



Grass Valley • Nevada City

Nevada County • Truckee

## MINUTES OF MEETING September 21, 2016

A meeting of the Nevada County Transportation Commission (NCTC) was held on Wednesday, September 21, 2016 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, Larry Jostes, Valerie Moberg, and Ed Scofield

Members Absent: Carolyn Wallace Dee

Staff Present: Daniel B. Landon, Executive Director; Mike Woodman, Transportation Planner; Dale Sayles, Administrative Services Officer; Toni Perry, Administrative Assistant

Standing Orders: Chairman Jostes convened the Nevada County Transportation Commission meeting at 9:40 a.m.

Pledge of Allegiance

**SPECIAL PRESENTATION:** A Certificate of Appreciation was presented to Terri Andersen by Chairman Jostes honoring her service on the Commission as the Nevada City representative from July 2014 through June 2016.

### PUBLIC COMMENT

There was no public comment.

### CONSENT ITEMS

1. Financial Reports

A. June 2016 and July 2016. *Approved.*

2. NCTC Minutes

July 20, 2016 NCTC Meeting Minutes. *Approved.*

3. Application for Employment Development Department Elective State Disability Insurance. *Adopted Resolution 16-28 electing to participate in State Disability Insurance (SDI) for Nevada County Transportation Commission employees. The resolution approves the filing of an application for elective SDI coverage under Section 710.5 of the California Unemployment Insurance Code (CUIC).*

4. Amendment 2 to the Contract with Mead & Hunt, Inc. for the Truckee Tahoe Airport Land Use Compatibility Plan Update. *Adopted Resolution 16-29 authorizing the Chairman to execute Amendment 2 to the Contract between NCTC and Mead & Hunt, Inc. to update the Truckee Tahoe Airport Land Use Compatibility Plan.*

Commissioner Scofield made a motion to adopt the Consent Calendar. Commissioner Guerra seconded the motion. The motion passed unanimously with Aye votes from Commissioners Beason, Fouyer, Guerra, Jostes, Moberg, and Scofield. Commissioner Dee was absent.

#### INFORMATIONAL ITEMS

5. Correspondence

- B. Letter from California Transportation Commission (CTC) regarding participation as a panelist at the California Transportation Plan (CTP) and Regional Transportation Plan (RTP) Guidelines Kick-Off Meeting. File 370.0, 7/11/16.

Commissioner Guerra commented that Executive Director Landon serving on the panel for the CTC is a significant recognition of his contributions as that type of leader. She said NCTC could take that recognition for granted, so she wanted to call it out as an honor.

- G. Article from Scientific American: "California Utility Wants to Install Huge Number of Electric Car Chargers." File 570.0, 8/26/16.

Commissioner Beason stated the county sent a letter to the California Public Utilities Commission (CPUC) two or three months ago regarding recharging stations that PG&E wants to install. He said there are fairness issues involved. Chairman Jostes asked if the status of this issue is still being discussed, or is it done and they are just waiting to award the contracts. He asked if a county raised a concern could that delay action. Commissioner Beason said they pushed it back to have additional time for comment. Executive Director Landon said the PG&E proposal is on hold at this point; there has not been any action. He said regarding the electric charging stations grant opportunity from the California Energy Commission (CEC) for the SR 49 corridor, based on the information received, staff thought they would have heard by now whether or not there were applicants and if they were awarded. Executive Director Landon said he has placed calls to the CEC staff, but has not heard anything back.

Commissioner Beason said Southern California Edison and San Diego Gas and Electric are all doing the same thing. He said it looks like they are going to get the benefit and the rate payers are going to pay for it. He stated it is supposed to be a carbon reduction issue, but no one can really say where the actual source of electricity is coming from. Chairman Jostes said the process is moving forward relative to the stations themselves, but the issue of public utility involvement has not been finalized. He thought it was putting the cart before the horse. Executive Director Landon said that is not unusual for the state to do. Commissioner Beason said PG&E and the CPUC have a unique relationship. Executive Director Landon noted with the California Energy Commission's grant opportunity there was a consortium made up of the City of Colfax, City of Auburn, and the Truckee Tahoe Public Utility District (PUD) that applied for charging stations along the I-80 corridor. He said the City of Auburn plans that their station would be free to users; he was uncertain of the Colfax station; and the Truckee Tahoe PUD would be charging users. Executive Director Landon said it is a mixed bag no matter how you look at it. Commissioner Beason said it is an indirect subsidy of all the rate payers for people

who drive these cars. He stated Tesla Corporation has free charging stations, but only their cars have an adaptor or code to use them.

Chairman Jostes said he read that one-half percent of the cars in California and less than one-quarter of a percent in the United States are electric plug-in vehicles. He said it is interesting the initiatives that are being made. He agreed it is a correct direction, but there is a lot going on for a very, very tiny group and he will find it interesting to see how it plays out.

## 6. Executive Director's Report

### 6.1 California Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program: DC Fast Chargers for California's Interregional Corridors

Executive Director Landon stated at the July NCTC meeting there were several questions raised regarding the California Energy Commission grant opportunity for locating fast chargers for electric vehicles in the SR 49 corridor. His report provided responses to the questions posed at the previous meeting. He asked for additional questions or comments related to the subject. There was no discussion.

### 6.2 NCTC 2016 Annual Salary Cost of Living Adjustment

Executive Director Landon reported that, based on the new compensation policy that went into effect this year, the annual cost of living adjustment has been made for NCTC staff. He said it appears it will work simply and easily for the next four years.

### 6.3 Truckee Mini-Mousehole Ribbon Cutting

Executive Director Landon said he provided in his report an overview of what occurred at the ribbon cutting ceremony for the SR 89 Mini-Mousehole. He stated that Commissioner Dee had called him the previous day to say she would not be able to attend the Commission meeting, but she appreciated the photos and recap of events in the Executive Director's Report.

