

DEL NORTE LOCAL TRANSPORTATION COMMISSION
MEETING AGENDA: TUESDAY, DECEMBER 1, 2020 AT 3 PM

Public Zoom Webinar Registration Link:

https://us02web.zoom.us/webinar/register/WN_F_zG7Dx-Sv21uip-aMsXnA

1. Call Meeting to Order
2. Pledge of Allegiance
3. Public comment period

Anyone wishing to make public comments regarding matters either on or off the agenda and within the Commission's jurisdiction may do so at this time; however, the Commission is not permitted to act on non-agenda items.

4. Adjourn to the Policy Advisory Committee

CONSENT AGENDA for POLICY and ADMINISTRATIVE

Items are considered routine in nature and voted on in one motion: Consider public comments or requests to pull matters from the consent agenda for separate action.

- a) Minutes of October 6, 2020
Proposed action: By consensus, accept minutes of October 6, 2020.
- b) 2019-20 Annual Audit
Staff recommendation: By polled vote, accept the 2019-20 Annual Fiscal Audit.
- c) Resolution allocating Regional Surface Transportation Program funding for cloud based prevailing wage software.
Staff and TAC recommendation: By polled vote, adopt resolution 2020 20 allocating \$3,950 in RSTP funds for prevailing wage software.

POLICY and ADMINISTRATIVE

- d) Overall Work Program Amendment 1
Staff and TAC recommendation: By polled vote, adopt resolution 2020 19 amending the 2020-21 Overall Work Program.
- e) Attorney-Client fee agreement with the Del Norte County Counsel's Office
Staff recommendation: By polled vote, authorize the executive director to execute the Attorney-Client Fee Agreement with the Del Norte County Counsel's Office

- f) Discussion items
 - Sunset Circle progress update
 - Elk Valley Cross Road
 - Last Chance Grade
- 5. Commissioner comments and reports
- 6. Action on the recommendations of the Policy Advisory Committee
Adjourn as the Policy Advisory Committee, reconvene as the Del Norte Local Transportation Commission, and by polled vote, approve and adopt the actions taken by the Policy Advisory Committee in the items listed above.
- 7. Adjourn until the special meeting on Tuesday, January 12, 2020 at 3 p.m.

Anyone requiring reasonable accommodation to participate in the meeting should contact the Executive Director Tamera Leighton, at (707) 465-3878, at least five (5) days prior to the meeting.

CONSENT AGENDA ITEM A-C

DATE: DECEMBER 1, 2020
TO: DEL NORTE LOCAL TRANSPORTATION COMMISSION
FROM: TAMERA LEIGHTON, EXECUTIVE DIRECTOR
SUBJECT: CONSENT AGENDA ITEMS

a) Minutes of October 6, 2020

Proposed action: By consensus, accept minutes of October 6, 2020.

b) 2019-20 Annual Audit

Staff recommendation: By polled vote, accept the 2019-20 Annual Fiscal Audit.

This is routine in nature. The audit doesn't contain any findings and has been reviewed by the executive director and Cholwell, Benz and Hartwick.

c) Resolution allocating Regional Surface Transportation Program funding for cloud based prevailing wage software.

Staff and TAC recommendation: By polled vote, adopt resolution 2020 20 allocating \$3,950 in RSTP funds for prevailing wage software.

This is such a small allocation that it is without significant consequence to the budget.

DEL NORTE TRANSPORTATION COMMISSION
REGULAR MEETING MINUTES: TUESDAY, October 6, 2020, AT 3 PM

Present: Commissioner Alex Fallman, City,
Commissioner Gerry Hemmingsen, County
Commissioner Chris Howard, County, Chair
Commissioner Blake Inscore, City, Vice-Chair

Absent: Commissioner Roger Gitlin, County
Commissioner Heidi Kime, City

Also Present: Susan Brown, Rural Approaches
Tamara Leighton, Local Transportation Commission
Jon Olson, City
Kevin Tucker, Caltrans, Policy Advisory Member

1. CALL MEETING TO ORDER

Chair Howard called the meeting to order at 3:00 p.m.

2. PLEDGE OF ALLEGIANCE

Vice-Chair Inscore led the Pledge of Allegiance

3. PUBLIC COMMENT PERIOD

Anyone wishing to make public comments regarding matters either on or off the agenda and within the Commission's jurisdiction may do so at this time; however, the Commission is not permitted to act on non-agenda items.

The following person(s) addressed the Commission: None

4. ADJOURN TO THE POLICY ADVISORY COMMITTEE

Chair Howard adjourned as the Del Norte Local Transportation Commission and immediately reconvened as the Policy Advisory Committee at 3:02 p.m.

CONSENT AGENDA

Items are considered routine in nature and voted on in one motion: Consider public comments or requests to pull matters from the consent agenda for separate action.

a) **MINUTES OF SEPTEMBER 1, 2020**

Proposed action: By consensus, accept minutes of September 1, 2020.

b) **PLANNING, PROGRAMMING, AND MONITORING RESOLUTION AUTHORIZING STAFF ADMINISTRATION OF THE FUNDS FOR 2020-21.**

Staff recommendation: By polled vote, adopt resolution 2020 17 authorizing the executive director to execute fund transfer agreements with the State of California

Department of Transportation for fiscal year 2020-21 Planning, Programming, and Monitoring program.

c) STATE OF GOOD REPAIR RESOLUTION AUTHORIZING THE PROJECT LIST AND STAFF ADMINISTRATION OF THE FUNDS FOR 2020-21.

Staff recommendation: By polled vote, adopt resolution 2020 18 authorizing the administration of the SGR program and the program list.

d) SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL MEMBERSHIP

Staff recommendation: By consensus, approve the Social Services Transportation Advisory Council membership.

On a motion by Commissioner Inscore, seconded by Commissioner Fallman, and unanimously carried on a polled vote the Del Norte Local Transportation Commission approved items 4 a-d.

POLICY and ADMINISTRATIVE

e) DISCUSSION ITEMS

- Sunset Circle progress update – Jon Olson, City, reported about a two-week delay in the initiation of the project due to Tidewater having to take care of emergency repairs on Highway 101 at Collier Tunner. Commissioner Hemmingson inquired about added project costs because of the delay. Jon stated that there shouldn't be any added costs because the city held off on the Notice to Proceed because of the emergency repairs.
- 2020 Regional Transportation Plan meeting – Tamera Leighton reported that the public meeting for the Regional Transportation Plan is scheduled for October 20 at 4: PM.
- Elk Valley Cross Road – Nothing to report.
- Last Chance Grade – Tamera Leighton discussed her position in the Advisory Committee as an advocate for community information. The annual flyer has been sent out.

5. COMMISSIONER COMMENTS AND REPORTS

Policy Advisory Member Kevin Tucker reported that Caltrans and Pacific Power are partnering on acquiring a generator for the Collier Tunnel and rest area, and advised travelers that there would be periodic travel delays during some of the tunnel work.

Chair Howard discussed the work he and Tamera are doing to offset the public misinformation regarding highway 197 and 199. They are taking a facts-based approach to the misinformation coming from the opposition.

6. ACTION ON THE RECOMMENDATIONS OF THE POLICY ADVISORY COMMITTEE

Adjourn as the Policy Advisory Committee, reconvene as the Del Norte Local Transportation Commission, and by polled vote, approve and adopt the actions taken by the Policy Advisory Committee in the items listed above.

On a motion by Commissioner Hemmingsen, seconded by Commissioner Inscore, and unanimously carried on a polled vote the Del Norte Local Transportation Commission approved items 4 a-d.

7. ADJOURN UNTIL THE REGULAR MEETING SCHEDULED ON TUESDAY, NOVEMBER 3, 2020 AT 3:00 P.M.

With no further business before the Commission, Chair Howard adjourned the regular meeting at 4:20 p.m., and moved into Executive Session, until the next regularly scheduled meeting on Tuesday, November 3, 2020, at 3:00 p.m.

Respectfully submitted

Tamera Leighton, Executive Director

DEL NORTE LOCAL TRANSPORTATION COMMISSION
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2020

HARSHWAL & COMPANY LLP
Certified Public Accountants
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DEL NORTE LOCAL TRANSPORTATION COMMISSION
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INDEPENDENT AUDITOR'S REPORT

To the Commissioners of
Del Norte Local Transportation Commission
Crescent, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Del Norte Local Transportation Commission (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements and Reporting Guidelines for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and page 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated November 20, 2020, on our consideration of the Commission's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

Harshwal & Company LLP

Oakland, California
November 20, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

This section of Del Norte Local Transportation Commission's (the Commission's) financial statements presents management's overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2020. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's audited financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The required financial statements include the Government-wide and Fund Financial Statements; Statement of Net Position and Governmental Fund Balance Sheet; Statement of Activities and Changes in Net Position and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances; Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

These statements are supported by notes to the financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of the Commission.

Basic Financial Statements

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Commission's financial activities and financial position.

Government-Wide Financial Statements

The Government-wide financial statements provide a longer-term view of the Commission's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities and Changes in Net Position. The Statement of Net Position provides information about the financial position of the Commission as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of the Commission's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of the Commission's programs. The Statement of Activities explains in detail the change in Net Position for the year.

Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the Commission as a whole.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

All of the Commission's activities are grouped into Government Activities, as explained below.

Fund Financial Statements

The Fund Financial Statements report the Commission's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of the Commission's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts. The Fund Financial Statements provide detailed information about each of the Commission's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of the Commission for the year, and may change from year to year as a result of changes in the pattern of the Commission's activities. In the Commission's case, there are two Major Governmental Funds.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements. Major Funds account for the major financial activities of the Commission and are presented individually. All of the Commission's Governmental Funds are considered major.

The Statement of Net Position and the Statement of Activities present information about the following:

Governmental Activities - The Commission's basic services are considered to be governmental activities. These services are supported by specific program revenues from state grants and local transportation claims. Comparisons of Budget and Actual financial information are presented for the SAFE and Administration Special Revenue Fund.

Fiduciary Activities - The Commission's fiduciary activities are reported in the separate Statement of Fiduciary Net Position. Their balances are excluded from the Commission's other financial statements because the Commission cannot use these assets to finance its own operations.

The Fiduciary Statements provide financial information about the activities of the Transportation Development Act Fund, State Transit Assistance and RSTP Funds for which the Commission acts solely as an agent. The Fiduciary Statements provide information about the cash balances and activities of these funds. These statements are separate from, and their balances are excluded from, the Commission's financial activities.

Analysis of Major Funds

Governmental Funds - Special Revenue Fund revenue decreased by \$53,253 from \$420,792 in the prior fiscal year to \$367,539 this fiscal year. This decrease was mainly due to a skip year in Planning, Programming and Monitoring funds.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Special Revenue Fund expenditures decreased by \$25,221 from \$415,200 in the prior fiscal year to \$389,979 this fiscal year. This was mainly due to a skip year in Planning, Programming and Monitoring funds. as noted in the preceding paragraph.

