



Tulare County Transportation Authority

210 N. Church Street, Suite B
Visalia, California 93291
Phone (559) 623-0450
Fax (559) 733-6720
www.tularecog.org

Tulare County Transportation Authority	Date: Monday, October 17, 2022 Time: 1:00 PM Place: Porterville Fire Department Training Facility, 500 N. Newcomb Street Porterville, CA 93257
Technical Advisory Committee	Date: Thursday, October 13, 2022 Time: 1:30 PM Place: Tulare County Association of Governments 210 N. Church Street, Suite B (Sequoia Conference Room) Visalia, CA 93291

NOTE: This meeting will allow Board Members and the public to participate in the meeting via Teleconference, pursuant to Assembly Bill 361, available at

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB361

Zoom Meeting | Direct Link: <https://bit.ly/2Zt4BQY>

Toll Free Call in: 1(888) 475-4499 | **Meeting ID:** 744 710 0343 | **Passcode:** 82243742

Call in only instructions:

Enter your meeting ID followed by #, Enter # for participant ID, Enter the passcode followed by #.

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, including auxiliary aids, translation requests, or other accommodations, or to be able to access this agenda and documents in the agenda packet, please contact the TCAG office at 559-623-0450 at least 3 days prior to the meeting. If information is needed in another language, contact (559) 623-0450. Si se necesita esta información en español, llame (559) 623-0450. Kung ang kailangang impormasyon ay sa Tagalog, tawagan ang (559) 623-0450

Any staff reports and supporting materials provided to the Board after the distribution of the agenda packet are available for public inspection at the TCAG office.

I. CALL TO ORDER & WELCOME

II. PUBLIC COMMENTS-TIMED ITEM

NOTICE TO THE PUBLIC PUBLIC COMMENT PERIOD

At this time, members of the public may comment on any item of interest to the public and within the subject matter jurisdiction of TCAG but not appearing on this agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak with a total of fifteen (15) minutes allotted for the Public Comment Period. Speakers are requested to state their name(s) and address(es) for the record.

Convene as the Tulare County Transportation Authority

All items on the Consent Agenda are considered to be routine and non-controversial by Authority staff and will be approved by one motion if no member of the Authority Board or public wishes to comment or ask questions. Items pulled from the Calendar will be considered separately.

III. AUTHORITY CONSENT CALENDAR – ACTION AND INFORMATION ITEMS

Request approval of the Authority Consent Calendar Action Items III-A through III-F.

- A. Action: Reaffirm Conditions of State Assembly Bill 361 to Continue Remote Attendance at Public Meetings (Pages 01 - 02)
- B. Action: Minutes of September 19, 2022 Transportation Authority Meeting (Pages 03 - 04)
- C. Action: Minutes of September 15, 2022 Technical Advisory Committee Meeting (Pages 05 - 06)
- D. Action: Cancel the November and Reschedule the December 2022 Tulare County Transportation Authority (TCTA) and the Technical Advisory Committee (TAC) Meetings (Pages 07 - 08)
- E. Action: Adoption of Resolution: 2020 Measure R Strategic Work Plan – Amendment No. 7 (Pages 09 - 12)
- F. Action: Adoption of Resolution: Measure R Arbitrage Rebate Consultant Services (Pages 13 - 18)

IV. AUTHORITY ACTION/DISCUSSION ITEMS

- A. Information: Measure R Revenues for September 2022 (Pages 19 - 21)

V. OTHER BUSINESS

- A. Information: Item from Staff
- B. Information: Item from Board Members
- C. Request from Board Members for Future Agenda Items

VI. ADJOURN

(Pending approved cancellation of the November & reschedule of December 2022 meetings)

The next scheduled Tulare County Transportation Authority (TCTA) Board meeting will be held on **Monday, December 12, 2022 at 1:00 p.m.** at the Tulare Ag Auditorium, 4437 S Laspina, Tulare, CA 93274. The Technical Advisory Committee (TAC) will meet on **Thursday, December 8, 2021 at 1:30 p.m.** at the Tulare County Association of Governments (TCAG), **210 N. Church Street, Suite B, Sequoia Conference Room, Visalia, CA 93291.**

(If the cancellation of the November 2022 TCAG Board Meeting is not approved)

The next scheduled Tulare County Transportation Authority (TCTA) Board meeting will be held on **Monday, November 21, 2022 at 1:00 p.m.** at a location to be determined. The Technical Advisory Committee will meet on **Thursday, November 17, 2022 at 1:30 p.m.** at the **Tulare County Association of Governments (TCAG), 210 N. Church Street, Suite B, Sequoia Conference Room, Visalia, CA 93291.**