Commissioner Guerra thought the photographs in the report were great and to note that the caption of the last picture states the pedestrians will no longer have to hike over the top of the embankment. She said that had not occurred to her, but knowing that one side of the vehicle Mousehole is probably where Truckee's only low income housing exists, for them to get to the business center they had to go through the vehicle tunnel or climb over the top. Commissioner Guerra said the project is very beautifully done and she thought it was a tremendous accomplishment for the Town of Truckee. Chairman Jostes regretted that he was unable to attend the ribbon cutting ceremony. He said this is a showcase of a project and he hopes the finished project gets appropriate distribution around for others to see.

Executive Director Landon said the Town of Truckee's website still has time lapse photography of the entire project, from start to finish, and information on the project if anyone is interested.

## 7. Project Status Reports

### A. Caltrans Projects: Sung Moon, Caltrans Project Manager for Nevada County.

Mr. Moon gave a brief summary of projects listed in the Project Status Report.

- *SR 174 Safety Improvement from Maple Way to You Bet Road* – Mr. Moon reported the project will realign curves, widen shoulders to 12 feet, add a left turn lane at Greenhorn Access Road, and improve the recovery zone. He noted this is a safety project. Caltrans held a public Open House on June 9, 2016 and all public comments were answered. The Project Report and Environmental Document were completed on September 2, 2016. The Final Design has started, which includes right-of-way work. Construction is scheduled in summer 2018.
- *SR 49 Operational Improvements at Smith Road* – Mr. Moon said the project is a right-turn pocket lane for operational improvement with a standard public road approach tapering off with 4 foot shoulders. He reported that construction is almost completed and they expect the Construction Contract Acceptance on September 30<sup>th</sup>.
- *SR 49 Hot Mix Asphalt (HMA) Overlay* – Mr. Moon said the project is a 9.4 miles long overlay that extends from 1.2 miles north of the South Yuba River Bridge on SR 49 to the Yuba County line. The purpose of the project is to preserve and extend the life of the existing pavement and improve ride quality. Final design was completed and they are preparing to advertise for construction, which is scheduled in the summer of 2017.
- *SR 20 Yuba/Nevada Counties Safety Project to Widen Shoulders and Correct Curves* – Mr. Moon reported the Nevada County portion of this job is 1.5 miles long and is a SHOPP (State Highway Operations and Protection Program) safety project. The purpose of the project is to reduce the number and severity of collisions along SR 20 in Yuba and Nevada Counties. They are in the Final Design and right-of-way work and Construction is scheduled to begin during the fall of 2018.
- *Roadway Repairs on SR 89* – Mr. Moon reported in response to Commissioner Dee's concerns regarding potholes on the Nevada County portion of SR 89. He said Dave Wood, who reported to the Commission at the July meeting, and Sung Moon were in contact with the Maintenance Supervisor for SR 89, and his crews have been working since June and July fixing the potholes. He said they have already applied 500 tons of asphalt and they will be working through October. Mr. Moon stated they are only half way done with the needed repairs, but they will have to stop for winter, and will continue their repair efforts in spring of 2017. He will report the progress as it happens.
- *SR 49 Widening to Five Lanes Starting at the North End of the La Barr Meadows Road Project to Just Before the McKnight Way Interchange* – Mr. Moon reported that the purpose of the project is to widen SR 49 to a four-lane conventional access control highway with a continuous median/left-turn lane, and 8-foot shoulders to improve traffic operations and safety. He said this is a STIP (State Transportation Improvement Program) project and they are currently working on the PA&ED (Project Approval & Environmental Documentation) phase of the project. Mr. Moon introduced Doug Jones, Chief in the Caltrans Design Office, and Project Engineer for this project, who was invited to explain the five options available to construct at this intersection. Commissioner Fouyer had commented at the previous NCTC meeting that at the Open House conducted by Caltrans on August 5, 2015 they did not explain any of the displays, so he did not feel the public had a fair representation of the choices.

Doug Jones brought large displays to the meeting with the five options diagrammed. He reported they have completed the full surveys of the project area, which means they have done

topographic studies where houses and right-of-way lanes are located. The next phase is Caltrans doing studies with their biologists and archeologists looking at possible historical resources that are there. Mr. Jones said the project is at an information gathering stage within the project limits to try to understand what all the environmental resources are there. He said last July they had several different generic options that give alternatives to look at and cost estimates that would then be presented to NCTC.

Option #1 – The “No Build”, which is the current configuration today on SR 49. On the top was a schematic of the McKnight Way Interchange and La Barr Meadows Road south of there with two miles of highway in between. It showed the driveways that enter and exit off the highway and the conflict they present with traffic. The frontage roads near the La Barr Meadows Road intersection were also displayed.

Option #2 – A “Four Lane Facility with Right In /Right Out and No Frontage Roads.” Mr. Jones said because the traffic volumes are high and the median width is narrow at 18 to 22 feet between opposing lanes, a concrete median barrier would trigger in there to avoid head-on accidents. He said because the barrier would be there, the adjacent driveways would not have the opportunity to go all the way across the highway. He explained that someone heading south could make a right turn into a road or driveway, but they could only make a right turn when driving out. This would require them to travel south to the next interchange to make a u-turn to head north to Grass Valley. The overall width of the highway would be a 22 foot wide median, two lanes in each direction, with 10 foot shoulders on the outside. Mr. Jones indicated there was a live example of this configuration in El Dorado County on SR 50 near Camino if someone wanted to go there and see how it operates.

Option #3 – A “Five Lane Facility with a Continuous Two-Way Left Turn Pocket.” Mr. Jones stated the median barrier is not there and there is a striped refuge area for vehicles to pull into and wait for the traffic to clear so they can make a left to pull into their driveway. He said the difference between this and Option #2 is the concrete barrier is gone and you put in a two-way dedicated left turn pocket where vehicles can wait for traffic to clear to access their driveway. This option has two lanes in each direction and 10 foot shoulders.