Governmental Activities

**Table 1
Governmental Net Position**

	<u>2020</u>	<u>2019</u>
Cash and Investment	\$ 86,021	\$ 163,583
Accounts Receivables	96,906	155,777
Prepaid Expenses	-	11,557
Capital Assets, Net of Accumulated Depreciation	<u>-</u>	<u>-</u>
Total Assets	<u>182,927</u>	<u>330,917</u>
Accounts Payable	<u>26,719</u>	<u>152,269</u>
Total Liabilities	<u>26,719</u>	<u>152,269</u>
Net Position:		
Net Investment in Capital Assets	-	-
Restricted	<u>156,208</u>	<u>178,648</u>
Total Net Position	<u>\$ 156,208</u>	<u>\$ 178,648</u>

The Commission's governmental net position amounted to \$156,208 as of June 30, 2020, a decrease of \$22,440 over 2019. This decrease is the Change in Net Position reflected in the Governmental Activities column of the Statement of Activities shown in Table 2. The Commission's net position as of June 30, 2020, comprised the following:

Restricted - includes \$156,208 of net position that can only be used for specific purposes.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

The Statement of Activities presents revenues in detail. These elements are summarized below in the Changes in Governmental Net Position.

**Table 2
Changes in Governmental Net Position**

	<u>2020</u>	<u>2019</u>
Expenses:		
SAFE Services	\$ 17,460	\$ 15,492
Planning and Administration	<u>372,519</u>	<u>399,708</u>
Total Expenses	<u>389,979</u>	<u>415,200</u>
Revenues:		
Program Revenues:		
Grants	291,943	280,372
Local Transportation Funds	48,606	71,009
PPM Funds	-	42,000
SAFE Services	24,289	24,738
General Revenues:		
Interest	<u>2,701</u>	<u>2,673</u>
Total Revenues	<u>367,539</u>	<u>420,792</u>
Change in Net Position	<u>\$ (22,440)</u>	<u>\$ 5,592</u>

The Major Special Revenue Funds that the Commission uses to account for its governmental activities are described below.

SAFE Fund - This fund accounts for service authority for freeway emergencies. The major revenue source for this fund is state fees collected in connection with vehicle license fees. Expenditures are made for service authority for freeway emergencies projects. Expenditures in the amount of \$17,339 were made for services and supplies and \$121 were made for administration services in the current year. The fund balance increased by \$8,132 from \$64,971 at the end of the prior fiscal year, to \$73,103 at the end of the current fiscal year.

Administration Fund - The major revenue source for this fund Regional Planning Assistance funds. Expenditures in the amount of \$369,134 were made for planning and administration and \$3,385 were made for payments to affiliates in the current year. The fund balance decreased by \$30,572 from \$113,677 at the end of the prior fiscal year, to \$83,105 at the end of the current fiscal year.

Capital Assets

GASB Statement No. 34 requires the Commission to record all its capital assets that were not recorded in prior years. The detail on capital assets can be found in Note 3.

Debt Administration

The Commission does not utilize long-term debt to fund operations or growth.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various communities served by the Commission.

The economic condition of the Commission as it appears on the balance sheet reflects the financial stability of the State and Federal funding. The Commission continues to be encouraged by development throughout its boundaries. The Commission will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

Contacting the Commission's Financial Management

These financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of the Commission's finances. Questions about this Report should be directed to Executive Director, Del Norte Local Transportation Commission, 900 Northcrest Drive #16, Crescent City, California, 95531.

BASIC FINANCIAL STATEMENTS

GOVERNMENT - WIDE FINANCIAL STATEMENTS

DEL NORTE LOCAL TRANSPORTATION COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Governmental Activities</u>
ASSETS:	
Current Assets:	
Cash and Investments	\$ 86,021
Accounts Receivables	<u>96,906</u>
Total Current Assets	<u>182,927</u>
Noncurrent Assets:	
Capital Assets, Net of Accumulated Depreciation	<u>-</u>
Total Noncurrent Assets	<u>-</u>
Total Assets	<u>182,927</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	<u>26,719</u>
Total Current Liabilities	<u>26,719</u>
Total Liabilities	<u>26,719</u>
NET POSITION:	
Net Investment in Capital Assets	-
Restricted	<u>156,208</u>
Total Net Position	<u><u>\$ 156,208</u></u>

The accompanying notes are an integral part of these financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
SAFE Services	\$ 17,460	\$ -	\$ 24,289	\$ 6,829
Planning and Administration	<u>372,519</u>	<u>-</u>	<u>340,549</u>	<u>(31,970)</u>
Total Governmental Activities	<u>\$ 389,979</u>	<u>\$ -</u>	<u>\$ 364,838</u>	<u>(25,141)</u>
General Revenues:				
Interest				<u>2,701</u>
Total General Revenues				<u>2,701</u>
Change in Net Position				(22,440)
Net Position - Beginning of Year				<u>178,648</u>
Net Position - End of Year				<u>\$ 156,208</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>Fund 618</u> <u>SAFE</u>	<u>Fund 602</u> <u>Administration</u>	<u>Total</u>
ASSETS:			
Cash and Investments	\$ 70,548	\$ 15,473	\$ 86,021
Accounts Receivables	<u>4,244</u>	<u>92,662</u>	<u>96,906</u>
Total Assets	<u>74,792</u>	<u>108,135</u>	<u>182,927</u>
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Accounts Payable	<u>1,689</u>	<u>25,030</u>	<u>26,719</u>
Total Liabilities	<u>1,689</u>	<u>25,030</u>	<u>26,719</u>
FUND BALANCES:			
Restricted	<u>73,103</u>	<u>83,105</u>	<u>156,208</u>
Total Fund Balances	<u>73,103</u>	<u>83,105</u>	<u>156,208</u>
Total Liabilities and Fund Balance	<u>\$ 74,792</u>	<u>\$ 108,135</u>	<u>\$ 182,927</u>

The accompanying notes are an integral part of these financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Fund 618 SAFE	Fund 602 Administration	Total
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Grants	\$ -	\$ 291,943	\$ 291,943
Local Transportation Funds	-	48,606	48,606
Service Authority for Freeway Emergencies	24,289	-	24,289
Interest	<u>1,303</u>	<u>1,398</u>	<u>2,701</u>
Total Revenues	<u>25,592</u>	<u>341,947</u>	<u>367,539</u>
EXPENDITURES:			
Current:			
Service	17,339	-	17,339
Payment to affiliates	-	3,385	3,385
Planning and Administration	<u>121</u>	<u>369,134</u>	<u>369,255</u>
Total Expenditures	<u>17,460</u>	<u>372,519</u>	<u>389,979</u>
<i>Excess/(Deficiency) of Revenues over Expenditures</i>	<u>8,132</u>	<u>(30,572)</u>	<u>(22,440)</u>
Net Change in Fund Balance	8,132	(30,572)	(22,440)
Fund Balance - Beginning of Year	<u>64,971</u>	<u>113,677</u>	<u>178,648</u>
Fund Balance - End of Year	<u>\$ 73,103</u>	<u>\$ 83,105</u>	<u>\$ 156,208</u>

The accompanying notes are an integral part of these financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	Expendable Trust Funds						Total
	Fund 637 Local Transportation	Fund 626 State Transit Assistance	Fund 619 RSTP Fund	Fund 696 PTMISEA Fund	Fund 647 Transit Security Fund	Fund 697 State of Good Repair	
ASSETS:							
Cash and Investments	\$ 193,281	\$ 125,669	\$ 975,531	\$ 574,597	\$ 216	\$ 109,685	\$ 1,978,979
Sales Tax Receivable	<u>134,352</u>	<u>60,343</u>	<u>268,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>462,803</u>
Total Assets	<u>327,633</u>	<u>186,012</u>	<u>1,243,639</u>	<u>574,597</u>	<u>216</u>	<u>109,685</u>	<u>2,441,782</u>
LIABILITIES:							
Accounts Payable	<u>163,367</u>	<u>31,438</u>	<u>79,131</u>	<u>2,617</u>	<u>-</u>	<u>-</u>	<u>276,553</u>
Total Liabilities	<u>163,367</u>	<u>31,438</u>	<u>79,131</u>	<u>2,617</u>	<u>-</u>	<u>-</u>	<u>276,553</u>
NET POSITION:							
Held in Trust for Pedestrian Bike	55,925	-	-	-	-	-	55,925
Held in Trust	<u>108,341</u>	<u>154,574</u>	<u>1,164,508</u>	<u>571,980</u>	<u>216</u>	<u>109,685</u>	<u>2,109,304</u>
Total Net Position	<u>\$ 164,266</u>	<u>\$ 154,574</u>	<u>\$ 1,164,508</u>	<u>\$ 571,980</u>	<u>\$ 216</u>	<u>\$ 109,685</u>	<u>\$ 2,165,229</u>

The accompanying notes are an integral part of these financial statements.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Expendable Trust Funds						Total
	Fund 637 Local Transportation	Fund 626 State Transit Assistance	Fund 619 RSTP Fund	Fund 696 PTMISEA Fund	Fund 647 Transit Security Fund	Fund 697 State of Good Repair	
REVENUES:							
Sales Tax	\$ 703,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 703,942
RSTP Funds	-	-	268,108	-	-	-	268,108
State of Good Repair	-	-	-	-	-	38,442	38,442
State Transit Assistance Funds	-	238,831	-	-	-	-	238,831
Interest	<u>3,496</u>	<u>2,123</u>	<u>15,437</u>	<u>11,718</u>	<u>216</u>	<u>1,619</u>	<u>34,609</u>
Total Revenues	<u>707,438</u>	<u>240,954</u>	<u>283,545</u>	<u>11,718</u>	<u>216</u>	<u>40,061</u>	<u>1,283,932</u>
EXPENDITURES:							
Services	-	-	10,729	-	-	-	10,729
Administration and Planning	48,606	-	-	-	-	-	48,606
Prop 1B Grant Expenses	-	-	-	-	19,027	-	19,027
Redwood Coast Transit Authority	620,793	240,954	-	93,459	-	-	955,206
Consolidated Transit Services Agency	32,673	-	-	-	-	-	32,673
Partnerships	-	-	8,289	-	-	-	8,289
Streets Overlays	-	-	79,131	-	-	-	79,131
Others	-	-	-	-	-	1,160	1,160
Total Expenditures	<u>702,072</u>	<u>240,954</u>	<u>98,149</u>	<u>93,459</u>	<u>19,027</u>	<u>1,160</u>	<u>1,154,821</u>
Change in Net Position	5,366	-	185,396	(81,741)	(18,811)	38,901	129,111
Net Position, Beginning of Year	<u>158,900</u>	<u>154,574</u>	<u>979,112</u>	<u>653,721</u>	<u>19,027</u>	<u>70,784</u>	<u>2,036,118</u>
Net Position, End of Year	<u>\$ 164,266</u>	<u>\$ 154,574</u>	<u>\$ 1,164,508</u>	<u>\$ 571,980</u>	<u>\$ 216</u>	<u>\$ 109,685</u>	<u>\$ 2,165,229</u>

The accompanying notes are an integral part of these financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Del Norte Local Transportation Commission (the Commission) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This summary of significant accounting policies of the Commission is presented to assist in understanding the financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of the financial statements.

