out eighty hours, it would not increase the budget for the year. He said that was the basis behind the proposal and he asked for questions.

Commissioner Harris said she had discussed this with Executive Director Landon and he knew her concerns on this. She said after forty years as a manager in different organizations, she thought that vacation is there to be taken so employees have a break from their job, and other people cover for them and get used to someone being gone. Commissioner Harris said Commissioner Dan Miller brought up at the last NCTC meeting that Executive Director Landon's vacation seemed light at only four weeks. She thought this was what triggered the thought of a way to provide a benefit to staff, given these pressures on their health insurance and going back to the 6.2% for Social Security. Commissioner Harris stated, because she is a finance person, one way or another, this would end up as an expense; it does not matter that there is money sitting on a balance sheet for accrued vacation. It gets there because you accrue it over time. When you increase the benefit, then the accrual is going to go up; it is just the same as increasing the budget. She said her preference would be to start discussing when NCTC would reinstitute raises, rather than something like the vacation proposal before them. She said to be straight forward and consider raises.

Commissioner Scofield said he is not open to considering raises until the Commissioners start doing that for their own jurisdiction at the county or city. Commissioner Harris said this is effectively doing the same thing; it is just being "called" something different. She said it is about a 4% increase in compensation. Commissioner Guerra said from an employee viewpoint their salary remains flat, because what they have had is a 2% chipping away due to the Social Security tax, and then because of the increase cost of insurance. Therefore, it does not represent a salary increase, it just keeps them at the same level. Commissioner Harris said her point is whether the Commission offers it through increased vacation or offers it as a salary increase, it is the same thing to the budget. She said they always wrestle with these things on various outside Commissions, like SED Corp. She did not know if other Commissioners were on SED Corp at the time that there was a small item on the budget that set a 10% increase in payroll, and they had a hard time with it because there should have been some sense about all of their organizations. Commissioner Harris said if they give a 4% benefit to NCTC, then what about the county employees, and Grass Valley, and Nevada City.

Chairman Jostes said in no way does he begrudge the NCTC staff appropriate compensation or an increase in compensation. He said he was uncomfortable with the proposed process, because, in fact, it is an increase, so at the end of the day on the books it has to be accounted for. He just was not sure this was the way to address the issue, and he did not know how to address the issue because of the way the rules work. Chairman Jostes said he did not know how to have a discussion on this subject; and part of that discussion would be a salary increase program. He said that would have to be taken in context with what the other entities are doing and he does not know where the other entities are; this thing has been going on for four years at least now and there has been inflation during that period. At some point it has to be recognized and some action is going to be taken by the various entities, including the NCTC, but he did not know how to have that conversation. Chairman Jostes repeated that he is not comfortable with this particular formulation, and at a minimum, he suggested they table it until there could be some format where they could have a discussion on this. He is not used to the rules and regulations involved with a public commission. In his business, they would simply call a meeting and review it, but that could not be done here.

Commissioner Fouyer asked if there would have been a difference if the item was delivered as, "employees at a certain point get an extra week of vacation," and the pay was not discussed. He understood from a financial plan, because money is money, but instead of looking at it from a perspective in regards to what NCTC staff gets for their time on the job, it would state they get twenty days of vacation after eleven years of service, regardless of an offset in wages. He asked if they knew what the county employees get. Executive Director Landon said he could provide those numbers if the Commission wanted to go in that direction.

Chairman Jostes said there are two issues: one is appropriate vacation compensation, or what is the formula to accrue vacation; second is this buy-back proposal. They are two separate issues. His opinion was that both of them needed to be tabled and addressed in some other way.

Commissioner Harris asked what NCTC's process is for compensation to staff. Executive Director Landon replied that what historically has happened is when he comes up for review each May, there is a discussion whether or not there would be any changes made. At various times he provided compensation surveys with comparable agencies. He said since 2007, with the economy and environment related to public salaries, it has been such that NCTC has not addressed the issue. Commissioner Harris said there should be an appropriate process in the future. She did not want to just look at vacation because she sits on the Fire Committee, and for two years she has been looking at what Consolidated Fire staff make, what Grass Valley fire fighters make, and what Nevada City fire fighters make. There is probably thirty different aspects to compensation from how much is given for boots each year, to educational funds, etc. so not just one part needs to be looked at. Commissioner Fouyer said from his perspective, his only point of discussion was just that if it was not presented in a fashion as an offsetting of compensation, it would have been received differently. Chairman Jostes replied possibly, but it is a complex issue; there is both political and compensation survey issues here, and a number of things he thought too complex to deal with right at this point-in-time. He stated again that staff does an outstanding job and this is not begrudging them and it has no reflection on what staff should or should not get.