Chairman Jostes said, from his actual experience, this one strikes him from a safety standpoint as a little bit “iffy” because it puts a lot of cars in the middle of what is going on. Mr. Jones replied yes, people can make mistakes and go out too quick and they can get hit, and that could be fatal at those types of speeds. He said it gives a little better access for people coming in and out of driveways, but it is certainly not as safe as the other option. He mentioned there is an example of a two way turn lane on SR 49 fifteen miles south of the project at Elders Corner north to Joeger Road in Auburn. Commissioner Scofield asked if that configuration is also used on SR 49 by Rincon Way and Streeter Road in south county. Mr. Jones replied yes, it is something like that.

Option #4 – A “22 Foot Wide Median with a Concrete Barrier and a Frontage Road System for People Adjacent to the Highway”. Mr. Jones said this option has vehicles going on and off a local street system to travel to Grass Valley versus directly on and off SR 49. He said this is similar to what is in place currently between Grass Valley and Nevada City on SR 20/49; it is a freeway system with adjacent roads that home owners access on. He said this is a safer system because you have a slower speed of traffic on the frontage roads.

Chairman Jostes asked if the access road on the top of the display is built from scratch. Mr. Jones replied yes. Chairman Jostes asked if Allison Ranch Road ran somewhere near the project. Mr. Jones said it is a little further out and there is a creek near it, so there is a stream between

Allison Ranch Road and the project. He said currently the traffic travels out to SR 49 on Allison Ranch Road. He said they will look at all options with the new project area. Mr. Jones said they will look at possible at-grade intersections to determine what will help with local traffic coming onto SR 49. He said McKnight Way does not always operate real well, so the project would provide an additional access onto the highway system.

Commissioner Beason asked if Crestview would be affected by the project. Mr. Jones replied that it is in the location of the project, but exact locations have not been determined. He said there could be some mine artifacts out there and they would have to adjust things. Commissioner Beason asked conceptually how the two intersections between La Barr Meadows Road and McKnight Way would be controlled. He asked if they would use signals or stop signs. Mr. Jones said there are two options there: 1) a bridge that people would go across without an interchange with ramps; 2) an at-grade intersection or roundabout or whatever they determine would work best there. Commissioner Beason said for years there was the concept of putting another interchange at Crestview for a large amount of money. He asked if that was not a part of this project. Mr. Jones said it is not. He stated through the environmental process and public input process it could be determined that maybe an interchange would be to the advantage of the community. Commissioner Beason thought it could foul up the traffic at McKnight Way more than it already is. Mr. Jones replied that it could, but it also offers the chance to stage it. He said if you have a bridge already there with this project, then you could phase in ramps in the future to make it an interchange and you would not have the entire expenditure all at once. Chairman Jostes said since there would not be ramps, you would have to cross the bridge to the other service road to travel north or south. Mr. Jones said you could do that or travel in either direction to an intersection and then head in the direction you want to go.

Commissioner Beason asked if there would only be a frontage road on one side of the highway. Mr. Jones replied that what they found by looking at the property boundaries was there are different property clusters. He said the majority of property clusters are on the west side of the highway, and because there are so many, they would need a frontage road down the west side. He said there may be some opportunities to access those property clusters via an undercrossing structure without having to do a massive road system there, which would drive the cost down. He said the section from the existing intersection to La Barr Meadows Road ties in the east side and there might be some opportunities to tie some of those residences into La Barr Meadows Road versus the SR 49 system. Executive Director Landon pointed out that these are generic options that are for the purpose of preliminary cost estimates, and there is no firm and fast details on this project as yet. Commissioner Beason commented that they are called "preliminary" preferred options and he thought that was subject to an override at the July 2017 meeting when the public weighs in on the options. Mr. Jones said the input on this project comes from the NCTC as well. He said Caltrans looks at all of the different options and maps out the environmental and if there are mitigation requirements for them. Then the overall package, including the right-of-way costs and actual construction costs, are assembled together.

Commissioner Fouyer thanked Sung Moon for addressing the questions on SR 89, as well as bringing this presentation on the SR 49 project before the Commission. He appreciated his responsiveness. He clarified that his critique was more about the presentation that happened at the last open house for this project. He said there were diagrams up, but no presentation, so when the public came in and looked at these complicated and technical options, with frontage roads and their houses there, the public was unable to understand their personal impacts and they have been very upset. Commissioner Fouyer said that type of setting does a disservice to trying to have a community dialogue. He said what Caltrans presented at this meeting would be a great presentation to have at the next open house in order to walk the public through the illustrations of

the options. He said there are costs to this project and costs to the frontage roads are going to be way more than anything else and it will be a long period of time before the project could be designed and constructed, so to have the public be able to weigh those options is a really important thing for everyone to have. He thanked Mr. Jones for the extensive presentation. Mr. Jones replied that there could be some phasing options included in the information to get something accomplished. Commissioner Fouyer said whatever Caltrans says they are going to do eventually, the community will hold them all accountable for whatever Caltrans says they will do once the public has been heard. He said the project could be so far out there that his children's children will not see it completed. Commissioner Beason reminded them that they need to look at SR 49 as a corridor, not a highway, because there is a lot at stake.

Option #5 – “The same as Option #4 only with a 36 foot wide median.” Mr. Jones stated this is a much wider option that is included because it fits Caltrans design standards, but it does not fit the community, and the existing freeway system through Grass Valley and Nevada City is not that type. Caltrans is obligated to bring this option forward for comparison purposes. Chairman Jostes said if you are coming from the north you come off of a 60 mph freeway system and two miles down the road it becomes more rural and less urban, so you have a fairly open highway with turn pockets. He said this is more dense with two intersections in a fairly short space; especially with stop lights in there. Chairman Jostes asked if this becomes a third type of highway with a freeway on one end and open rural on the other; it is almost a boulevard-like design. Mr. Jones said it does and there are many people that live adjacent to the area. Chairman Jostes asked if this will be a 55 mph zone. Mr. Jones replied that the design standards are 55 mph, but people are driving faster than that. He said part of what they need to look at, as well, is giving the options to build the project in phases, because they know money is important and prioritizing that is important to get the plans and the facility that NCTC thinks will work.