TULARE COUNTY TRANSPORTATION AUTHORITY

BOARD OF GOVERNORS	AGENCY	ALTERNATE
Larry Micari	Tulare County-District 1	*
Pete Vander Poel	Tulare County-District 2	*
Amy Shuklian - Chair	Tulare County-District 3	*
Eddie Valero	Tulare County-District 4	*
Dennis Townsend	Tulare County-District 5	*
Maribel Reynosa	City of Dinuba	Linda Launer
Frankie Alves	City of Exeter	Steve Garver
Paul Boyer	City of Farmersville	Ruben Macareno
Ramona Caudillo	City of Lindsay	Hipolito Cerros
Martha A. Flores – Vice-Chair	City of Porterville	Milt Stowe
Terry Sayre	City of Tulare	Jose Sigala
Brian Poochigian	City of Visalia	<i>Vacant</i>
Rudy Mendoza	City of Woodlake	Jose Martinez

***No Alternate (Required to be an elected official)**

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TCAG STAFF

Ted Smalley, Executive Director
 Ben Kimball, Deputy Executive Director
 Ben Giuliani, Executive Officer- LAFCO
 Leslie Davis, Finance Director
 Roberto Brady, Principal Regional Planner
 Derek Winning, Principal Regional Planner
 Gabriel Gutierrez, Principal Regional Planner
 Kasia Poleszczuk, Senior Regional Planner
 Steven Ingoldsby, Senior Regional Planner
 Giancarlo Bruno, Regional Planner
 Sheela Bhongir, Regional Planner
 Gail Miller, Associate Regional Planner-EH
 Maria Garza, Associate Regional Planner-EH
 Jennifer Miller, Associate Regional Planner-EH
 Michele Boling, TCAG Accountant III
 Brideget Moore, TCAG Analyst III
 Servando Quintanilla, TCAG Analyst I
 Amie Kane, TCAG Administrative Clerk II
 Holly Gallo, Office Assistant III

Office Address

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 210 N. Church, Suite B
 Visalia, CA 93291
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www.tularecog.org
www.tcmeasurer.com

TCRTA STAFF

Richard Tree, Executive Director - TCRTA

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Tulare County Association of Governments
Sitting as the Tulare County Transportation Authority

AGENDA ITEM III-A

October 17, 2022

Prepared by Jeff Kuhn, Chief Deputy County Counsel

SUBJECT:

Action: Reaffirm Conditions of State Assembly Bill 361 to Continue Remote Attendance at Public Meetings

BACKGROUND:

In response to the COVID-19 pandemic, the Governor suspended part of the Brown Act concerning the requirements for allowing Governing Board members to remotely participate in Board meetings. The suspended provisions require that (1) Governing Board meeting agendas allowing remote Board Member participation list each of the specific locations from which Board members will be remotely participating, (2) such agendas be posted at each such location, and (3) members of the general public must be allowed to remotely participate in the meeting from each of the listed locations. The suspension was done to promote social distancing and so to help limit the spread of COVID-19.

DISCUSSION:

The Governor's suspension of these Brown Act provisions expired as of September 30 and was replaced by new AB 361, an urgency statute that became effective as of September 30. Under AB 361, Governing Boards can continue to allow remote Board members participation in Brown Act public meetings if several conditions are met:

1. The meeting is held during a declared State of Emergency (Like the Governor's COVID-19 pandemic State of Emergency that's still in effect in California);
2. The Governing Board adopts findings to the effect that allowing remote meeting participation by Governing Board members promotes social distancing, which in turn helps prevent the spread of COVID-19;
3. The Governing Board confirms these conditions continue to be met every 30 days.

The Tulare County Association of Governments Board of Governors passed a resolution adopting a policy of remote attendance pursuant to AB 361 on October 18, 2021.

RECOMMENDATION:

Reaffirm the decision to continue allowing the option to participate in its governing board meetings remotely through the use of the teleconferencing provisions of AB 361.

FISCAL IMPACT:

None

ATTACHMENT:

None

Work Element 601.02 TCAG Administration

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AGENDA ITEM: III-B
TULARE COUNTY ASSOCIATION OF GOVERNMENTS
TULARE COUNTY TRANSPORTATION AUTHORITY

Executive Minutes September 19, 2022

Board Members	Alternates	Member/Alternate	Agency
Larry Micari	*	M	Tulare County-Dist. 1
Pete Vander Poel, Chair	*	M	Tulare County-Dist. 2
Amy Shuklian	*	-	Tulare County-Dist. 3
Eddie Valero	*	M	Tulare County-Dist. 4
Dennis Townsend	*	-	Tulare County-Dist. 5
Maribel Reynosa	Linda Launer	M	City of Dinuba
Frankie Alves	Dave Hails	M	City of Exeter
Paul Boyer	Ruben Macareno	M	City of Farmersville
Ramona Caudillo	Hipolito Cerros	M	City of Lindsay
Martha A. Flores, Vice-Chair	Milt Stowe	M	City of Porterville
Terry Sayre	Jose Sigala	-	City of Tulare
Brian Poochigian	<i>Vacant</i>	M	City of Visalia
Rudy Mendoza	Jose Martinez	-	City of Woodlake