A. Reporting Entity and Nature of Activities

The Commission is the regional transportation planning agency for Del Norte County, California, and was created pursuant to Title 3 of Government Code Section 29535. The Commission is responsible for transportation planning activities as well as administration of the Local Transportation Trust Fund and the State Transit Assistance Fund. The Commission does not exercise control over any other governmental agency authority. Criteria used in determining the reporting entity was based on control or dependence determined on the basis of budget adoption, funding, and appointment of the respective governing board.

B. Basis of Presentation

Government-wide financial statements:

The statement of net position and statement of activities and changes in net position (statement of activities) display information about the reporting government as a whole and include all funds of the reporting entity, except for fiduciary activities. Governmental activities generally are financed through taxes and other non-exchange revenues.

The statement of activities demonstrates the degree to which the direct expenses of given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include grants and contributions that are restricted to meeting the operational needs of a particular program, and fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets.

Revenues not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, net position/fund equity, revenues, and expenditures/expenses.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds and major individual fiduciary funds are reported as separate columns in the fund financial statements.

The Commission's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of the Commission or meets the following criteria:

Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental funds are at least 10 percent of the corresponding total for all funds of that category or type.

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to the timing of the recognition of revenues and expenditures in the accounts and their reporting in the financial statements.

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Fiduciary funds are not included in the government-wide financial statements.

Fund Financial Statements

The governmental fund types use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. General capital asset acquisitions are reported as expenditures in governmental funds.

The revenues susceptible to accrual are Transportation Development Act (TDA) funds, grants and interest revenue.

Non-exchange transactions, in which the Commission gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

The Commission may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The Commission's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

The governmental funds consist of:

Service Authority for Freeway Emergencies (SAFE) Fund - The major revenue source for this fund is state vehicle license fees. Expenditures are made for SAFE projects.

Administration Fund - The major revenue source for this fund is state Regional Planning Assistance funds. Expenditures are made for planning and administration.

The fiduciary funds account for assets held by the Commission as a trustee or agent for other units of government. Expendable trust funds are used by the Commission for the following purposes:

Local Transportation Fund (LTF) - This fund is utilized by the Commission, as trustee, to receive the 1/4 of 1% retail sales tax that is returned to each County by the State Board of Equalization. These funds are apportioned and allocated by the Commission to eligible claimants for transit, transportation planning, and for administration of the TDA.

State Transit Assistance (STA) Fund - This fund is utilized by the Commission, as trustee, to receive sales tax derived from statewide sales of gasoline and diesel fuel. Each County receives its share of these funds based upon a population and operator revenue formula. These funds are allocated by the Commission to transit operators.

Regional Surface Transportation Program (RSTP) Fund - This fund is utilized by the Commission, as trustee, to receive non-federal RSTP account funds from the California Department of Transportation. These funds are then allocated to local agencies for eligible purposes.

Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) Fund - This fund is utilized by the Commission, as trustee, to receive PTMISEA funds which are required to be accounted for separately.

Transit Security Fund - This fund is utilized by the Commission, as trustee, to receive Proposition 1B California Transit Security Grant funds which are required to be accounted for separately.

State of Good Repair Fund - This fund is utilized by the Commission, as trustee, to receive funding for capital assistance in rehabilitating and modernizing California's existing local transit systems. This is an increase in transit STA funding. They pass through DNLTC directly to RCTA.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

D. *Budgets*

Operating Funds - The Commission annually adopts a budget through the preparation of an overall work program. This work program describes the projects, or work elements, that are to be funded, and the type of funds that will pay for the expenditures, such as Regional Planning Assistance, State Subvention, Local Transportation, or Federal Transportation Administration (FTA).

The work program in draft form is prepared by Commission staff, submitted and approved by the Commission, and submitted to the State of California, Department of Transportation (Caltrans) before June 30. Caltrans, as the grantor of Regional Planning Assistance, State Subvention and FTA funds, approves the work program, which then becomes the budget for the operating fund of the Commission.

Expendable Trust Funds - There are three expendable trust funds, the LTF, STA, and RSTP Funds. The LTF funds are available for transit, streets and roads, pedestrian and bicycle, administration of the TDA, and transportation planning.

The STA funds are available for transit purposes. The eligible recipients are the Commission, the County of Del Norte, the City of Crescent City, Redwood Coast Transit Authority and any governmental agency that is operating a transit service within Del Norte County, California. The process for delivering the LTF and STA funds to the various recipients is as follows:

The County Auditor-Controller estimates the amount of funds to be available in the LTF, and notifies the Commission before February 1 of each year.

The LTF fund's net position balance has \$55,925 held in trust for pedestrian bicycle projects.

The Commission determines how much funding it will need for the planning and administration of the TDA. Redwood Coast Transit Authority (RCTA) is the only eligible claimant in the Del Norte region for the LTF funds provided by the State of California Department of Finance. RCTA is notified of the amount of LTF funds. RCTA then submits a claim for LTF funds, with transit needs required to be met before any streets and roads funds can be claimed. While it is legal to allocate LTF funds for street and road purposes under certain conditions, the Commission is committed to funding transit to the greatest extent possible and by practice does not divert funds for streets and roads allocations.

The Commission acts upon the claims, adopting resolutions, and preparing allocation instructions that notify the recipient of the funds approved, and notifies the County Auditor-Controller of what expenditures are approved, and when they are to be paid.

The STA process is similar, except that the estimate is made by the State of California Controller's Office, and the funds cannot be used for administration, streets and roads, or pedestrian and bicycle facilities.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

E. Cash and Cash Equivalents

The Commission's cash is maintained with the County of Del Norte Office of the Auditor-Controller and a local financial institution. Cash deposits in external investment pools are considered cash equivalents when deposits and withdrawals may be made at any time without prior notice or penalty. The County of Del Norte Office of the Auditor-Controller allocates interest to the various funds based upon the average monthly cash balances. The Commission's cash on deposit with the County of Del Norte Treasury at June 30, 2020, was \$171,705 reported in governmental activity funds, and \$1,818,950 reported in fiduciary funds. The Commission's cash on deposit with Tri Counties Bank at June 30, 2020, was \$74,345.

F. Accounts Receivables

The Commission evaluates the collectability of accounts receivable in order to determine the allowance for doubtful accounts. As of June 30, 2020, the Commission determined that accounts receivable is fully collectible and recorded \$0 for the allowance for doubtful accounts.

Based on historical experience, the Commission does not expect amounts to become uncollectible, however if they are, they will be charged to operations as a bad debt expense. Although this method does not conform to generally accepted accounting principles, the impact of any bad debt expense recorded in the future is expected to be immaterial to the financial statements.

G. Capital Assets

Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if the actual historical cost is not available. Donated fixed assets are valued at their acquisition value on the date donated.

Depreciation of capital assets is charged as an expense against operations, with accumulated depreciation reflected in the statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Depreciable Asset</u>	<u>Estimated Useful Life</u>
Callboxes and Equipment	5 years

H. Net Position and Fund Balance Classification Policy

The difference between fund assets and liabilities is called "net position" in the government-wide and proprietary fund financial statements and it is called "fund balance" in the governmental fund financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

Government-wide and proprietary fund financial statements have the following categories of net position:

Net investment in capital assets represents capital assets, net of accumulated depreciation reduced by the outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net position represents amounts that can be spent only for specific purposes as stipulated by law, external resource providers, contract, or through enabling legislation.

Unrestricted net position represents amounts that are neither restricted nor invested in capital assets, net of related debt.

In accordance with the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the governmental fund financial statements have the following categories of fund balance:

Nonspendable fund balance includes amounts in fund balance that cannot be spent because they are either not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that can be spent only for specific purposes as stipulated by law, external resource providers, contract, or through enabling legislation.

Committed fund balance includes amounts that can be spent only for specific purposes determined by formal action of the Commission. Commitments may be changed or lifted only by the Commission taking the same formal action.

Assigned fund balance includes amounts that are intended to be spent for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent can be expressed by the Commission, a Commission created committee, or an official designated by the Commission to which it delegates the authority.

Unassigned fund balance represents the residual classification for resources that cannot be classified into any of the other categories.

The Commission establishes fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the Commission.

As of June 30, 2020, the Commission's restricted funds of \$156,208 include \$70,120 of State Transportation Improvement Program funds to be used for project planning, programming and monitoring activities, \$73,103 of funds to be used for SAFE projects and \$12,985 to be used for Safe Routes to School.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, followed by committed, assigned, and unassigned resources as they are needed.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

I. Due to Other Governments

Balances due to other governments from fiduciary funds are included in liabilities on the Statement of Fiduciary Net Position. As of June 30, 2020, the Commission's balance due to other governments was \$0.

J. Interfund Transactions - Transfers among funds

Resources may be transferred from one Commission fund to another. The purpose of the transfers is to reimburse a fund that has made an expenditure on behalf of another fund.

K. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

L. Contingencies

The Commission receives revenue from Federal, State and Local agencies that have requirements to be followed when expending these revenues. If the requirements are not followed, the unauthorized expenditures would be a liability to be refunded to the appropriate agency. Although that is a possibility, management currently deems the contingency remote based upon their knowledge of the objectives of the agencies and the provisions of the funding agreements. Accordingly, no amount has been accrued as a contingent liability in the accompanying financial statements

M. Risk Management

The Commission is exposed to various risks of loss related to errors and omissions. The Commissioners are covered for errors and omissions liability through the respective government agencies (Crescent City and County of Del Norte).

N. Fair Value Measurements

The Commission categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Commission has the ability to access.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT'D)

- Level 2:** Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3:** Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the Commission's own assumptions about the inputs that market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Commission's own data.

NOTE 2 - CASH AND INVESTMENTS FUNDS

The Commission maintains specific cash deposits with the County of Del Norte and involuntarily participates in the external investment pool of the County of Del Norte. The County of Del Norte is restricted by state code in the types of investments it can make. Furthermore, the County of Del Norte Treasurer has a written investment policy, approved by the Board of Supervisors, on an annual basis. Also, the County of Del Norte has a Treasury Oversight Committee, which performs regulatory oversight for its pool.

The County of Del Norte's investment policy authorizes the County of Del Norte to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. As of June 30, 2020, the Commission's cash with the County of Del Norte's Treasurer is stated at fair value. As of June 30, 2020, both the fair value and carrying value of the pool shares was \$171,705 and \$1,818,950 for the governmental and fiduciary funds, respectively.

Fair Value Measurements

The Commission's investments have the following recurring fair value measurements as of June 30, 2020:

	<u>Fair Value</u>	<u>Fair Value Measurement Using:</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Collective Investment Funds:				
Del Norte County Treasurer's Pool	\$1,990,655	\$1,990,655	\$ -	\$ -
Total	\$1,990,655	\$1,990,655	\$ -	\$ -

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 - CASH AND INVESTMENTS FUNDS - (CONT'D)

The Commission uses quoted prices in active markets to determine the fair value of its investments, if available. If quoted market prices in active markets are not available, fair value is based upon fair value information provided by third party investment custodians.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Due to the highly liquid nature of the Commission's investment with the County of Del Norte's external investment pool, the Commission's exposure to interest rate risk is deemed by management to be insignificant.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Del Norte's external investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

As of June 30, 2020, there were no Commission deposits with financial institutions in excess of federal depository insurance limits.

Concentration of Credit Risk

The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. There were no non-pooled investments held by the Commission at June 30, 2020.