Mr. Jones summarized that those are the five options for the project. Chairman Jostes asked when the next presentation will be made to the public. Mr. Jones replied they will present the draft Environmental Impact Report (EIR) at an open house scheduled for July 2017. He said they will have the same options displayed, but it will include the mapping of the environmental study areas, archeological sites and biological sites, if there are any, and the residences in those areas. Commissioner Fouyer asked if the EIR will include all five options. Mr. Jones replied yes. Chairman Jostes said, since NCTC is concerned about the style of the presentation, he asked if it makes sense that prior to the July 2017 public meeting the Commission would have a chance to review the information first. Mr. Jones replied absolutely. Chairman Jostes said he was concerned about too many options, and if Caltrans is putting five options out there and they know one of the options is never going to be built, it would only be confusing to the public to have too much information. Mr. Jones said he could see that. Executive Director Landon stated that would be a lot to absorb. Commissioner Fouyer said the EIR would look at all five options, so Caltrans would have to have all five options presented at the open house. Mr. Jones replied that the study area they are looking at is the wider corridor, so if there is a mine shaft out there they would need to note it. Commissioner Fouyer said, in terms of the EIR, they are looking at the whole corridor for each option, but they are also preparing mitigation for the frontage roads, so it is not just a corridor, it is everything else. He assumed since they have to prepare all five options for the EIR they will also have to present all five options. He said since Caltrans knows the one option would never be built, it seemed to him there would be some cost savings to not look at all five options. Mr. Jones said he would check into that with the people who did the design conceptions and ask if they can administratively do a cost estimate for the fifth option, but not include it in the presentation.

Commissioner Scofield asked if the environmental study is a part of this phase of the project. Mr. Jones replied it is and they have specialists in the field that are finding various resources in the project area, such as endangered frogs, and they are mapping things to be aware of. Then, as Caltrans does the design work, they push things in one direction or another to avoid the areas noted. Mr. Jones said if they list the resource then they do not have to pay to mitigate it, so it pushes the cost down if they define the resources out there. Commissioner Fouyer said it might recognize a fatal flaw. Mr. Jones said it could. He said as Caltrans pulls the information together for each alternative, they weigh the amount of impact for each of those individual resources that were found in the project area. He said the specialists reports are not back yet.

Commissioner Scofield asked if there is a potential date to start construction. Mr. Jones replied that it depends on the dollar amount of the project and available funds, such as State Transportation Improvement Project (STIP), which has been pushed out many years. Commissioner Scofield said it was not that long ago when they were looking at Allison Ranch Road as an option, but those other options are off the table now. He said you have to wonder the further down the line you have to go before you can afford to construct the project, there might even be other options to consider. Mr. Jones said that is why they create phasing types of options to find what would serve the public the best. He said if you can get a portion of the facility there, then you plan ahead so the remainder of the project can be completed when additional funds are available. Commissioner Beason stated you would be phasing the phasing and building in chunks this two mile stretch. Commissioner Fouyer said it is much better to aim high and miss than to aim too low and hit.

Commissioner Moberg asked if sound barriers are planned with this project. Mr. Jones replied that is determined by noise studies and there are two ways to respond to a need: 1) they would create a sound wall as a physical barrier; 2) they would sound proof the residences by putting in better windows that would cut the sound down. Executive Director Landon said in the past they had similar discussions about the section of SR 49 at La Barr Meadows Road and they backed into the design based on the constraints and environmental criteria. He said as they worked through that there was grant funding that became available, they took opportunities to find cost savings, and today there is a completed project. Executive Director Landon said his goal in looking at this project is to look at all the options and find the constraints, which is what they are doing now with the initial study. Then, as the project goes forward, he thinks there will be an opportunity to get a chunk of funding somewhere to start a phase of the construction.

Commissioner Scofield said he received a letter from a constituent recently stating it is really dangerous driving from Wolf Road into Grass Valley and said there must be money somewhere to improve the roadway all the way. He said you have to roll your eyes and say this person has no idea how much work has already been accomplished in recent years and what it takes to get there. Commissioner Scofield said but then the thought says does Caltrans look at that, to someday, long after we are all gone, that this would be a corridor to improve. He asked if Caltrans looks that far down the line. Mr. Jones replied that there are Transportation Concept Reports that is likened to a Christmas Wish List that looks at what the entire facility would look like. He said there is also a Corridor System Management Plan (CSMP) that actually tells how the road operates today given the existing conditions. He said there is a long range planning document and you have a congestion document that goes hand-in-hand and shows you where you should be looking to make improvements. Executive Director Landon said about eight or ten years ago NCTC staff worked with Caltrans to develop concepts for the entire corridor.

Commissioner Beason said in the grand scheme of Caltrans funding for state highways, he did not think there was complete failure anywhere on SR 49 in Nevada County. He asked if Caltrans



looks at the traffic projected failure rates for peak hours or total hours and projected growth and then prioritize based on that data. Mr. Jones replied that they do and the advantage is having statewide statistics, so they know how different facilities function in terms of safety and how many vehicles move through the facility. Commissioner Beason said before the CSMP was developed, in 2004 or 2005, there were eleven deaths on SR 49 and the California Highway Patrol presence alone did a great job cleaning up the problems.