Counsel and TCAG Staff Present (X)

X Jeff Kuhn, Tulare Co. Deputy Counsel	X Giancarlo Bruno, Regional Planner
X Ted Smalley, Executive Director	Sheela Bhongir, Regional Planner
Benjamin Kimball, Deputy Executive Director	Gail Miller, Associate Regional Planner/EH
X Benjamin Giuliani, Executive Officer-LAFCO	Maria Garza, Associate Regional Planner/EH
Leslie Davis, Finance Director	Jennie Miller, Associate Regional Planner EH
X Roberto Brady, Principal Regional Planner	Michele Boling, Accountant III
X Derek Winning, Senior Regional Planner	X Brideget Moore, Staff Services Analyst III
X Gabriel Gutierrez, Senior Regional Planner	Amie Kane, TCAG Administrative Clerk II
Kasia Poleszczuk, Associate Regional Planner	X Servando Quintanilla, TCAG Administrative Clerk II
X Steven Ingoldsby, Associate Regional Planner	X Holly Gallo, Office Assistant III

I. CALL TO ORDER & WELCOME

The Tulare County Transportation Authority was called to order by Vice-Chair Flores at 1:55 p.m. on September 19, 2022, at the Lindsay Wellness Center, 860 N. Sequoia, Lindsay, CA 93247.

II. PUBLIC COMMENTS

Public comments opened/closed at 1:56 p.m. No public comments received

III. AUTHORITY CONSENT CALENDAR – ACTION/INFORMATION ITEMS

Request approval of the Authority Consent Calendar Action Items III-A through III-C.

A. Action: Reaffirm Conditions of State Assembly Bill 361 to Continue Remote Attendance at Public Meetings

B. Action: Minutes of August 15, 2022 Transit Authority Meeting

C. Action: Minutes of August 11, 2022 Technical Advisory Committee Meeting

Upon a motion by Member Boyer, and second by Member Micari, the Tulare County Transportation Authority unanimously approved the Authority Consent Calendar Action Items III-A through III-C. Absent: Shuklian, Townsend, Sayre, and Mendoza.

IV. AUTHORITY ACTION/DISCUSSION ITEMS

A. Information: Measure R Revenues for August 2022

Mr. Smalley shared that the Measure R revenues for August were \$4,843,641. The 22/23 fiscal year to date amount was \$9,543,850 compared to \$8,933,164 for the same period last year representing a 6.8% increase.

B. Information: Notice of Updated Conflict of Interest Code Designations

Mr. Smalley explained that every two years the agency was required to update their Conflict of Interest Code designations and provide them to the Clerk of the Board.

V. OTHER BUSINESS

A. Information: Items from Staff

B. Information: Items from Board Members

C. Request from Board Members for Future Agenda Items

There were no items reported or comments noted for Other Business Items V-A through V-C.

VI. ADJOURN

The Tulare County Transportation Authority adjourned at 2:00 p.m.

Item III-C
TCTA Technical Advisory Committee Meeting
Tulare County Association of Governments - 210 N. Church Street, Suite B, Visalia, CA 93291
September 15, 2022 – Summary Meeting Minutes

City of Dinuba	<i>Absent</i>
City of Exeter	Eddie Wendt
City of Farmersville	<i>Absent</i>
City of Lindsay	<i>Absent</i>
County of Tulare	<i>Absent</i>
City of Porterville	Javier Sanchez
City of Tulare	<i>Absent</i>
City of Woodlake	<i>Absent</i>
City of Visalia	Dolores Verduzco
Tule River Indian Reservation	<i>Absent</i>
TCAG	Benjamin Kimball
Caltrans	Lorena Mendibles

Others Present:

TCAG Staff Present: Giancarlo Bruno, Derek Winning, Benjamin Giuliani, Michele Boling, Roberto Brady, Gail Miller, Sheela Bhongir, Holly Gallo, and Brideget Moore. Recording.