NOTE 3 - CAPITAL ASSETS

The change in the capital assets in the SAFE fund for the year ended June 30, 2020, is as follows:

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2020</u>
Equipment	\$ 123,327	\$ -	\$ -	\$ 123,327
Less: Accumulated Depreciation	<u>(123,327)</u>	<u>-</u>	<u>-</u>	<u>(123,327)</u>
Net Capital Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DEL NORTE LOCAL TRANSPORTATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4 - PUBLIC TRANSIT MODERNIZATION

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements for rolling stock procurement, rehabilitation or replacement.

During the year ended June 30, 2020, the Commission received and expended Proposition 1B PTMISEA funds within the STA Fund as follows:

Unexpended PTMISEA Funds at June 30, 2019	\$ 653,721
Proceeds Received During 2020:	
Interest Earned	<u>11,718</u>
Total Available for Expenditure	665,439
Expenditures Incurred During 2020:	
Funding Provided to RCTA for Purchases	<u>93,459</u>
Unexpended PTMISEA Funds at June 30, 2020	\$ <u><u>571,980</u></u>

NOTE 5 - SUBSEQUENT EVENTS

In February 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID19) as a Public Health Emergency of International Concern, which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

As the COVID-19 pandemic is complex and rapidly evolving. At this point, we cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on our business, results of operations, and financial position.

REQUIRED SUPPLEMENTARY INFORMATION

DEL NORTE LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE BY WORK ELEMENT - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019
(UNAUDITED)

	Budget		Actual					Total	Variance
	Original	Final	TDA	SAFE	SRTS	RPA	STIP		
REVENUES:									
Regional Planning Assistance	\$ 230,000	\$ 230,000	\$ -	\$ -	\$ -	\$ 291,943	\$ -	\$ 291,943	\$ 61,943
RPA Grant Income	49,113	49,113	-	-	-	-	-	-	(49,113)
PPM Funds	44,000	44,000	-	-	-	-	-	-	(44,000)
TDA Funds	88,000	88,000	48,606	-	-	-	-	48,606	(39,394)
SAFE	26,000	26,000	-	24,289	-	-	-	24,289	(1,711)
Public Health Institute	2,000	2,000	-	-	-	-	-	-	(2,000)
Active Transportation Program	30,000	30,000	-	-	-	-	-	-	(30,000)
Interest*	-	-	-	1,303	-	-	1,398	2,701	2,701
Total Revenues	469,113	469,113	48,606	25,592	-	291,943	1,398	367,539	(101,574)
EXPENDITURES:									
Long Range Planning Coordination (A)	48,400	37,900	-	-	-	37,900	-	37,900	-
Overall Work Program Development (B)	34,000	34,000	1,893	-	-	24,000	-	25,893	8,107
Public Participation and Information Dissemination (C)	69,000	69,000	3,998	-	-	47,863	2,545	54,406	14,594
Regional Transportation Improvement Program (RTIP) Development (D)	66,976	71,976	-	-	-	-	23,120	23,120	48,856
TDA Administration and Fiscal Management (E)	56,000	56,000	42,715	-	-	-	-	42,715	13,285
SAFE: Service Authority for Freeway Emergencies (F)	26,000	26,000	-	17,339	-	-	-	17,339	8,661
2020 Regional Transportation Plan (G)	28,614	35,814	-	-	-	21,691	-	21,691	14,123
SB 743 Implementation Plan (H)	68,500	68,500	-	-	-	68,490	-	68,490	10
Community and Stakeholder Engagement (I)	26,700	40,000	-	-	-	39,586	-	39,586	414
Systemic Safety Analysis (J)	-	-	-	-	-	-	-	-	-
Elk Valley Cross Rd Corridor Plan (L)	86,000	68,033	-	-	-	52,413	2,920	55,333	12,700
Payments to Affiliates	-	-	-	-	-	-	3,385	3,385	(3,385)
Misc Others	-	-	-	121	-	-	-	121	(121)
Total Expenditures	510,190	507,223	48,606	17,460	-	291,943	31,970	389,979	117,244
Excess/(Deficiency) of Revenues over Expenditures	(41,077)	(38,110)	-	8,132	-	-	(30,572)	(22,440)	15,670
Fund Balance, Beginning of Year	178,648	178,648	-	64,971	12,985	-	100,692	178,648	-
Fund Balance, End of Year	\$ 137,571	\$ 140,538	\$ -	\$ 73,103	\$ 12,985	\$ -	\$ 70,120	\$ 156,208	\$ 15,670

References to A - L above represent work elements of the Overall Work Program.

* Interest income is not included in the work program budget.

The accompanying notes are an integral part of these financial statements.

SUPPLEMENTARY INFORMATION

DEL NORTE LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Fund 618</u> <u>SAFE</u>	<u>Fund 602</u> <u>Administration</u>	<u>Total</u>
<i>REVENUES:</i>			
Regional Planning Assistance	\$ -	\$ 291,943	\$ 291,943
TDA Funds	-	48,606	48,606
SAFE	24,289	-	24,289
Interest	<u>1,303</u>	<u>1,398</u>	<u>2,701</u>
Total Revenues	<u>25,592</u>	<u>341,947</u>	<u>367,539</u>
<i>EXPENDITURES:</i>			
Long Range Planning Coordination (A)	-	37,900	37,900
Overall Work Program Development (B)	-	25,893	25,893
Public Participation and Information Dissemination (C)	-	54,406	54,406
Regional Transportation Improvement Program (RTIP) Development (D)	-	23,120	23,120
TDA Administration and Fiscal Management (E)	-	42,715	42,715
SAFE: Service Authority for Freeway Emergencies (F)	17,339	-	17,339
2020 Regional Transportation Plan (G)	-	21,691	21,691
SB 743 Implementation Plan (H)	-	68,490	68,490
Community and Stakeholder Engagement (I)	-	39,586	39,586
Systemic Safety Analysis (J)	-	-	-
Elk Valley Cross Rd Corridor Plan (L)	-	55,333	55,333
Payments to Affiliates	-	3,385	3,385
Misc. Others	<u>121</u>	<u>-</u>	<u>121</u>
Total Expenditures	<u>17,460</u>	<u>372,519</u>	<u>389,979</u>
<i>Excess/(Deficiency) of Revenues over Expenditures</i>	<u>8,132</u>	<u>(30,572)</u>	<u>(22,440)</u>
Net Change in Fund Balance	8,132	(30,572)	(22,440)
Fund Balance - Beginning of Year	<u>64,971</u>	<u>113,677</u>	<u>178,648</u>
Fund Balance - End of Year	<u>\$ 73,103</u>	<u>\$ 83,105</u>	<u>\$ 156,208</u>

The accompanying notes are an integral part of these financial statements.

**DEL NORTE LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF ALLOCATIONS AND EXPENDITURES
LOCAL TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Public Utilities Code Section				
	Administration 99233.1	Pedestrian & Bike Facilities 99234	Community Transit Services 99275	Contracted Transit Service 99260	Total
<i>ALLOCATIONS:</i>					
Sales Tax and Other Income	\$ <u>707,438</u>	\$ _____ -	\$ _____ -	\$ _____ -	\$ <u>707,438</u>
Total Allocations	<u>707,438</u>	_____ -	_____ -	_____ -	<u>707,438</u>
<i>EXPENDITURES:</i>					
Redwood Coast Transit Authority	-	-	-	620,793	620,793
Consolidated Transit Services Agency	-	-	-	32,673	32,673
Administration and Planning	<u>48,606</u>	_____ -	_____ -	_____ -	<u>48,606</u>
Total Expenditures	<u><u>\$ 48,606</u></u>	<u><u>\$ _____ -</u></u>	<u><u>\$ _____ -</u></u>	<u><u>\$ 653,466</u></u>	<u><u>\$ 702,072</u></u>

The accompanying notes are an integral part of these financial statements.

DEL NORTE LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE TRANSIT ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Public Utilities Code Section
	General Public 6730
<i>ALLOCATIONS:</i>	
State of California STA Funds and Other Income	\$ 240,954
Total Allocations	240,954
<i>EXPENDITURES:</i>	
Redwood Coast Transit Authority	240,954
Total Expenditures	\$ 240,954

The accompanying notes are an integral part of these financial statements.

**REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE
STATUTES, RULES AND REGULATIONS OF THE
CALIFORNIA TRANSPORTATION DEVELOPMENT ACT**

To the Commissioners of
Del Norte Local Transportation Commission
Crescent, California

We have audited, in accordance with auditing standards generally accepted in the United States of America the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Del Norte Local Transportation Commission (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 20, 2020.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that expenditures paid by Del Norte Local Transportation Commission Transportation Development Act Funds were made in accordance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6661, 6662, and 6751 that are applicable to Del Norte Local Transportation Commission Transportation Development Act Funds. Also as part of our audit, we performed tests of compliance to determine whether certain state bond funds were received and expended in accordance with the applicable bond act and state accounting requirements.

In connection with our audit, nothing came to our attention that caused us to believe the Del Norte Local Transportation Commission failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

As of June 30, 2020, Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funds received and expended, in the current fiscal year, were verified in the course of our audit as follows:

Unexpended PTMISEA Funds at June 30, 2019	\$ 653,721
Proceeds Received During 2020:	
Interest Earned	<u>11,718</u>
Total Available for Expenditure	665,439
Expenditures Incurred During 2020:	
Funding Provided to RCTA for Purchases	<u>93,459</u>
Unexpended PTMISEA Funds at June 30, 2020	<u><u>\$ 571,980</u></u>

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

Harshwal & Company LLP

Oakland, California
November 20, 2020

RESOLUTION NO. 2020 20

DEL NORTE LOCAL TRANSPORTATION COMMISSION RESOLUTION
APPROVING ALLOCATION OF REGIONAL SURFACE TRANSPORTATION PROGRAM
FUNDING FOR CLOUD BASED PREVAILING WAGE SOFTWARE

WHEREAS, the Del Norte Local Transportation Commission in its official capacity as the designated Regional Transportation Planning Agency (RTPA), is allocating Regional Surface Transportation Program funds for eligible purposes; and

WHEREAS, Cloud based prevailing wage software will provide regional agencies the tools needed to follow labor compliance guidelines as established by the State; and

WHEREAS, the County of Del Norte has agreed to be the administrator and owner of the software account in a manner that provides member agencies access to the program, and

WHEREAS, County Development Department staff have presented a thorough analysis of options and are recommending LCP Tracker Professional Basic; and

NOW, THEREFORE, BE IT RESOLVED THAT the Del Norte Local Transportation Commission hereby allocates to the County of Del Norte on a reimbursement basis a sum not to exceed \$3,950 for cloud based prevailing wage software.