Chairman Jostes said you talk about this project being 5 to 10 years out and talk about long term planning with a 20 or 30 year horizon, but there is talk about putting electrical plugs up and down highways and self-driving cars. He was curious if Mr. Jones, as a designer, has received direction from Caltrans management, or if management has received direction from the legislature or whomever, that says when you look at 20 or 30 years down the road you are looking at something completely different than what is looked at currently. He said there is a convergence of projecting what we do now 30 years ahead, based on traffic patterns, etc. And there is another future that says the only traffic on this corridor will be light rail or buses or self-driving cars with lane technology built into it. Chairman Jostes said when Caltrans is looking out 20 years, what is their view of the future? Is it just going to be more of this 20 years from now? Mr. Jones responded he did not think so and said if you look back the last 15 to 20 years with the airbags in the cars, back in the 1980's there were a lot of fatal accidents. He said as the airbags came in and the vehicles were replaced, the fatal accidents turned into injuries, and injury accidents became property damage, and people walked away from them. He said that was a consumer funded basic change in transportation. Mr. Jones said what they could see is something similar with the self-driving cars, or drones, or whatever. He said Chairman Jostes was right. The technology is changing, and it is a moving target, so it could affect this project. Chairman Jostes said it is one thing to design forward based on what is done now, but another thing to try to hit a moving target with a project that has a 10 to 15 year horizon. He said that is a lot of time with the way technology is changing today. He was just curious how Caltrans was approaching the problem. Mr. Jones said it could drastically change the way you approach the project. Sung Moon said he brought Doug Jones to the meeting because of his design experience. He knew he would not be able to answer all the questions.

Commissioner Scofield asked what is being done at the Smith Road project on SR 49, since he is just seeing work done on the embankment. Sung Moon replied that he has not been at the site since he started working with us. He knows it is a right turn pocket lane and a small project. Commissioner Scofield asked Sung Moon to find out. Mr. Jones commented that he knows they have done some culvert repairs in that area, but he was not sure of all the project specifications.

Commissioner Beason asked what the plan was to landscape the Dorsey Drive Interchange area. Sung Moon was not familiar with the project. Executive Director Landon said the City of Grass Valley was lead agency on the project, but it was built on Caltrans right-of-way. Trisha Tillotson, Senior Civil Engineer with the City of Grass Valley, stated there were no plans to landscape the Dorsey Drive area along the freeway. She said there are volunteers who have offered to do some work.

## ACTION ITEMS

### 8. Endorse Adoption of the Regional Transportation Mitigation Fee Program Update

Executive Director Landon introduced Don Hubbard, of Parsons Brinckerhoff, who gave a presentation on the details of the update of the Regional Transportation Mitigation Fee (RTMF) Program. Don Hubbard reviewed the background of the RTMF update and discussed the

recommendations made in the report regarding the revisions to the fee schedule, the projects to be funded, and then talk about comparisons of the new fees with peer counties.

Mr. Hubbard reported that state law requires a periodic update of mitigation fees. He said this comes down from Supreme Court decisions that state there needs to be a nexus or a very clear relationship between the fees being collected, the developments, and the impacts. He said this is required because congestion levels change, growth forecasts change, construction costs change, projects get completed and move off the list, etc. He said, also, the reality is that the programs play out a lot differently than you expect. It is a 20 year program and a lot happens in that time and things occur that you did not expect, so you need new course corrections. Mr. Hubbard stated the point of all of this is fairness. The adjustments are to ensure that the program remains fair for all concerned, that development pays their fair share of costs, but no more than that.

Mr. Hubbard said the method for doing these updates is a Nexus Study, which is the legal requirement, where you go through the calculations and the basis for the fees, and you make adjustments as things change. He said since NCTC, Grass Valley, and Nevada County all do fee updates at the same time, the decision was made to do three separate studies, but closely coordinate them through a single consultant, which is Parsons Brinckerhoff. He said the studies have been ongoing for one year and the findings and recommendations are ready for review.

Mr. Hubbard said they made three Main Policy Recommendations. The first was that the three agencies were using three different sets of Land Use Categories, even though NCTC was dealing with the exact same projects as Grass Valley and Nevada County. He said it caused some confusion because a person could go to one desk with their project and it would be called one thing, and if they go to another desk it could be called something else. Mr. Hubbard said they are recommending a single system for all three agencies. A second recommendation is to move to a VMT (vehicle miles traveled) basis. He said traffic impacts are based on two things: 1) How many vehicle trips you are generating coming on and off your site; and 2) how far you have traveled. Mr. Hubbard said previous studies were based on the first factor of how many trips you generate, but did not take into consideration how far they were going and how many roads they would impact. He said state law, SB 743, has moved in a different direction to say you need to take into account both factors with a VMT system. He said, finally, they were able to get \$19 million in funding for the Dorsey Drive Interchange, and it was the single biggest project in the previous study, in terms of the amount of fees that would be consumed. Since NCTC was able to get funding from a different source, they did not need as much of the development fees to build the project. Mr. Hubbard said there are also slower growth projections, so a lot of projects they thought were needed five years ago now they think will not be needed.

Commissioner Beason said Mr. Hubbard talked about fairness and also getting lucky with funding for Dorsey Drive, which is good, but he thought development did not pay quite as much. He asked where the fairness is in that. He said if you have a project with a traffic impact, measurably the person that does the project would have to pay a fee. Commissioner Beason said he thought there were fees anticipated coming from the Loma Rica Ranch project, but most of the money spent on the Dorsey Drive Interchange was STIP funding. He asked if they would make it equitable at some point. He said the fees change and some people pay more than others. Commissioner Beason said if you put a trip on the road that goes a certain distance, which he thought VMT is good to include, and you lower the fees or raise the fees over time, it seems like the equity is not there. Mr. Hubbard responded it is the nature of the beast because every time they do one of these studies they use the best available information and when the previous study was done the Dorsey Drive Interchange was going to cost a certain amount of money to build. He said at that time there was no funding in place from other sources and development had to

pay its entire share of that. He said when grant funding became available it reduced everyone's bill, which included the developers and existing tax payers in Nevada County who would have otherwise had to pay that share from another source. Mr. Hubbard said the price tag for developers went down. He said funding sources are not very flexible and there would not be an option to take some of the funds and spend them somewhere else. Commissioner Beason said he has a hard time with the fees going down. He asked if construction costs are factored in. Mr. Hubbard said yes and they have gone up 25%.