SUMMARY MEETING MINUTES

(Minutes reflect agenda items discussed only)

- I. **CALL TO ORDER:** The meeting convened as the Tulare County Transportation Authority Meeting and was called to order by Mr. Kimball at 1:52 p.m.
All action and informational documents were distributed for review and discussion. All actionable items would be voted on at the next Tulare County Transportation Authority (TCTA) Board meeting, scheduled for September 19, 2022.
- III. **AUTHORITY CONSENT CALENDAR – ACTION AND INFORMATION ITEMS**
A. **A. Action: Reaffirm Conditions of State Assembly Bill 361 to Continue Remote Attendance at Public Meetings**
Mr. Kimball stated that this was a repeat item.
- IV. **AUTHORITY ACTION/DISCUSSION ITEMS**
A. **Information: Measure R Revenues for August 2022**
Ms. Boling gave an update on FY 2021-2022 sharing that Measure R allocations had been received, payment request and distribution made through July 2022 and the allocation for the month of August was \$4,843,641 and the 22/23 fiscal year to date amount was \$9,543,850 compared to \$8,933,164 for this same period last year represents a 6.8 % increase.
B. **Information: Notice of Updated Conflict of Interest Code Designations**
Ms. Moore stated that this was a repeat item.
- V. **OTHER BUSINESS**
A. **Information: Item from Staff**
Mr. Kimball stated that TCAG would be accepting applications from consultants for the housing element until September 23rd.
- VI. **ADJOURN**
The TCTA Technical Advisory Committee adjourned at 1:54 p.m.
The next scheduled Tulare County Association of Governments (TCAG) Board meeting will be held on **Monday, October 17, 2022 at 1:00 p.m. at the Porterville Fire Department Training Facility, 500 N. Newcomb Street, Porterville, CA 93257.** The Technical Advisory Committee will meet on **Thursday, October 13, 2022, at 1:30 p.m. at the Tulare County Association of Governments (TCAG), 210 N. Church Street, Suite B, Sequoia Conference Room, Visalia, CA 93291.**

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Tulare County Association of Governments
Sitting as the Tulare County Transportation Authority

AGENDA ITEM III-D

October 17, 2022

Prepared by Amie Kane, TCAG Staff

SUBJECT:

Action: Cancel the November and Reschedule the December 2022 Tulare County Association of Governments (TCAG) and the Technical Advisory Committee (TAC) Meetings

BACKGROUND:

The 2022 Tulare County Association of Governments (TCAG), and Technical Advisory Committee (TAC) meeting schedule was approved by the Governing Board on December 6, 2021. Generally, the TCAG Board meeting is held on the third Monday of each month, with a few exceptions. The TAC meeting is held the Thursday prior to the TCAG Board meeting. Due to occasional conflicts, meetings are subject to change with notice. The Chair in consultation with the Executive Director may cancel or reschedule a meeting.

DISCUSSION:

TCAG staff is requesting to cancel both the November 17, 2022, Technical Advisory Committee (TAC) meeting and the November 21, 2022, Tulare County Association of Governments (TCAG) Meeting.

TCAG staff is requesting to reschedule the December 15, 2022 Technical Advisory Committee (TAC) meeting to December 8, 2022 and the December 19, 2022 Tulare County Association of Governments (TCAG) Meeting to December 12, 2022.

RECOMMENDATION:

Approve cancelation of the Technical Advisory Committee (TAC) and Tulare County Association of Governments (TCAG) November 2022 meetings.

Approve to reschedule the December 2022 Technical Advisory Committee (TAC) and Tulare County Association of Governments (TCAG) Meetings.

FISCAL IMPACT:

None

ATTACHMENTS:

None

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Tulare County Association of Governments
Sitting as the Tulare County Transportation Authority

AGENDA ITEM III-E

October 17, 2022

Prepared by Leslie Davis and Ted Smalley, TCAG Staff

SUBJECT:

Action: Adoption of Resolution: 2020 Measure R Strategic Work Plan – Amendment No. 7

BACKGROUND:

The Measure R Expenditure Plan serves as a guide for the use of transportation funds that will be generated through the Tulare County half-cent transportation sales tax through 2037. The Expenditure Plan was developed by the Tulare County Association of Governments and its nine member agencies (Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia, Woodlake, and the County of Tulare) and approved by the voters in November 2006. The Expenditure Plan represents diverse community interests and addresses major regional transportation needs in Tulare County through the year 2037. The Plan provides a detailed blueprint that will allow for the leveraging of state and federal funds through the revenues that are received through Measure R. The Plan provides funds for regional road improvements, public transit, rehabilitation of existing roads, and other transportation programs that will improve mobility and air quality within the County and each of the cities.