PASSED AND ADOPTED by the Del Norte Local Transportation Commission of Del Norte County, State of California on the 1st day of December 2020 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris Howard, Chair
Del Norte Local Transportation Commission

ATTEST:

Tamera Leighton, Executive Director
Del Norte Local Transportation Commission



COUNTY OF DEL NORTE
COMMUNITY DEVELOPMENT DEPARTMENT
981 H STREET, SUITE 110
CRESCENT CITY, CA 95531
FAX – (707) 465-0340

Planning (707) 464-7254	Engineering & Surveying (707) 464-7229	Roads (707) 464-7238	Building Inspection (707) 464-7253	Environmental Health (707) 465-0426	Code Enforcement (707) 464-7254
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September 23, 2020

To: Del Norte Local Transportation Commission & Technical Advisory Committee

From: Heidi Kunstal, Director of Community Development 

Subject: Request for the Commission to Procure Cloud Based Prevailing Wage Compliance Software for Public Works Projects using PPM or RSTP Funds

Most workers employed on public works projects must be paid the prevailing wage determined by the Director of the California Department of Industrial Relations (DIR), according to the type of work and location of the project. Contractors and subcontractors awarded public works projects subject to prevailing wage requirements are required to submit certified payroll records to the DIR's Labor Commission using an online reporting system. The purpose of the reporting system is to ensure that employees are being paid the general prevailing state wage determined by DIR.

When public funds are being spent on a public works project, it becomes the responsibility of each public agency to ensure that the contractor is complying with all the applicable labor laws, acts and statutes detailed in the agreement between the contractor and the agency including the submission of valid certified payroll records to the DIR. Caltrans has established guidelines for local agencies to follow with regard to labor compliance when using state transportation funds for public works projects. The Labor Compliance section from Caltrans Local Assistance Procedures Manual is included with this memo and closely details each agency's responsibility to review and verify all certified payroll is present and accurate. Failure to properly verify compliance may result in short payments to employees, failed audits and the possibility of having to reimburse the funding agency.

Validation of payroll records can be very time consuming depending on the complexity of the project which may include a contractor and multiple subcontractors and the familiarity of each contractor with state and federal prevailing wage obligations. As most agencies represented by the Del Norte Local Transportation Commission have limited staffing, the County proposes that the Transportation Commission consider procuring software which member agencies and their contractor and subcontractors may use for awarded public projects. The Del Norte Transportation Commission or County would serve as the administrator or owner of the cloud based software account but member agencies would be able to pay the vendor separate project based fees for awarded projects.

For each project, access would be provided to the contractor and subcontractors to enter payroll information directly into the cloud based software. The advantage of having software is that it has a built in checks and balances to verify information needed for a certified payroll record is provided by the contractor and subcontractors. Errors or missing data are flagged and must be addressed before moving forward in the process saving a significant amount of local agency staff time. According the websites of the various vendors that County and City have r, the use of the software saves time on

the part of the agency as well as the contractor and subcontractor and reduces the risk of fines and failed audits.

Three vendors were contacted which all offer similar services. The prices varied widely. As the price schedules are confidential, I am not including them with this report but will summarize the highlights for each vendor. The price schedules will be provided to the Executive Director of the Commission.

Vendor	Cloud Based	Audit Ready	Multi-User	Customer Support Included in Price	Price
eComply Solutions	Yes	Yes	No	Yes	\$\$\$
LCP Tracker	Yes	No	Yes	Yes	\$\$
Elation Systems	Yes	Unknown	No	Unknown	\$

Additional information about each vendor may be found at the following websites:

eComply Solutions: <https://ecomplysolutions.com/>

LCP Tracker: <https://lcptracker.com/>

Elation Systems: <https://www.elationsys.com/elationsys/>

After reviewing the websites and communicating either by phone or email with representatives of the vendors, County staff recommends that the Commission select LCP Tracker based on the service it provides for the price. It also fits the model best with regard to use by member agencies. The startup fee for the LCP Tracker Professional Basic is \$3,950. Member agencies can pay a single project price with an annual flat rate based on the value of the construction costs which would be about \$1,100 for a per typical local agency project.

16.9 EMPLOYMENT PRACTICE: LABOR COMPLIANCE, EEO, DBE

Labor Compliance

Labor compliance is the local agency's effort to ensure the contractor is complying with all the applicable labor laws, acts and statutes detailed in the contract provisions. This section presents the guidelines for performing labor compliance. These guidelines apply to all state or federally funded projects.

The basis for these labor compliance procedures and the legal authority for local agencies to enforce labor compliance provisions derive from the California Labor Code, the Code of Federal Regulations, regulations of the FHWA, the California Code of Regulations, and the United States Department of Labor.

State and federal laws require contractors working on public works contracts to pay prevailing wages to their employees. Prevailing wages are predetermined hourly rates for each craft that are set by both the United States Department of Labor and the California Department of Industrial Relations. The prevailing hourly wage rate is composed of the basic hourly wage rate plus fringe benefits.

In addition, these laws:

- Define overtime and overtime pay
- Establish a workday and a workweek
- Require substantiation of wages via certified payrolls
- Determine covered work, (work requiring the payment of prevailing wages), vs. non-covered work

The Federal-aid Highway Acts established that laborers and mechanics employed on federal-aid projects are paid at wage rates generally prevailing for the same type of work on similar construction in the immediate locality. The federal wage rate determinations are included in the contract. The California Department of Industrial Relations determines the general prevailing state wage rates and those rates must be referenced in the contract.

Role of the Local Agency Labor Compliance Officer

Annually, each local agency must designate a Labor Compliance Officer. The Labor Compliance Officer has the responsibility of overseeing the local agency's labor compliance program. The duties include:

- Providing appropriate labor compliance training for local agency personnel
- Ensuring labor compliance requirements are performed and documented for all state and federally funded projects
- Assisting the RE in determining appropriate deductions or penalties

Many Labor Compliance Officers also perform duties listed below under Role of the Resident Engineer.

Resident Engineer's Role

The RE has the responsibility of enforcing the labor compliance provisions of the contract at the project level. To fulfill this responsibility, the RE and support staff must have a working knowledge of the requirements. A good place to start is a complete review of Form FHWA 1273, Required Federal-aid Contract Language, found in your special provisions.

Early oversight and enforcement of the labor compliance requirements is preferable to investigations of violations and withholding penalties. In order to accomplish this, the RE must perform or delegate the following tasks:

Task 1: Review the Labor Provisions of the Contract with the Contractor at the Pre-Construction Meeting

Include Labor Compliance Requirements as a topic on the pre-construction meeting agenda. The Federal-Aid Contract Prejob Checklist found on the [Caltrans Labor Compliance](#) website is a helpful tool for developing a discussion outline. Portions of the checklist require modification to conform to your contract provisions, form numbers and local agency policies.

Task 2: Prepare Daily Reports

See [Exhibit 16-C: Resident and Assistance Engineers Daily Reports](#), earlier in this chapter for the information that is needed to document the presence of the contractor's employees and owner-operators at the job site, and the work performed.

Task 3: Obtain Certified Payrolls and Owner Operator Listings

A payroll is a record of all payments a contractor made to employees working on the project. A certified payroll is one that contains the signed declaration required in Part IV-3, Payrolls and Records, of Form FHWA-1273. The provisions require the contractor and all subcontractors to:

- a. Submit payrolls weekly
- b. Sign a Statement of Compliance with each payroll submitted

The required weekly payroll information may be submitted in any form desired, however, Form WH-347, Payroll, is available for the convenience of contractors. An executed certification on the reverse side of optional Form WH-347 satisfies the requirement for submission of a statement of compliance. The prime contractor is responsible for the submission of all copies of payrolls by all subcontractors.

By signing the Statement of Compliance, the contractor or subcontractor is certifying that the following statements for the pay period are correct:

- a. The information required under 29 CFR 5.5(a)(3)(ii) and 29 CFR 5.5(a)(3)(i) is being maintained and is correct and complete.
- b. Each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract has been paid the full weekly wages earned, without rebate, either directly or indirectly, and no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3.
- c. Each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits, or cash equivalents, for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

Develop a system to track the submission of payrolls. Prior to making the monthly progress payment to the contractor, be sure all certified payrolls, owner operator listings and statements of compliance have been submitted for the previous month. If documents are missing, see Discrepant, Delinquent or Inadequate Payrolls later in this section.

Task 4: Check all Certified Payrolls

Review payrolls to verify that each laborer or mechanic has been paid not less than the prevailing hourly wage applicable for the classification of work performed as specified in the contract. When state and federal wage rates differ, the contractor is required to pay the higher of the two.

Overtime must be paid:

- a. For all hours worked in excess of eight in any workday
- b. For all hours worked in excess of 40 in any workweek
- c. For the first eight hours worked on the seventh consecutive day of work in a workweek
- d. As at least 1.5 times the regular hourly wage plus fringe benefits

For additional information on checking payrolls, owner-operator listings, calculating wage rates, fringe benefits and overtime, see the Labor Compliance section of the [Caltrans Construction Manual](#).

When checking payrolls against the prevailing wage rates, it is recommended that you place checkmarks adjacent to those wage rates verified and initial the pages. It is also recommended that you tab the payrolls that you have checked so you can refer to them quickly during a review or audit. File all payrolls and listings in the project records.

Task 5: Conduct Employee Interviews

Interview contractor employees using [Exhibit 16-N: Employee Interview: Labor Compliance EEO](#), or the Spanish version of this form, [Exhibit 16-P: Employee Interview: Labor Compliance EEO \(Spanish Form\)](#). During the interview, the employee is asked questions regarding wage rates, hours of work, and type of work performed. The interview is used to check the validity of information shown on the certified payroll records. See item seven below for information on cross checking interviews and payrolls.

Interview a minimum of two employees per contract, per month, including at least one interview from the prime contractor and each subcontractor until such time as the contract is accepted or all employees on the project have been interviewed. The number of interviews taken must constitute a representative sample of workers employed on the project, including a variety of crafts and trades.

The contract provisions allow you to interview employees during work hours on the job per Part V-3c, Payrolls and Basic Records of Form FHWA-1273. However, try to conduct the interviews at times that minimize disruption to the contractor's operation. Assure the interviewees that their statements will be confidential. Interview employees individually and away from supervisory personnel and other contractor staff. Do not disclose to the employer the identity of the employee without the employee's consent. Be sure the interviewer and the RE sign the form and file a copy in the project records.

Task 6: Maintain Written Evidence of Apprentices Employed on the Project

An apprentice is a contractor's employee who is registered in a formal training program governed by an apprenticeship committee. Part V-4a, Apprentices and Trainees of Form FHWA-1273, permits apprentices to work for less than the prevailing wage rate provided they are registered in bona fide apprenticeship program.

If the contractor uses apprentices, the RE must:

- a. Track apprentices used on the contract in daily reports
- b. Ensure apprentice classifications are correctly identified on certified payrolls
- c. Obtain and file written evidence from the contractor that apprentices are registered in an appropriate program
- d. Confirm the ratio of apprentices to journeyman is not greater than permitted by the apprenticeship agreement

Apprentices lacking evidence of registration, and apprentices in excess of allowable ratios must be paid the journeyman wage.

Written evidence of registration can be provided with form DAS-1, Apprenticeship Agreement, or a letter from the Department of Apprenticeship Standards.

On federal-aid projects, evidence of federal registration must be provided on U.S. DOL Form ETA-671, Program Registration and Apprenticeship Agreement, or a letter from the United States Office of Apprenticeship providing notice of registration.

If the number of apprentices is specified in the special provisions, the contractor must submit for a work plan specifying:

- a. Number of apprentices to be trained for each classification,
- b. Training program to be used, and
- c. Training start date for each classification.