Chairman Jostes said he thought there was a potential shopping center that has been proposed at Dorsey Drive Interchange. He said if that shopping center had applied for development three years ago, it could have had a significant impact on the traffic flow in that general area. He said now if they apply to develop, but the Dorsey Drive Interchange is already in, the problems they cause have already been mitigated by a project that they did not contribute to. Chairman Jostes said this sort of goes to the fairness thing in a way, and one could argue that maybe they might need to look historically and they should be paying for some of the interchange that was just built. He said he thought part of the luck is when you build. Executive Director Landon stated that for the Dorsey Drive Interchange they are still collecting funds. Mr. Hubbard said the reason is because Dorsey Drive was paid through bonds that have to be repaid, so developers will be paying their share of the payment bonds. He said developers have to pay their share of future costs and if they put in any direct impacts, such as a driveway that attracts a lot of traffic and requires a traffic signal, that is all on them to pay for and not on the general public.

Commissioner Beason said if someone built a project before they got the grant for Dorsey Drive, they paid fees, and now they are looking at projected growth and the recommendation is the fees will go down. Mr. Hubbard said if the recommendation had been for the fees to go up, they would have had the option of saying they are going to keep the fees at the same level and back fill with another source. He said if the fees go down, you do not have the option of keeping it at the higher level, because legally you would be collecting money for impacts they do not have. Commissioner Beason said he was not advocating for higher fees, because they make a lot of things higher, but the impact is the impact.

Mr. Hubbard said, in terms of the land use categories, because this was the first time the three agencies were all having the fee studies done by the same firm at the same time, this was the first time all three programs were compared. They realized that the rating categories were different, which was an unexpected find. He said each program had at least one category that was not used by the others and several used identical categories but different definitions, so what was "retail low" in one program was "retail medium" in another program; it could cause confusion. Mr. Hubbard said there were certain things that were not mentioned at all, like public sector uses, so there was some question for staff at the desk as to what they should do. He said there was only one program that made provision for special projects, such as a golf course, that would not fit into a category very easily. The consultant recommended the three agencies move to a single unified system. He specified that changes to the RTMF Program are to add mobile homes and mobile home parks, because their trip generation is significantly lower than other types of housing and they should be paying lower fees. Mr. Hubbard said another change was to put services such as barber shops in the retail section, because of trip generation rates, and not with office buildings, which is where it is now. They suggested adding some missing categories, so there is clear direction of what to do for both the developers and the staff at the counter.

Mr. Hubbard reported they are recommending projects for RTMF funding that total almost \$200 million and future development is about 11% of that. He said there is one very large project that is on SR 49 south of Alta Sierra, which is about two-thirds of the total program. He said new

development is only responsible for about 3% of that amount. Mr. Hubbard said all the other new development is responsible for between 30-100%, so the 11% is a little bit deceiving. He said new development's share of the required improvements is around \$22.7 million. They looked at the number of new units being generated, recommended the fees for them, and made a calculation that would generate \$22.7 million. He said of that amount, they expect about 85% to come from residential development and 15% from nonresidential development.

Mr. Hubbard stated they are recommending a decrease of fees across the board, but a significantly larger decrease for nonresidential than for residential. He said the reason is when you switch from vehicle trips to vehicle miles traveled you see that the longer trips of the day are associated with houses rather than with shops and nonresidential uses. Chairman Jostes said intuitively the cost of everything is going up, so if something impacts and a traffic pattern is developed and work needs to be done on a street system, that work is going to cost more now than it would have 10 years ago or 5 years from now. He did not see what part of the cost structure of all of this is going down other than our projected growth is lower. Mr. Hubbard said that is the argument; there are too many changes. He indicated that number one is Dorsey Drive with one-third of the \$19 million, or 33%, that now you do not need to collect from development. He said the other change is many projects dropped off the list because the growth rates went down. Mr. Hubbard said construction costs have gone up 25% since 2008 and that is taken into account with the current calculations. He recommends use of the ENR (Engineering News Record) index for construction costs because it is more stable; it looks at individual components like cost of concrete aggregate.

Mr. Hubbard showed a graph of the actual population growth rate from 2005 to 2015 in the Foothills counties and they are growing slowly, if at all. He said in terms of the amount of new growth and how much more capacity you need in the road system, the projections for that are going down. He said if you compare that with what has happened in the past that was not the case with the population growing very fast. Mr. Hubbard showed what the state's projections were for Nevada County and the growth rates were significantly lower. He said the previous projections of growth were going up and many improvements were needed to keep pace with the growth, but now they are expecting less and that is part of the reason why the mitigation fee programs need to be updated periodically.

Mr. Hubbard reported there were 25 projects previously on the program list and three of those projects have been completed and paid for, so they are off the list, such as the Idaho-Maryland Roundabout. Two projects have been completed, but they are not yet paid for, such as Dorsey Drive, where part of it is paid for and part of it is not paid for, so they still have to collect some fees for that. He said 10 projects are no longer necessary, including one that was in the previous study and the previous study said it was not necessary, so they checked it again and it still is not necessary. Mr. Hubbard said there simply is not an issue that needs to be mitigated in those projects because they expect lower growth. He said there was one project that was on a local road that they thought should be switched to the Grass Valley TIF Program rather than being in the RTMF Program. Nine projects were on the previous list that they want to retain going forward and they added one new project. Mr. Hubbard reiterated there were quite a few projects taken off the list because the growth rates are lower. Chairman Jostes asked if these are road improvement projects. Mr. Hubbard replied yes. Chairman Jostes said they are not talking about projects that generate the need for these. Mr. Hubbard said because the projects that generate a need went down, the road improvement projects that are needed can be funded.