The Measure R Strategic Work Plan is the master plan for the delivery of Measure R projects over a five-year period. The 2020 plan was approved with Resolution No. 2020-119 at the October 1, 2020 Board meeting and Amendment No. 1 was approved with Resolution No. 2020-120 on December 14, 2020, Amendment No. 2 was approved with Resolution No. 2021-100 on April 19, 2021, Amendment No. 3 was approved on August 16, 2021 with Resolution No. 2021-106, Amendment No. 4 was approved September 20, 2021 with Resolution No. 2021-107. Amendment No. 5 was approved on October 18, 2021 with Resolution No. 2021-112, Amendment No. 6 was approved on February 28, 2022 with Resolution No. 2022-103. It details the revenue projections and possible financing tools needed to deliver Measure R projects. It takes into consideration the Measure R Expenditure Plan and the Measure R Policies and Procedures and gathers them into one document that will produce Measure R projects in a timely and efficient manner. The Strategic Work Plan is updated every two years and amended when there are financial changes that affect the member agencies.

DISCUSSION:

Self-Help Enterprises, City of Farmersville, and TCAG partnered and were awarded an Affordable Housing Sustainable Communities (AHSC) Grant for affordable housing, transit center, and bike/pedestrian facilities. The total construction cost for the Farmersville Multi-modal Hub is estimated at \$2,544,930. AHSC funds are to contribute \$1,634,930 and Measure R funds are to contribute \$910,000.

Measure R regional project funding generally works on a reimbursement basis. An agency with good audit status, may request an advance to reduce a potential cash flow issue to their respective agency. Farmersville has requested an advance for this project.

The Farmersville Multi-modal Hub (MMH) will provide a centralized location for transit services serving Farmersville and the surrounding Tulare County communities, including a minimum of two bus bays for existing and future bus services, office space, and restrooms. The 2020 Strategic Work Plan includes funding that can be allocated from the Tier II Interchange to this project.

RECOMMENDATIONS:

Approve the funding of \$910,000 to provide a match for the AHSC grant awarded for the Farmersville Multi-modal Hub and authorize advanced funding.

FISCAL IMPACT:

No fiscal impact, funding is already allocated within the expenditure plan.

ATTACHMENTS:

1. Resolution authorizing the 2020 Strategic Work Plan Amendment No. 7 as outlined above under recommendation.

BEFORE THE
TULARE COUNTY TRANSPORTATION AUTHORITY
COUNTY OF TULARE, STATE OF CALIFORNIA

In the matter of:

APPROVE AMENDMENT NO. 7 TO THE)
MEASURE R 2020 STRATEGIC WORK PLAN)

Resolution No. 2022-XXX

WHEREAS, on November 7, 2006, the citizens of Tulare County approved Measure R and the Measure R Expenditure Plan; and

WHEREAS, on April 16, 2007, the Measure R Policies and Procedures were adopted; and

WHEREAS, the Measure R Expenditure Plan serves as a guide for the use of transportation funds that will be generated through the Tulare County half-cent transportation sales tax over the next thirty years; and

WHEREAS, the member agencies approved the Measure R Expenditure Plan Amendment No. 5 by their respective Boards during the months of July and August 2020; and

WHEREAS, the 2020 Strategic Work Plan was approved on October 19, 2020 with Resolution No. 2020-119. Amendment No.1 was approved with Resolution No. 2020-120 on December 14, 2020, Amendment No. 2 was approved with Resolution No. 2021-100 on April 19, 2021, Amendment No. 3 was approved on August 16, 2021 with Resolution No. 2021-106, Amendment No. 4 was approved September 20, 2021 with Resolution No. 2021-107. Amendment No. 5 was approved on October 18, 2021 with Resolution No. 2021-112, and Amendment No. 6 was approved on February 28, 2022; and

WHEREAS, Self-Help Enterprises, City of Farmersville, and TCAG partnered and were awarded an Affordable Housing Sustainable Communities (AHSC) Grant for affordable housing, transit center, and bike/pedestrian facilities. The total construction cost for the Farmersville Multi-modal Hub is estimated at \$2,544,930. AHSC funds are to contribute \$1,634,930 and Measure R funds are to contribute \$910,000.

The Farmersville Multi-modal Hub (MMH) will provide a centralized location for transit services serving Farmersville and the surrounding Tulare County communities, including a minimum of two bus bays for existing and future bus services, office space, and restrooms. The 2020 Strategic Work Plan includes funding that can be allocated from the Tier II Interchange to this project; and

WHEREAS, there is no fiscal impact, funding is already allocated within the expenditure plan.

NOW, THEREFORE, BE IT RESOLVED that the Transportation Authority of the County of Tulare authorizes Amendment No. 7 to the 2020 Strategic Work Plan to approve the funding of \$910,000 to provide a match for the AHSC grant awarded for the Farmersville Multi-modal Hub and authorize advanced funding.