The contractor must obtain approval of the plan before starting work. File a copy of the approved plan in the project records.

Task 7: Cross Check Daily Reports, Interviews, Payrolls and Wage Rates in Order to Determine Contractor and Subcontractor Compliance

Each month compare one of the employee interviews to the payroll record and daily reports for the week the interview was performed. Confirm that:

- a. Employee was classified properly for the work the employee was doing at the time of the interview as described in the daily reports
- b. Correct wage rate was paid for the proper classification
- c. Overtime rate was paid for any work in excess of 8 hours in a day or 40 hours in a week, or for the first eight hours work on a seventh consecutive day

A single worker may perform many different tasks covered by more than one craft or classification during the course of a single day. In this situation, the contractor may break up the work into the different classification and pay accordingly, or it may pay the worker the highest applicable wage rate for the entire day. If the highest wage rate is paid for the entire day, separate entries in the payroll records are not required.

If you find payroll discrepancies through review, random confirmation or worker complaints, see the CT Labor Compliance Policy Bulletin 11-01 for required follow up steps.

Task 8: Document that the Required Posters and Wage Rates are Displayed at the Job Site

Document that the posters and wage rates are legible and posted in plain view where employees are not intimidated to read them. If the project has multiple locations without a single gathering place, the contractor may need to be creative, mounting them to the porta-potty or a sandwich board that can be easily moved.

A photograph of the display is a good way to document that the contractor was in compliance. If you are unable to take a photo, the engineer performing the verification must note compliance in the daily report. Place a copy of the photo or daily report in the project labor compliance file.

A checklist helpful for performing verification is available at:

<https://dot.ca.gov/programs/construction/labor-compliance/labor-compliance-posters>.

Note that the laminated all-in-one posters many contractors purchase do not contain all the required information.

Task 9: Compare all Force Account (time and material) Billings to Certified Payrolls

Confirm the names of employees, wage rates, and hours listed on change order bills match information listed on the contractor's certified payrolls. If the documents do not show identical information, do not approve payment of the change order bill until the discrepancy is corrected.

Task 10: Take Action for Payroll Delinquencies, Discrepancies and Inadequacies**If the Contractor Fails to Submit all Certified Payrolls, or Submits Incomplete Certified Payrolls**

The RE must notify the contractor in writing which certified payroll documents are missing or inadequate, as well as withheld pay due to the contractor on the monthly progress payment. A withholding up to 10% of the payment is recommended a minimum of \$1,000 and a maximum of \$10,000. However, Part IV-3c, Payrolls and Basic Records of Form FHWA 1273 states contracting local agencies may cause the suspension of any further payments.

Make withholds separately for each payment period in which a new delinquency or inadequacy appears. When all delinquencies or inadequacies for a period have been corrected, release the withholdings covering that period on the next progress payment. Withholdings can only be taken once for each missing document and do not compound on each monthly estimate. See [Labor Compliance Policy Bulletin 11-01](#) for required follow up steps.

A sample letter titled, "Notice of Delinquent or Inadequate Certified Payroll Records," can be found at the [Caltrans Labor Compliance](#) website and used to notify the Contractor of certified payroll issues. Be sure to use your local agency letterhead and modify the language as appropriate.

If the Contractor Refuses to Provide Payrolls

When contractor does not comply with your request to submit missing or corrected payrolls, the issues become violations and are compiled into a wage case.

If the prime contractor refuses to submit certified payrolls, the RE must notify the contractor by certified mail that payrolls have not been received. The letter advises the contractor that they are in violation of the contract, and if payrolls are not submitted within 10 days of receipt of this letter, penalties will be assessed in accordance with California Labor Code Section 1776(g) in the \$100 per worker for each calendar day the payroll has not been submitted. This type of penalty must be pre-approved by the Department of Industrial Relations prior to deducting any funds from the contractor. Process an administrative deduction in the full amount of labor compliance penalties on a monthly basis. These deductions are penalties and are not refundable to the contractor, regardless of the method used to obtain the payrolls. See Chapter 8: Labor Compliance of the Caltrans Construction Manual for further discussion on this matter and consult your Labor Compliance Officer.

Which Workers are Covered by the Labor Provisions of the Contract

Every laborer or mechanic employed at the job site or site of work that performs part of the contract work is subject to the labor provisions of the contract. The laborer or mechanic may be either an employee of the prime contractor, an employee of an approved or listed subcontractor, or some other person or firm who furnishes on-site labor, including;

- Employees of equipment rental firms operating rented or leased equipment used in the work
- Owner-operators of general construction equipment such as graders, cranes, or excavators
- Firms that furnish engineering services, such as construction inspection, materials testing, and land surveying, regardless of whether that firm is hired by the contractor or the local agency
- Suppliers and fabricators who install manufactured products
- Corporate officers, supervisors or foremen who, regularly and for a substantial period of time, perform journeyman work

The terms job site or site of the work as applied to labor compliance are not limited to the actual geographic location or limits of the project. These terms include any location or facility established for the sole or primary purpose of contributing to the specific project.

Typical examples include material sites, processing plants, fabrication yards, garages, or staging sites set up for the exclusive or nearly exclusive furtherance of work required by the project. Consult the Labor Compliance chapter of the Caltrans Construction Manual for more information on Covered and Non-Covered employees.

Equal Employment Opportunity (EEO)

This section presents the requirements for administration of the nondiscrimination and EEO provisions of the contract.

California nondiscrimination and EEO requirements for public works contractors are located in Title VI, Civil Rights Act; Section 12990, Government Code; Title 2, Fair Employment and Housing Commission; Sections 8107 and 8203, California Code of Regulations; Part II, Nondiscrimination of FHWA Form 1273 calls the contractor's attention to these and other requirements.



Item D Staff Report

DATE: DECEMBER 1, 2020
TO: DEL NORTE LOCAL TRANSPORTATION COMMISSION
FROM: TAMERA LEIGHTON, EXECUTIVE DIRECTOR
SUBJECT: OVERALL WORK PROGRAM AMENDMENT 1

PROPOSED ACTION: By polled vote, adopt resolution 2020 19 amending the 2020-21 Overall Work Program.

BACKGROUND: The Overall Work Program (OWP) is the primary management tool for the Del Norte Local Transportation Commission, identifying the activities and a schedule of work for regional transportation planning in Del Norte County.

DISCUSSION: The following chart reflects the changes to the Overall Work Program, thus creating the necessity for Amendment 1.

Work Element:	Purpose of change:	Action taken:
A 4	Adds funding	Adds carryover funding to accommodate more mapping areas.
H 1	Adds Work Element	Adds a Work Element to provide match funding for Crescent City and Del Norte County safety planning documents with carryover funding.

The proposed resolution and amendment are attached.

OVERALL WORK PROGRAM AGREEMENT (OWPA) for Del Norte Local Transportation Commission

FY: 2020-21 OWP Board Approval Date: 1-Dec-20 Amendment #: 1

- The undersigned signatory hereby commits to complete this Fiscal Year (FY) the Annual Overall Work Program (OWP), which has been approved by the Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) and is attached as part of this OWPA.
- All of the obligations, duties, terms and conditions set forth in the Master Fund Transfer Agreements (MFTA) that was executed January 1, 2015 through December 31, 2024 with Caltrans are incorporated by reference as part of this OWPA for this FY.
- Match amounts, sources, and eligibility for Regional Transportation Planning Funds listed below, must be in compliance with Federal, State, or contractually agreed upon requirements.
- Subject to the availability of funds this FY OWPA funds encumbered by Caltrans include, but may not exceed, the following:

Funding Source	MIN Required Match %	CURRENT FY Allocated Programmed Amount	CARRYOVER Programmed Amount	Toll Credit Match	Local/In- Kind Match	TOTAL Estimated Expenditures
FHWA PL (Toll Credit)	11.47%					\$0.00
FHWA PL (Local/In-kind Match)	11.47%					\$0.00
FTA 5303 (Toll Credit Match)	11.47%					\$0.00
FTA 5303 (Local/In-kind Match)	11.47%					\$0.00
FTA 5304	11.47%					\$0.00
FHWA SPR	20.00%					\$0.00
RPA	0.00%	\$230,000.00	\$23,184.34			\$253,184.34
RPA Grants	0.00%					\$0.00
SHA Grants	11.47%					\$0.00
SB1 Formula & Competitive	11.47%					\$0.00
PTA Adaptation	11.47%					\$0.00
Total Programmed Amount		\$230,000.00	\$23,184.34	\$0.00	\$0.00	\$253,184.34

Agency Certification of Programmed Funds	
The Agency certifies that programmed amounts are representative of eligible and approved activities. Any expenses in excess of available and programmed funds will be borne solely by the agency.	
	12/1/20
Authorized Signature _____	Date _____
Tamera Leighton	
Printed Name and Title	

District Approval of Programmed Funds	
The District has reviewed and approves the OWPA as submitted. Programmed amounts are representative of eligible and approved activities and is consistent with all obligations as approved in the OWPA.	
Authorized Signature _____	Date _____
Printed Name and Title	

(HQ Department of Transportation Use Only)			
The total amount of all funds encumbered by this document are: \$ _____			
Fund Title: _____	Item: _____	Chapter Statute: _____	Fiscal Year: _____
Encumbrance Details:			
Acct Line #	Project ID#	Amount \$	Encumbrance Doc (Contract) Number

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and expenditure purpose stated above.

Signature of Department of Transportation Resources/Accounting Officer

Date

RESOLUTION NO. 2020 19

DEL NORTE LOCAL TRANSPORTATION COMMISSION RESOLUTION APPROVING
AMENDMENT #1 OF THE 2020-21 OVERALL WORK PROGRAM

WHEREAS, the Del Norte Local Transportation Commission in its official capacity as the designated Regional Transportation Planning Agency, hereafter referred to as the RTPA, is responsible for the planning, allocating and programming of funds; and

WHEREAS, the 2020-21 Overall Work Program (OWP) is the primary management tool for the Del Norte Local Transportation Commission, identifies the activities and a schedule of work for regional transportation planning in Del Norte County, and is a requirement of the Memorandum of Understanding between Del Norte Local Transportation Commission and the California Department of Transportation; and

WHEREAS, the Del Norte Local Transportation Commission adopted the 2020-21 OWP at the May 5, 2020 meeting; and

WHEREAS, the work element, expenditure detail and revenue summary are attached to this resolution; and

WHEREAS, Amendment #1 of the 2020-21 OWP makes the following changes:

Work Element:	Purpose of change:	Action taken:
A 4	Adds funding	Adds carryover funding to accommodate more mapping areas.
H 1	Adds Work Element	Adds a Work Element to provide match funding for Crescent City and Del Norte County safety planning documents with carryover funding.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Del Norte Local Transportation Commission hereby approves Amendment #1 of the 2020-21 Overall Work Program.