Commissioner Beason said the NCTC RTMF program got a late start around 1998 or 2000, and that goes back to if in fact we are behind, he thought lowering the fees might get us back in that

territory, even though the growth rate is low. Mr. Hubbard said whatever projects have already been approved and are done are out of the program. Commissioner Beason said the projects that existed or were done before the RTMF program are exempt. Mr. Hubbard replied they did their best to look at the travel forecast and that is going up, but it is going up very slowly. He said, based on that, and what the current conditions are on the road, they look at the level of service and project it forward and what they recommended here is the maximum they can legally charge. Mr. Hubbard said there is an argument that could be made by engineers rather than lawyers that you might want to put in a little cushion there in case things went down; sometimes they go up; and the law does not permit that. Commissioner Beason said the county charges AB 1600 for park and rec improvements, but they have to be careful how they use them. He said, for example, schools also charge them, so if you take those AB 1600 fees you cannot give them to schools because theoretically a contractor could say wait a minute, you are taking my park and rec fees and using them someplace that is not justified. Commissioner Beason said he was trying to apply the same logic to a contractor who has to pay mitigation fee X that is higher than mitigation fee Y. Executive Director Landon stated they are different project lists. Commissioner Beason thought it has some ground for objection and the courts have decided you cannot. Mr. Hubbard said the courts say you have to base the fees using the best available information, and the state forecasts are the best available information. He said the traffic model and traffic studies are the best information for levels of service, so they are trying to be as fair as they can to everyone. Commissioner Beason said try to explain that to a person who is putting in a project and he has to put a signal in. Mr. Hubbard said "fair to all" means including the existing residents and future residents who expect a certain set of conditions in Nevada County that are different from where they used to live, such as the Bay Area, in terms of congestion levels. These people are not expecting to meet congestion in a small town; they move here because they like the small town atmosphere and rural environment. He said everyone has to do their bit to keep the conditions the way people want them, including new development. Mr. Hubbard said you tell them the reason you have to put a traffic signal there is because you have a new development and the reason that development is going to sell is because you have such a nice environment and you have to do your bit. Commissioner Fouyer said it is not always best to be the first person in the pool.

Commissioner Fouyer said when you talk about fees, especially for the City of Grass Valley, obviously everyone complains that fees are too high, regardless if they are a professional builder or a residential builder. He said these are also a mechanism to use to drive development. Commissioner Fouyer asked, when you are looking at reductions, what happens when you start talking about a lack of growth when you know that residential growth triggers commercial growth. He said there has to be a tipping point where all of a sudden you are not collecting enough; you just lowered fees, so you are driving up development, causing more impacts. Commissioner Fouyer said he was having a hard time finding a nexus where you are looking beyond. Executive Director Landon said that is one reason why we do comprehensive updates every five years to make sure that we are still on the same plane or determine if it has changed. Commissioner Fouyer said most developers he talks with have said they want consistency with fees; typically the land holders in our community are long term land banks who are speculating on something in the future. He said all of a sudden we decrease the fees and 10 years down the road we are going through this massive increase; all of a sudden their speculation is literally gone completely because we are doing major changes. He said 50% reductions are pretty significant reductions for people and then to have a 100% increase at some point in time, it seemed like, to him, there is a lot more fluctuation in this study than there has been in the past. Executive Director Landon replied that Commissioner Fouyer's observation was correct; there is a lot more reduction in this study. He said it all goes back to the previous base assumptions because there

was 1½ to 2% growth per year for over one decade, so that is where those initial projections came from. He said now there is 0.5% or less growth per year.

Mr. Hubbard said Commissioner Fouyer is right; they would like to give developers a stable environment, but that is not the way the system works. They are dealing with it getting triggered by much larger things, including the great recession; no one had that on the radar screen or thought the recession would be what it was. Mr. Hubbard showed a comparison of all the recessions since World War II, and the Great Recession was deeper and went much longer than anyone anticipated. He said in terms of development impacts and its effects on what is going to happen in the future, this is going to have lasting effects. They are not expecting as many impacts in the future because there are things happening in the economy and demographically, in terms of the birth rate in California, it is now the lowest it has been since the Great Depression. Mr. Hubbard said California has had net out migrations to other states for the last 18 of 20 years. He said things are changing demographically in terms of the economy that has an effect on the housing market and he showed a graph of the history of the housing market that went back before he was born. He said there is no such thing as a “normal year of housing” in California; it is either a boom or a bust. He said California has never had a stable housing situation. Mr. Hubbard showed the housing booms and noted some patterns, especially the booms after the 1960’s, which had a boom in the late 60’s and it was 5 years until the next boom; then it was 9 years to the following boom. He said the next boom is the one we just had and it was 18 years, so if that pattern continues, there will not be another boom for 30 years, and the booms keep getting smaller and smaller over time. He said the information includes the hot markets such as Silicon Valley and West Riverside, so he indicated there are things happening here that are hard to get people’s heads around. Mr. Hubbard said he knows when you explain this to people they are going to have a hard time with it too, but that is why they do these studies, so they can look at all the underlying factors that are driving this. He said, based on the best information that they have, some of the projects that were on the list simply are very unlikely to be needed. Commissioner Fouyer said doesn’t that graph then prove the point that this is the new bottom that we are sitting on for a very long period of time. Executive Director Landon said it is a long look out, but it will be reviewed again in five years.

Commissioner Scofield said there were two graph lines in the last chart, SFD and MFD, that he never figured out what they meant. Mr. Hubbard replied that SFD means “single family dwelling” and MFD is “multi-family dwelling”. He said a few years ago single family dwellings were the lowest with development in our life time. Multi-family dwellings are on a somewhat different track and they have been doing better than single family dwellings. Mr. Hubbard said going forward there is more single person households than there are two parents with children in the United States, and in California in particular. He said you can see a move toward smaller and smaller households, especially with the people in our generation when they start retiring. There will be a lot of single person households coming up. He said the type of development that you are going to have is likely to change over time as well. Commissioner Beason said if you start talking about multi-family housing in western Nevada County people just get paranoid. He said there is a vacancy rate of about 1% in Grass Valley and 2% in Nevada City.