The foregoing Resolution was adopted upon motion of Member _____, seconded by Member _____, at a regular meeting held on the 17th day of October 2022, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

TULARE COUNTY TRANSPORTATION AUTHORITY

Amy Shuklian
Chair, TCTA

Ted Smalley
Executive Director, TCTA

Tulare County Association of Governments
Sitting as the Tulare County Transportation Authority

AGENDA ITEM III-F

October 17, 2022

Prepared by Leslie Davis TCAG Staff

SUBJECT:

Action: Adoption of Resolution: Measure R Arbitrage Rebate Consultant Services

BACKGROUND:

On November 7, 2006, the voters of Tulare County approved Measure R, imposing a ½-cent sales tax for transportation within the incorporated and unincorporated area of Tulare County through 2037. The transportation sales tax funds are spent in accordance with the Expenditure Plan that resulted from a joint effort among all the cities and the County of Tulare. The Expenditure Plan reflects the transportation needs of the residents of Tulare County. The plan includes funding for Regional Projects, Local Programs, Transit/Bike/Environmental Programs and Administration. The funds are distributed as follows:

1. Regional Projects (50%)
2. Local Programs (35%)
3. Transit/Bike/Environmental (14%)
4. Administration and Planning Program (1%)

Measure R revenues began to be collected on April 1, 2007. Monthly Measure R advancements are received by TCAG from the State Board of Equalization followed by quarterly clean-up disbursements. In total TCAG receives eight advancements and four clean-up disbursements throughout a fiscal year.

Authorization to proceed with draft related bond documents was approved by the Board on December 9, 2019 with Resolution No. 2019-114 and The Tulare County Transportation Authority Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2020 (the "Series 2020 Bonds") were issued by the Tulare County Transportation Authority (the "Authority") pursuant to Section 180000 et seq. of the Public Utilities Code of the State of California (as amended, the "Act"), Ordinance No. 2006-01 entitled the 2006 Half-Cent Transportation Sales Tax Measure Expenditure Plan and Use Tax Ordinance (the "Ordinance"), as approved by the Authority and more than two-thirds of the electors voting on the related ballot measure at the general election held in the County of Tulare (the "County") on November 7, 2006, and the Indenture, dated as of July 1, 2014 (the "Original Indenture"), as amended by the First Amendment to the Indenture, dated as of October 1, 2020 (the "First Amendment to the Indenture: and, collectively with the Original Indenture, the "Master Indenture"), as supplemented by the Second Supplemental Indenture, dated as of October 1, 2020 (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the Authority and Zions First National Bank, now known as Zions Bancorporation, National Association, as trustee thereunder (the "Trustee"). The proceeds of the Series 2020 Bonds will be used to (i) finance the cost of certain capital projects authorized in the Expenditure Plan adopted pursuant to the Act, (ii) refinance the outstanding loan from

the County Treasury of the County of Tulare (the "County Treasury Loan"), (iii) finance the cost of issuance incurred in connection with the Series 2020 Bonds.

The Measure R 2020 Strategic Work Plan was approved by the Authority on October 19, 2020 with Resolution No. 2020-119. The Work Plan serves as a guide for the delivery of Measure R projects in the upcoming five-year period.

DISCUSSION:

Arbitrage is the ability to obtain tax-exempt bond proceeds and invest the funds in higher yielding taxable securities, resulting in a profit. The hierarchy of these laws are: the Internal Revenue Code of 1986 as amended (the "Code"), Treasury Regulations, Revenue Procedures and Private Letter Rulings. To minimize the benefit of investing tax-exempt bond proceeds the arbitrage rebate requirements were imposed by Section 148(f)(2) of the Code. Generally, tax-exempt bond issues which were issued on or after September 1, 1986 are subject to the arbitrage rebate requirements. The arbitrage rebate requirements require that any profit or "arbitrage" be "rebated" to the Federal Government.

The rebate amount due to the Federal Government is equal to the excess of the amount earned on all non-purpose investments purchased with gross proceeds of the bonds over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the bonds. A rebate computation and payment to the Federal Government, if applicable, is required to be made at least every five years or each "Rebate Installment Computation Date" and upon final redemption or maturity of the bonds "Final Rebate Computation Date". The payment is due to the Federal Government within 60 days from either each Rebate Installment Computation Date or Final Rebate Computation Date. Failure to comply with these Federal Rebate Requirements could lead to substantial late filing penalties and interest and or, potentially the loss of tax-exempt status for the bonds. In addition to the many intricacies of the Code and the Regulations, there are various exceptions to rebate which an Issuer may qualify for, and there are various elections that can be made by the Issuer which will have an impact on the rebate calculation and the timing of any payments due to the Federal Government.