PASSED AND ADOPTED by the Del Norte Local Transportation Commission, a Regional Transportation Planning Agency of the State of California on the 1st day of December 2020 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Chris Howard, Chair

Attest:

Tamera Leighton, Executive Director

Del Norte Local Transportation Commission
Overall Work Program Expenditure Detail
2020-21 Overall Work Program Amendment 1

Work Element	Description	Funding Sources	DNLTC	Consultant/Other
A	Long Range Planning Coordination	RPA	\$ 38,000	\$ 46,370
		PPM	\$ -	\$ -
		TDA	\$ -	\$ -
		Other/RSTP	\$ -	\$ -
Total A	\$84,370		\$38,000	\$46,370
B	Overall Work Program Development	RPA	\$ 16,000	\$ 10,000
		PPM	\$ -	\$ -
		TDA	\$ -	\$ 10,000
		Other	\$ -	\$ -
Total B	\$36,000		\$16,000	\$20,000
C	Public Participation and Information Dissemination	RPA	\$ 33,000	\$ 57,000
		PPM	\$ -	\$ 2,500
		TDA	\$ -	\$ 10,000
		Other:	\$ -	\$ -
Total C	\$102,500		\$33,000	\$69,500
D	Regional Transportation Improvement Program (RTIP) Development	RPA	\$ -	\$ -
		PPM	\$ 8,000	\$ 79,728
		TDA	\$ -	\$ -
		Other	\$ -	\$ -
Total D	\$87,728		\$8,000	\$79,728
E	Transportation Development Act Administration and Fiscal Management	RPA	\$ -	\$ -
		PPM	\$ -	\$ -
		TDA	\$ 28,500	\$ 27,500
		Other	\$ -	\$ -
Total E	\$56,000		\$28,500	\$27,500
F	SAFE: Service Authority for Freeway Emergencies	RPA	\$ -	\$ -
		PPM	\$ -	\$ -
		TDA	\$ -	\$ -
		SAFE	\$ 6,000	\$ 20,000
Total F	\$26,000		\$6,000	\$20,000
G	2020 Regional Transportation Plan	RPA	\$ 8,000	\$ 30,814
		PPM	\$ -	\$ -
		TDA	\$ -	\$ -
		Other:	\$ -	\$ -
Total G	\$38,814		\$8,000	\$30,814
H	Safety Planning	RPA	\$ 2,000	\$ 12,000
		PPM	\$ -	\$ -
		TDA	\$ -	\$ -
		Other:	\$ -	\$ -
Total H	\$14,000		\$2,000	\$12,000

**Del Norte Local Transportation Commission
Overall Work Program Revenue Summary**

2020-21 Overall Work Program Amendment 1

Work Element	Description	RPA	TDA	STIP PPM	SAFE/RSTP/ RPA Grant	Work Element Total
A	Long Range Planning Coordination					
Product 1	Regional Transportation Plan Development	\$ 26,000.00	\$ -	\$ -	\$ -	
Product 2	Last Chance Grade Commission Update	\$ 5,000.00		\$ -	\$ -	
Product 3	2021 Economic and Demographic Profile	\$ 8,900.00	\$ -			
Product 4	Safety Planning	\$ 44,470.34				
	Total Work Element A	\$ 84,370.34	\$ -	\$ -	\$ -	\$ 84,370.34
B	Overall Work Program Development					
Product 1	Overall Work Program	\$ 26,000.00	\$ 10,000.00	\$ -	\$ -	
	Total Work Element B	\$ 26,000.00	\$ 10,000.00	\$ -	\$ -	\$ 36,000.00
C	Information Dissemination					
Product 1	Commission	\$ 28,000.00	\$ -	\$ -	\$ -	
Product 2	Partnerships and Planning Agreements	\$ 6,000.00	\$ 10,000.00	\$ 2,500.00	\$ -	
Product 3	Website & Crowdsourc Information	\$ 56,000.00				
	Total Work Element C	\$ 90,000.00	\$ 10,000.00	\$ 2,500.00	\$ -	\$ 102,500.00
D	Regional Transportation Improvement Program (RTIP) Development					
Product 1	Develop and Maintain TIP	\$ -	\$ -	\$ 28,000.00	\$ -	
Product 2	Project Representation	\$ -	\$ -	\$ 59,728.00	\$ -	
	Total Work Element D	\$ -	\$ -	\$ 87,728.00	\$ -	\$ 87,728.00
E	Transportation Development Act Administration and Fiscal Management					
Product 1	Office Operations	\$ -	\$ 20,500.00	\$ -	\$ -	
Product 2	Fiscal Management	\$ -	\$ 33,000.00	\$ -	\$ -	
Product 3	SSTAC Support	\$ -	\$ 2,500.00	\$ -	\$ -	
	Total Work Element E	\$ -	\$ 56,000.00	\$ -	\$ -	\$ 56,000.00
F	SAFE: Service Authority for Freeway Emergencies					
Product 1	Call Box System Maintenance & Reporting	\$ -	\$ -	\$ -	\$ 26,000.00	
	Total Work Element F	\$ -	\$ -	\$ -	\$ 26,000.00	\$ 26,000.00
G	2020 Regional Transportation Plan					
Product 1	2020 Regional Transportation Plan	\$ 38,814.00	\$ -	\$ -	\$ -	
	Total Work Element G	\$ 38,814.00	\$ -	\$ -	\$ -	\$ 38,814.00
H	Safety Planning					
Product 1	Local Roadway Safety Plan Match	\$ 14,000.00				
Product 2				\$ -		
	Total Work Element H	\$ 14,000.00		\$ -		\$ 14,000.00
TOTAL LABOR AND EXPENSES		\$ 253,184.34	\$ 76,000.00	\$ 90,228.00	\$ 26,000.00	\$ 445,412.34

WORK ELEMENT A Long Range Planning Coordination

2020-21 Overall Work Program Amendment 1

Expenditures		Revenue by Fund Source			
Staff Allocations and Funding Requirements					
DNLTC	Amount	RPA	STIP/PPM	RSTP	Other
DNLTC Staff Services	\$ 38,000.00	38,000.00		\$ -	\$ -
Consultant	\$ 46,370.34	\$ 46,370.34	\$ -	\$ -	\$ -
TOTAL	\$ 84,370.34	\$ 84,370.34	\$ -	\$ -	\$ -

Note: All accounting and reporting is at the product level and all consultant costs are limited by contract.

Objective

To collaborate with various agencies such as local, regional, state agencies and Tribal governments to discuss and coordinate issues related to transportation planning. Carry forward the DNLTC regional planning process that is cooperative, comprehensive, and promotes a shared regional vision. Provide information to the region to help inform decision-making that impacts transportation-

Discussion

This work element provides the resources for staff and Commission members to participate in the efforts and activities to develop plans and programs that represent the transportation needs of the region as established in the 2016 and 2020 (once adopted) Regional Transportation Plan. This work represents ongoing efforts in addition to the 2020 RTP update in Work Element G.

Previous Accomplishments

- Regular Participation in the US Highway 197/199 Project Delivery Team
- Commented on STIP and SHOPP projects for Caltrans and California Transportation Commission
- Participated in Last Chance Grade Project Initiation Delivery and Economic Impact of Closure studies
- Support the Demographic and Economic Profile for Del Norte County
- 2016 Regional Transportation Plan and Environmental Documents
- Advocated for the US Highway 101 urban area pedestrian improvement project.
- Participated in California Bicycle and Pedestrian Plan
- Partnering with Elk Valley Rancheria to fund the Humboldt Road/Sandmine Roundabout

Product 1: Regional Transportation Plan Development

Task/Activity	Product	Schedule
1 Assess regional priorities and participate in the system planning process on an ongoing basis as initiated by Caltrans. Comment on Caltrans policies, procedures and mandates under development.	Meeting notes, agendas, reports, comment letters	As needed
2 Prepare for and attend Regional Transportation Planning Agency executive director meetings as requested by Caltrans District 1 to comment on issues of significance to the District 1 region and to coordinate with colleagues in District 1.	Meeting notes, agendas, and comment letters	Quarterly or as scheduled by Caltrans D1
3 Participate on the State SB1 implementation that supports rural transportation and meets the needs of the DNLTC 2016 Regional Transportation Plan and the 2020 Regional Transportation Plan after adoption by whatever method of participation becomes available such as state meetings, webinars and conference	Meeting notes, agendas, and comment letters	As needed and relevant to the Del Norte region
4 Coordinate and consult with Tribal governments as requested, including but not limited to Tribal long range planning. This work supports common goals including the Smith River Rancheria for the US Highway 101 corridor, the Elk Valley Rancheria on US Highway 101 trail crossing, and Yurok Tribe projects.	Meeting notes, agendas, and comment letters	As needed, approximately six times per year.
5 Engage and coordinate the goods movement industry (Lily bulb growers, dairy/cheese, solid waste management, wood products, etc.) in regional transportation planning. Track efforts to improve goods movement on the interregional US Highway 101 and 199 corridors. Support policies, programs and actions that provide goods movement throughout the Northcoast region.	Meeting notes, agendas, and comment letters	As needed, approximately quarterly.
6 Participate in transportation safety and security planning activities to support the RTP, including attending local and regional meetings as requested by the Del Norte Office of Emergency Services.	Meeting notes	As needed

- | | | | |
|---|---|---|----------------------|
| 8 | Support Border Coast Regional Airport Authority activities that increase transportation options with a focus on access to the airport including multi-modal access. Attend Boarder Coast Regional Airport Authority meetings as topics of | Meeting notes, agendas, and comment letters | As needed |
| 9 | Post transportation articles and documents to the website that inform the public regarding planning activities that support the Regional Transportation Plan. | Up-to-date website | Monthly or as needed |

Product 1 Estimate	Amount	RPA	STIP/PPM	RSTP
DNLTC Staff Services	\$ 26,000	\$ 26,000	\$ -	\$ -
Consultant	\$ -	\$ -	\$ -	\$ -
Total	\$ 26,000	\$ 26,000	\$ -	\$ -

Product 2: Last Chance Grade Commission Update

Advocate for long term solutions to the instability of Last Chance Grade on US Highway 101, including reviewing and commenting on Caltrans documents and disseminating community information.

Task/Activity	Products	Schedule
1 Public information available on website.	Updated website	July - June
2 Advocate for long term solutions to the instability of Last Chance Grade on US Highway 101 by participating in regional and State meetings to support the project. This work supports Caltrans' efforts and informs the Regional Transportation Plan.	Meeting comments as appropriate.	July - June

Product 2 Estimate	Amount	RPA	STIP/PPM	RSTP
DNLTC Staff Services	\$ 5,000	\$ 5,000	\$-	\$-
Consultant and Printing	\$ -	\$ -		\$ -
Total	\$ 5,000	\$ 5,000	\$ -	\$ -

Product 3: 2021 Economic and Demographic Profile

With the assistance of the Center of Economic Development, CSU Chico, provide the 2021 Economic and Demographic Profile to inform the Regional Transportation Plan and other planning documents. The CED has contracted with Rural Counties Representatives of California (RCRC) for the Profile.