Mr. Hubbard said another question that comes up a lot is how do these fees compare to other counties. He said other areas worry if they raise the fees it will drive people to develop somewhere else. He stated that is not a concern Nevada County should have. Mr. Hubbard said in terms of residential fees per daily trip, if these fees are adopted, they will be in the middle of the pack. He said you will not be bringing people here, nor will you be pushing them away. He said in terms of nonresidential fees the county will be much lower. He said for policy reasons this will be a good thing, given the distance to other towns, it would really be nice if you kept the

retail and other dollars within the county; it would shorten trips from a traffic point of view. He said you want people to be able to do as much locally as they can and having low fees for nonresidential would be a good thing.

Chairman Jostes said if part of this is to establish a new fee structure, he asked if that becomes a tax regulatory issue and if the actual approval of these fee systems would be done by the Nevada County Supervisors and the City Councils. Executive Director Landon replied that is correct. Chairman Jostes said they become locked into the system through the county supervisors and city councils. Executive Director Landon said correct; they are adopted by ordinance. Commissioner Fouyer said it is the ultimate directive.

Commissioner Beason said a full disclosure when the county looked at an update on their LTMF fees, they think they are going to have another conversation about cutting them to zero in some cases. Mr. Hubbard said there are some cases, for example, that government buildings are exempt of fees. He said they are simply not mentioned in some of the fee programs. Mr. Hubbard suggested they should not leave that uncertainty. He said it is much better for staff at the counter, when they have already been given direction, if someone comes in with a government project that is exempt; the decision is done at the policy level rather than left for the staff to figure out. Commissioner Beason said the biggest traffic generator on Ridge Road is Nevada Union High School and he did not think they pay fees. Commissioner Scofield noted that there is also Sierra College in that area. He asked if the recommendations are as high as can legally be set. Mr. Hubbard replied that is correct; they recommended the maximum that you could go. He displayed a graph that showed schools and government and public buildings and listed them specifically as exempt, in order to give that direction.

Commissioner Beason said he appreciated the presentation. Chairman Jostes stated that this is hard to get your head around because the connections he is looking for are not there; he is an engineer, not a lawyer. Mr. Hubbard said there is the way we think it should be and then there is the California law. Commissioner Fouyer said the consultant puts up great studies and nexus are demonstrated with all the numbers, yet he and others elected have to answer to their constituents and developers and explain. He said it is always easy to explain a reduction; most people are going to be happy about a reduction. Mr. Hubbard said you can state this is the most they are legally allowed to collect and it is the fairest in terms of new development paying their fair share.

Commissioner Scofield commented that he found the report a little difficult to read and the use of acronyms was extensive and confusing.

Commissioner Fouyer made a motion to adopt Resolution 16-30 that endorses adoption of the *Regional Transportation Mitigation Fee 2016 Nexus Study Update Final Report*, and directs staff to proceed with preparation of the RTMF Administrative Plan and RTMF Agreements with the City of Grass Valley, the City of Nevada City, and Nevada County. Commissioner Scofield seconded the motion. The motion passed unanimously with Aye votes from Commissioners Beason, Fouyer, Guerra, Jostes, Moberg, and Scofield. Commissioner Dee was absent.

9. Amendment 1, Professional Services Agreement for Airport Land Use Planning Services with Mead & Hunt, Inc.

Executive Director Landon stated the Commission retained Mead & Hunt, Inc. on September 16, 2015 to provide airport land use planning services and they have functioned well for NCTC this past year. He asked the Commission to extend the agreement another year and staff will come back in one year to report on their service to us. Mr. Landon said whenever staff is working on

an airport land use commission issue, if it is something beyond staff's expertise, which most of it is, then he calls Mead & Hunt and a work order is set up. He said they have done well to keep NCTC out of trouble and in sync with what is going on in the aviation industry.

Commissioner Scofield made a motion to adopt Resolution 16-31 authorizing the Chairman to execute Amendment 1 to the agreement between NCTC and Mead & Hunt, Inc. to provide airport land use planning services, and extend the term of the agreement to September 16, 2017. Commissioner Guerra seconded the motion. The motion passed unanimously with Aye votes from Commissioners Beason, Fouyer, Guerra, Jostes, Moberg, and Scofield. Commissioner Dee was absent.

10. Amendment II to the FY 2016/17 Overall Work Program

Executive Director Landon reported that this is an amendment done annually at this time of year. Staff looks at the prospective budget and, based on the field work that the auditors do at the end of the fiscal year, adjustments are made going into the new year. He said staff outlined some changes in revenue expectations and also changes in expenditures and those related to salaries and equipment purchases to be made during the fiscal year. Commissioner Beason asked why the additional \$1,000 needed was taken out of the LTF funds. Executive Director Landon replied because it is the largest funding source and is the easiest to pull from.

Commissioner Guerra made a motion to adopt Resolution 16-32 approving Amendment II to the FY 2016/17 Overall Work Program. Commissioner Guerra seconded the motion. The motion passed unanimously with Aye votes from Commissioners Beason, Fouyer, Guerra, Jostes, Moberg, and Scofield. Commissioner Dee was absent.

COMMISSION ANNOUNCEMENTS

There were no Commissioner announcements.

SCHEDULE FOR NEXT MEETING

The next regularly scheduled meeting of the NCTC is on November 16, 2016 at the Nevada County Board of Supervisors Chambers, 950 Maidu Avenue, Nevada City, CA at 9:30 a.m.

ADJOURNMENT OF MEETING

Chairman Jostes adjourned the meeting at 11:15 a.m.

Respectfully submitted: Antoinette Perry  
Antoinette Perry, Administrative Assistant

Approved on: November 16, 2016

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