The federal arbitrage restrictions are among the most complex aspects of the U.S. tax code and the arbitrage rebate requirement is perhaps the most mostly provision of the 1986 Tax Reform Act for state and local governments. To comply with various arbitrage rebate rules, municipal bond issuers are required to perform numerous tests and calculations for each of their outstanding bond issues. Staff resources may be diverted from important governmental activities. Municipalities often undertake significant ongoing expenditures for legal and investment advice, computer and accounting support, records storage, and management oversight.

The obligation is to make any positive arbitrage rebate payment every 5 years throughout the life of the transaction to the US Treasury, including a payment at final maturity, or any full redemption. The only way to know if TCAG owes any positive arbitrage back to the Treasury is to have a report prepared by a firm that specializes in Arbitrage Rebate calculations. The 2020 Bonds have a cash funded debt service reserve fund, therefore we concur that it would probably be a good idea to have a report prepared to see if any positive arbitrage has accrued to date. If there is positive arbitrage to date, then TCTA can start to budget and prepare for the actual payment which is due five (5) years from the issuance of the bonds, October 8, 2025. The I review of our 2014 Bond was conducted by BLX Group LLC on March 27, 2018 that

reviewed the period of July 29, 2014 through July 29, 2017. An interim arbitrage rebate analysis report confirmed that our cumulative rebate liability amount was zero.

A second and third review of the 2014 Bond was conducted to include the review through July 29, 2019 and through July 29, 2020. The arbitrage rebate analysis report confirmed that our cumulative rebate liability amount again was zero for each of these additional periods.

Lastly, an interim review of the 2020 Bond was conducted covering the period October 8, 2020 to October 8, 2021. If the results of the computation results in a positive arbitrage, 90% of the amount must be paid by September 27th of the current 5-year period. Since, BLX Group LLC is familiar and has already reviewed for the first five years it would be cost effective to use the sole source policy and continue the reporting for the future years' as well as include the 2020 bond review through our Sole Source process. BLX Group LLC has submitted a quote in the amount of \$1,250 per report.

RECOMMENDATIONS:

Staff recommends the approval of BLX Group LLC to provide Arbitrage Rebate Compliance Services for the 2020 bond.

FISCAL IMPACT:

No Fiscal Impact. The cost to conduct this service has already been included in the 2022/2023 OWP Budget

ATTACHMENTS:

1. Resolution: Approve Arbitrage Rebate Consultant
2. Sole Source Contract Justification Form

BEFORE THE
TULARE COUNTY TRANSPORTATION AUTHORITY
COUNTY OF TULARE, STATE OF CALIFORNIA

Attachment 1

In the matter of:

APPROVE MEASURE R ARBITRAGE)	
CONSULTANT THROUGH SOLE)	Resolution No. 2022-xxx
SOURCE PROCESS)	

WHEREAS, on November 7, 2006, the citizens of Tulare County approved Measure R and the Measure R Expenditure Plan; and

WHEREAS, the Measure R Expenditure Plan serves as a guide for the use of transportation funds that will be generated through the Tulare County half-cent transportation sales tax over the next thirty years; and

WHEREAS, the Measure R Strategic Work Plan is the master plan for the delivery of Measure R Projects in the upcoming five-year period; and

WHEREAS, the Measure R Bond was approved on December 19, 2019 with Resolution No. 2019-114 to allow TCTA to fund several large regional projects; and

WHEREAS, it is recommended by the Financial Advisor, KNN, that we hire a firm that specializes in Arbitrage Rebate calculations to calculate the potential positive arbitrage; and

WHEREAS, the 2020 Bonds have a cash funded debt service reserve fund, therefore we concur that it would probably be a good idea to have a report prepared to see if any positive arbitrage has accrued to date. If there is positive arbitrage to date, then TCTA can start to budget and prepare for the actual payment which is due five (5) years from the issuance of the bonds, October 8, 2025. An interim arbitrage rebate analysis report of the 2020 Bond confirmed that our cumulative rebate liability amount was zero; and

WHEREAS, BLX Group LLC is familiar and has the already reviewed for the first year it would be cost effective to use the sole source policy and continue the reporting for the future years' of the 2020 bond review through our Sole Source process. BLX Group LLC has submitted a quote in the amount of \$1,250 per report to perform the services.

NOW, THEREFORE, BE IT RESOLVED that the Transportation Authority of the County of Tulare approves BLX Group LLC through the Sole Source Policy to provide Arbitrage Rebate Compliance Services.