Chairman Jostes said he would suggest that the issue be put back on staff to provide the Commission with some format or opportunity where they could discuss staff's concerns with compensation, how they would like to move forward, but not necessarily in the way proposed currently. He said the Commission would have to be prepared to look at what the other entities do. Chairman Jostes thought at some point the other entities must have to take a look at these compensation issues. Commissioner Scofield said most of the other groups are labor unionized. Chairman Jostes said everything was complicated about this issue and he thought it was too complex to address it right now. Commissioner Harris agreed. Commissioner Fouyer said a part of that is when you are speaking about a budget of approximately one million dollars, he wondered what the ratio of that is staff expenses; typically it is about 80%. Commissioner Harris said NCTC's is almost all personnel expenses. Commissioner Guerra said she would like to see the discussion come back soon because it has been five years since any compensation has been made. She said she does struggle with the practice of organizations waiting until another group makes a move, i.e. with Nevada County or Grass Valley or Nevada City, who goes first and under what circumstances. Commissioner Guerra said when there is an organization that is working so carefully, she thought there was more to look at like what kind of funding can be brought in, what kind of job are they doing, and the fact that staff does not have a union negotiating on their behalf. She said she would hate to just say, we are not doing it here so we are not going to do it here. Commissioner Harris said the Commission has the right to do some retroactive things if they thought that was appropriate. Commissioner Scofield said the only comment he had to that is it is relatively easy to do these kinds of things with these types of

Commissions, and he sees it happen. At the same time, Nevada County has nearly 800 employees and that 2% increase in expenses is hurting them also, and he tends to want to look at those people first before giving an increase to the others. Commissioner Scofield agreed that he has no issues with NCTC staff, but it does become complicated.

Chairman Jostes replied that it is complicated and he agreed to address the issue sooner rather than later. He said the Commission is not trying to push this issue down the road. Chairman Jostes was not sure the Commission could come to a conclusion quickly, but he asked to perhaps come back at the special meeting with something, if one is called. Commissioner Harris said the Commission has had this discussion in past years, as to when there is a special meeting, to keep it to the one item rather than a whole agenda, as though it is a regular meeting. Chairman Jostes said it would probably be a closed session on the side. Executive Director Landon stated you cannot set salaries in a closed session; but they can do his review in a closed session. Commissioner Harris said what can be done is request an interim review on Executive Director Landon at the next regularly scheduled meeting and talk about his compensation. Commissioner Scofield commented there can be negotiations in a closed session. Executive Director Landon replied affirmatively, but you cannot take final action. He said staff can bring something back of a comprehensive nature, i.e. a compensation survey, at the March or May NCTC meeting. He added that, as was said, the Commission has the ability to do things retroactive if they choose to.

Chairman Jostes asked staff to come up with information that helps the Commission review the situation. He tabled the compensation discussion. Commissioner Scofield said the Personnel Manual was nicely done. Commissioner Harris agreed that she liked the manual. Executive Director Landon said the Commission at some point would need to take an action on the Personnel Manual itself, but he recommended that staff would put back the language which currently reflects that after eleven years of service employees receive twenty days of vacation, and there is no buy-out provision at this point. Commissioner Harris asked if he was asking NCTC to take action with the exception just stated. Executive Director Landon said it was up to the Commission. He added there was no rush on adopting the Personnel Manual; therefore, the whole topic could be tabled and it could be done all at once. Chairman Jostes suggested it all be done at the same time.

Commissioner Fouyer said regardless of the wages, he asked if the Commission was comfortable with all the other human resource issues in the manual and questioned if there were any open-ended legal matters that could cause issues. Executive Director Landon replied there were no other changes.

11. Election of Officers

Chairman Jostes said this time of year it is necessary to elect a Chairman and Vice Chairman for the year 2013. He asked who would volunteer to be Chairman. Commissioner Harris asked who the Vice Chairman was for 2012; it was Commissioner Scofield and he declined the position. Commissioner Fouyer said there were two Commissioners absent from the meeting so he suggested one be nominated. Commissioner Harris said she would volunteer, but she asked Chairman Jostes if he would be willing to continue as Chairman for 2013. Chairman Jostes said this would be his last year on the Commission and he agreed to do it.

Commissioner Harris nominated Chairman Jostes to be Chairman for 2013. Commissioner Guerra seconded the nomination. The motion passed unanimously.

Chairman Jostes opened up nominations for Vice Chairman. Commissioner Scofield nominated Commissioner Harris for Vice Chairman in 2013. Commissioner Fouyer seconded the nomination. The motion passed unanimously.

COMMISSION ANNOUNCEMENTS

Commissioner Fouyer thanked the Commission for being so welcoming at his first NCTC meeting. The Commission welcomed him as the new member from the City of Grass Valley.

SCHEDULE FOR NEXT MEETING

A special meeting will be held in February to discuss further details on Caltrans request for additional STIP funds for the SR 49/La Barr Meadows Road Project. Date and location will be determined.

The next regularly scheduled meeting of the Nevada County Transportation Commission is on March 20, 2013 at the Nevada County Board of Supervisors Chambers, 950 Maidu Avenue, Nevada City, CA.

ADJOURNMENT OF MEETING

Chairman Jostes adjourned the meeting at 11:35 a.m.

Respectfully submitted: Antoinette Perry
Antoinette Perry, Administrative Assistant

Approved on: February 15, 2013

By: L A Jostes
Lawrence A. Jostes, Chairman
Nevada County Transportation Commission