Task/Activity	Products	Schedule
1 Contract management for 2021 Economic and Demographic Profile	Executed contract	July - November
2 Develop the 2021 Databook, including chapter development, document review, final approval and post to website.	2021 Databook	February - May

Product 2 Estimate	Amount	RPA	STIP/PPM	RSTP
DNLTC Staff Services	\$ 3,000	\$ 3,000	\$ -	\$ -
Consultant	\$ -	\$ 5,900	\$ -	\$ -
Total	\$ 3,000	\$ 8,900	\$ -	\$ -

Product 4 Regional Mapping

The scope of work begins with County and City maintained mileage mapping, which is a requirement, and it can be expanded into many areas to more accurately and efficiently inform planning processes. The shapefile mapping will inform many regional planning documents, including the Regional Transportation Plan. Priority areas include:

- 1) County maintained mileage.
- 2) City maintained mileage.
- 3) Elk Valley Rancheria Indian Reservation Roads.
- 4) Resighini Rancheria Indian Reservation Roads.
- 5) Tolowa Dee-ni Nation Indian Reservation Roads.
- 6) Yurok Tribe Indian Reservation Roads.
- 7) Right-of-way references for Minor Arterials roads.
- 8) Right-of-way references for Major Collectors roads.
- 9) Right-of-way reference for Minor Collectors roads.
- 10) Right-of-way reference for Local roads.
- 11) Bus routes, stops, and shelters.
- 12) Bike routes and lanes.
- 13) Local trails (no state or federal).
- 14) Call box system mapping.

Task/Activity	Products	Schedule
1 Develop and release RFP for regional mapping services.	RFP	July - August
2 Administer consultant selection process and award contract.	Services Agreement	September
3 Project kick off and schedule review.	Agenda	October
4 Develop regional shapefile mapping for County and City Maintained Mileage.	Shapefiles	Nov - May

Product 1 Estimate	Amount	RPA	STIP/PPM	RSTP
Staff	\$ 4,000	\$ 4,000	\$ -	
Consultant/County	\$ 40,470	\$ 40,470	\$ -	\$ -
Total	\$ 44,470	\$ 44,470	\$ -	\$ -

Added 2019-20 carryover to consultant/county

WORK ELEMENT H Safety Planning

2020-21 Overall Work Program Amendment 1

Expenditures		Revenue by Fund Source			
Staff Allocations and Funding Requirements					
		Amount	RPA	STIP/PPM	RSTP
	County of Del Norte Match Funding	\$ 8,000	\$ 8,000	\$ -	
	City of Crescent City Match Funding	\$ 4,000	\$ 4,000	\$ -	\$ -
	TOTAL	\$ 12,000	\$ 12,000	\$ -	\$ -

Note: All accounting and reporting is at the product level and all consultant and program costs are limited by contract.

Previous Accomplishments

Systemic Safety Analysis Support, Highway Safety Improvement Program grant application support.

Objective

Provide match funding for Crescent City and County of Del Norte Local Roadway Safety Plans, which are a new requirement for Highway Safety Improvement Program funding. This is match funding only. Both the City and County have secured planning grants that require planning match funds.

Product 1 Local Roadway Safety Plan Match

This is a provision for match funding only. The plans will be delivered by the City of Crescent City and the County of Del Norte.

Task/Activity	Products	Schedule
1 Match fund administration: County.	Fund payment to County	Jun-21
2 Match fund administration: City.	Fund payment to County	Jun-21
3 Post planning documents to DNLTC website	Website posting	Jun-21

Product 1 Estimate	Amount	RPA	STIP/PPM	RSTP
Staff Services	\$ 2,000	\$ 2,000		
County Match	\$ 8,000	\$ 8,000	\$ -	
City Match	\$ 4,000	\$ 4,000	\$ -	\$ -
Total	\$ 14,000	\$ 14,000	\$ -	\$ -



Item E Staff Report

DATE: DECEMBER 1, 2020
TO: DEL NORTE LOCAL TRANSPORTATION COMMISSION
FROM: TAMERA LEIGHTON, EXECUTIVE DIRECTOR
SUBJECT: ATTORNEY-CLIENT FEE AGREEMENT WITH THE DEL NORTE COUNTY
COUNSEL'S OFFICE

PROPOSED ACTION: By polled vote, authorize the executive director to execute the Attorney-Client Fee Agreement with the Del Norte County Counsel's Office.

BACKGROUND: DNLTC's primary attorney, Autumn Luna has taken a position with the County Counsel's office. As an efficiency, staff recommends continuing Counsel services with Ms. Luna, and the County Counsel's office has agreed.

DISCUSSION: This change is recommended for continuity only. Black & Rice have provided excellent services to DNLTC since 2008.

The proposed fee agreement is attached.

ATTORNEY-CLIENT FEE AGREEMENT

The Del Norte County Counsel's Office ("County Counsel") by and through the County of Del Norte, a political subdivision of the State of California, and the Del Norte Local Transportation Commission ("DNLTC" or "Client"), a regional transportation planning agency created pursuant to California Government Code Section 29535, hereby agree that County Counsel will provide legal services to Client on the terms set forth below.

1. CONDITIONS. This Agreement will not take effect, and the County Counsel will have no obligation to provide legal services, until Client returns a signed copy of this Agreement.

2. SCOPE OF SERVICES. Client hires County Counsel to provide general legal services as well as representation of Client in *Friends of Del Norte v. Caltrans et al.*, currently pending in the United States District Court for the Northern District of California, Case No.: 3:18-cv-00129. In pending litigation, County Counsel will represent Client through trial and post-trial motions. This Agreement does not cover representation on appeal or in execution proceedings after judgment. Separate arrangements must be agreed to for those services. Services in any matter not described above will require a separate written agreement. In all matters, County Counsel will provide those legal services reasonably required to represent Client. County Counsel will take reasonable steps to keep Client informed of progress and to respond to Client's inquiries.

3. CLIENT'S DUTIES. Client agrees to be truthful with County Counsel, to cooperate, to keep County Counsel informed of any information or developments which may come to Client's attention, to abide by this Agreement, to pay County Counsel's bills on time, and to keep County Counsel advised of Client's address, telephone number and whereabouts. Client will assist County Counsel in providing necessary information and documents and will appear when necessary at legal proceedings.

4. DEPOSIT. County Counsel agrees to waive the initial deposit in exchange for timely monthly payments for services rendered. County Counsel reserves the right to obtain a deposit up to a maximum of \$5,000 before a trial or arbitration date is set. Once a trial or arbitration date is set, Client shall pay all sums then owing and deposit the attorney's fees estimated to be incurred in preparing for and completing the trial or arbitration as well as the jury fees or arbitration fees, expert witness fees and other costs likely to be incurred. These sums may exceed the maximum deposit. Client agrees to pay any deposit within 30 days of County Counsel's request. Unless otherwise agreed in writing, any unused deposit at the conclusion of County Counsel's services will be refunded.

5. LEGAL FEES & BILLING PRACTICES. Client agrees to pay by the hour at County Counsel's productive hourly rate as determined by the Del Norte County Auditor. The rates as determined by the Auditor are subject to change on 30 days written notice to Client. If Client declines to pay increased rates, County Counsel will have the right to withdraw as attorney for Client. The time charged will include the time County Counsel spends on telephone calls relating to Client's matter, including calls with Client, witnesses, opposing counsel or court personnel. The legal personnel assigned to Client's matter may confer among themselves about

the matter, as required and appropriate. When they do confer, each person will charge for the time expended, as long as the work done is reasonably necessary and not duplicative. Likewise, if more than one of the legal personnel attends a meeting, court hearing or other proceedings, each will charge for the time spent. County Counsel will charge for waiting time in court and elsewhere and for travel time, both local and out of town. Time is charged in minimum units of one-quarter (.25) of an hour.

6. COSTS AND OTHER CHARGES. County Counsel may incur various costs and expenses in performing legal services under this Agreement. Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees. The costs and expenses commonly include service of process charges, filing fees, court and deposition reporters' fees, jury fees, notary fees, deposition costs, messenger and other delivery fees, photocopying and other reproduction costs, travel costs including parking, mileage, transportation, meals and hotel costs, investigation expenses, consultants' fees, expert witness, professional, mediator, arbitrator and/or special master fees and other similar items. Except for mileage, which is paid at the IRS rate, all costs and expenses will be charged at County Counsel's cost.

Client agrees to pay transportation, meals, lodging and all other costs of any necessary out-of-town travel by County Counsel's personnel. Client will also be charged the hourly rates for the time legal personnel spend traveling.

To aid in the preparation or presentation of Client's case, it may become necessary to hire expert witnesses, consultants or investigators. Client agrees to pay such fees and charges. County Counsel will select any expert witnesses, consultants or investigators to be hired, and Client will be informed of persons chosen and their charges. Additionally, Client understands that if the matter proceeds to court action or arbitration, Client may be required to pay fees and/or costs to other parties in the action. Any such payment will be entirely the responsibility of Client.

7. BILLING STATEMENTS. County Counsel will send Client monthly statements by email for fees and costs incurred. Each statement will be payable within thirty (30) days of its established e-mail date. Client may request a statement at intervals of no less than thirty (30) days. If Client so requests, County Counsel will provide one within ten (10) days. The statements shall include the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount. After thirty (30) days, any unpaid statement or invoice will be deemed late and therefore may require a second billing notice. If payments are not provided in full following thirty (30) days subsequent to the second billing notice, the account will be deemed in arrears and County Counsel will have the right to seek immediate withdrawal from the representation. By initialing this paragraph, Client represents and agrees that County Counsel will have the unfettered right to withdrawal as counsel for non-payment.

_____ (Client Initial Here)

8. DISCHARGE AND WITHDRAWAL. Client may discharge County Counsel at any time. County Counsel may withdraw with Client's consent or for good cause. Good cause includes

Client's breach of this Agreement, refusal to cooperate or to follow County Counsel's advice on a material matter or any fact or circumstance that would render County Counsel's continuing representation unlawful or unethical. When County Counsel's services conclude, all unpaid charges will immediately become due and payable. After services conclude, County Counsel will, upon Client's request, deliver Client's file and property in County Counsel's possession unless subject to the lien provided in Paragraph 8 above, whether or not Client has paid for all services.

9. DISCLAIMER OF GUARANTEE AND ESTIMATES. Nothing in this Agreement and nothing in County Counsel's statements to Client will be construed as a promise or guarantee about the outcome of a matter. County Counsel makes no such promises or guarantees. County Counsel's comments about the outcome of the matter are expressions of opinion only. Any estimate of fees given by County Counsel will not be a guarantee. Actual fees may vary from estimates given.

10. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

11. SEVERABILITY IN EVENT OF PARTIAL INVALIDITY. If any provision of this Agreement is held in whole or part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

12. MODIFICATION BY SUBSEQUENT AGREEMENT. This Agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them, or an oral agreement only to the extent that the parties carry it out.

13. EFFECTIVE DATE. This Agreement will govern all legal services performed by County Counsel on behalf of Client commencing with the date County Counsel first performs services. Even if this Agreement does not take effect, Client will be obligated to pay County Counsel the reasonable value of any services County Counsel may have performed for Client.

[signatures on next page]

THE PARTIES HAVE READ AND UNDERSTAND THE FOREGOING TERMS AND
AGREE TO THEM AS OF THE DATE COUNTY COUNSEL FIRST PROVIDED SERVICES.

Date:

COUNTY OF DEL NORTE

Approved as to Form:

Gerry Hemmingsen, Chair
Board of Supervisors

Joel Campbell-Blair, County Counsel

Date: December 1, 2020

DEL NORTE LOCAL
TRANSPORTATION COMMISSION

Chris Howard, Chair

Tamera Leighton, Executive Director