The foregoing Resolution was adopted upon motion of Member _____, seconded by Member _____, at a regular meeting held on the 17th day of October 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

TULARE COUNTY TRANSPORTATION AUTHORITY

Amy Shuklian
Chair, TCTA

Ted Smalley
Executive Director, TCTA



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Visalia, California 93291
Phone (559)623-0450
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www.tularecog.org

17-Oct-22

Contract No. Pending

Vendor Name: BLX Group LLC

Project: Arbitrage Rebate Compliance Services for 2020 Bond

Notice: if this is a new project/task written notice must be given to TCAG and TCTA before sole source request can be made

This signed and completed form must be included as an internal attachment with each contract that provides for sole source acquisition of service and must not be more than 3 months older than the authorized signature date. If more space is needed, please attach additional page(s),

1. Unique Features: Specify the unique features or characteristics of the service that are requested (if contract value does not exceed \$25,000 additional explanation is not necessary) The cost of the services are approximately \$ 1,250.00

2. Special Needs: Briefly explain why the unique specifications restricting the requisition to one provider: Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.

3. Other sources: If applicable state the reason or reasons why competing services are not effective selections: BLX Group LLC completed the previous interim arbitrage rebate analysis for the computation period October 8, 2020 to October 8, 2021.

4. Quotes: Attach three (3) informal quotes for Project/Task costs of \$25,000 or more

I certify that the above statements are true and correct, to the best of my knowledge. I also certify that neither I, nor my family members, will gain or receive any additional benefit because I have recommended that these services are contracted solely from a designated vendor or contractor.

Submitted By: _____ Date: _____
 Leslie J Davis, Finance Director

Chair, TCAG _____ Date: _____
 Amy Shuklian, TCAG Chair

TCAG _____ Date: _____
 Theodore Smalley, TCAG Director

Tulare County Association of Governments
Sitting as the Tulare County Transportation Authority

AGENDA ITEM IV-A

October 17, 2022

Prepared by Leslie Davis, TCAG Staff

SUBJECT:

Information: Measure R Revenues for September 2022

BACKGROUND:

On November 7, 2006, the voters of Tulare County approved Measure R, imposing a ½-cent sales tax for transportation within the incorporated and unincorporated area of Tulare County through 2037. The transportation sales tax funds are spent in accordance with the Expenditure Plan that resulted from a joint effort among all the cities and the County of Tulare. The Expenditure Plan reflects the transportation needs of the residents of Tulare County. The plan includes funding for Regional Projects, Local Programs, Transit/Bike/Environmental Programs and Administration. The funds are distributed as follows:

1. Regional Projects (50%)
2. Local Programs (35%)
3. Transit/Bike/Environmental (14%)
4. Administration and Planning Program (1%)

Measure R revenue collection began on April 1, 2007. Monthly Measure R advancements are received by TCAG from the State Board of Equalization followed by quarterly clean-up disbursements. In total, TCAG receives eight advancements and four clean-up disbursements throughout a fiscal year.

The Measure R 2020 Strategic Work Plan was approved by the Authority on October 19, 2020 with Resolution No. 2020-119, amended on December 14, 2020 with Resolution No. 2020-120, amended on April 19, 2021 with Resolution No. 2021-100, amended August 26, 2021 with Resolution No. 2021-106. September 20, 2021 with Resolution No. 2021-107, October 18, 2021 with Resolution No. 2021-112 and February 28, 2022 with Resolution No. 2022-103.

DISCUSSION

Status of Measure R Revenues

Fiscal Year 2021-2022 Measure R allocations have been received, payment request and distribution made through September 2022. The allocation for the month of September is \$3,839,825. The 22/23 fiscal year to date amount is \$13,383,675 compared to \$12,533,760 for this same period last year represents a 6.8 % increase.

See attached revenue chart covering fiscal years 2018/2019, 2019/2020, 2020/2021, 2021/2022 and 2022/2023 year to date.

Bike and Pedestrian Project

The City of Visalia is requesting a reallocation of bike funding from the K Road project to the Packwood Creek Trail in the amount of \$70,000. The Packwood Creek Trail project consisted of the new construction of .60 miles of Class I trail between Cedar and Crumal Streets completing the missing segment of the Packwood Creek Trail west of Lovers Lane to the Trail west of McAulif Street. The project also construction a Class IV bike route

along Walnut Ave connecting the existing Packwood Creek trail west of Ben Maddox St to the Santa Fe Trail along Santa Fe St. The contract change orders consisted of removal of 44 additional trees, a utility conflict, incorporating additional safety features, and the discovery of an abandoned irrigation pipe within the project area.

FISCAL IMPACT:

No Fiscal Impact. Funding for the Packwood Creek Project and K Road is already allocated in the expenditure plan and will be re-allocated between projects. This can be approved by the TCAG Director through delegated authority.

ATTACHMENT:

Annual Revenue Comparison through September of Each Fiscal Year

