



SAN BENITO COUNTY BOARD OF SUPERVISORS

Margie Barrios
District No. 1
Chair

Anthony Botelho
District No. 2

Robert Rivas
District No. 3
Vice-Chair

Jerry Muenzer
District No. 4

Jaime De La Cruz
District No. 5

County Administration Building – Board of Supervisors Chambers, 481 Fourth Street, Hollister, California

SPECIAL MEETING MARCH 31, 2015 ACTION MINUTES

The Board of Supervisors of San Benito County met in the Board Chambers on the above date in *special session*. Supervisors Barrios, Rivas, De La Cruz, Botelho and Muenzer were present. Also present were County Administrative Officer Ray Espinosa, County Counsel Matt Granger and Clerk of the Board Denise Thome. Chair Barrios presided.

8:30 a.m. CALL TO ORDER:

- a) Supervisor De La Cruz led the Pledge of Allegiance.
- b) *Upon motion duly made, seconded and carried, acknowledged Certificate of Posting.*

The Board adjourned into closed session at 8:31 a.m. and reconvened into special session at 10:32 a.m.

CLOSED SESSION:

- 1) **Closed Session-Conference with Labor Negotiators**
Agency designated representatives: Allyson Hauck, Ray Espinosa, Joe Paul Gonzalez, Melinda Casillas, and Georgia Cochran
Employee Organizations: Institutions Associations
Law Enforcement Management
Management Employees' Group
SEIU Local 521 (General Unit Employees)
Deputy Sheriff's Association
SEIU United Long Term Care Workers Local 6434
Unrepresented Employees (Confidential, Confidential Management, Appointed Department Heads, Elected Department Heads and Board of Supervisors)
Authority: California Government Code Section 54957.6

No reportable action. File #235.6

REGULAR AGENDA:

COUNTY ADMINISTRATION OFFICE – R. Espinosa:

2) **Receive presentation from David Leifer, Senior Managing Director of KNN Public Finance, regarding possible approaches to financing road construction with a sales tax.**

David Leifer, Senior Managing Director of KNN Public Finance, gave a PowerPoint presentation regarding sales tax financing options. Hard copies of the report were submitted to the Clerk, Board members, staff and the public.

Management Analyst Sara Fontanos gave a PowerPoint presentation on sales tax.

Chair Barrios wanted to make sure COG was invited to the meeting on Thursday.

Supervisor De La Cruz felt they needed to make sure we do it right and have enough time. He asked if COG had a position.

Supervisor Botelho stated that COG was doing a survey and that the board and the City of Hollister needed to make a decision.

Chair Barrios indicated that the Intergovernmental Committee was planning to reach out to the community to see what they want.

Mary Gilbert, Interim Executive Director of COG, explained that they were paying \$13,000 for a voter survey of 300.

Chair Barrios explained that the Intergovernmental Committee was not doing a survey but more of a town hall meeting.

Supervisor Muenzer felt it would be wise to let COG complete the survey and get a feel of what the voters feel.

Supervisor De La Cruz stated that if there was any sales tax he would like to see it in the November 2016 election. He felt they couldn't delay month after month. He further felt they needed to reach out to the cities and COG and get together.

Chair Barrios agreed that was important.

Ms. Gilbert explained that they were doing the polling right now and would have preliminary results Friday and would present to COG at their April meeting. She indicated that their planned process would be for the June primary or November 2016 ballot.

Chair Barrios asked how they could get the results and asked to put it on the April 7, 2015 board meeting.

Ms. Gilbert advised that it was preliminary information and that she would be at the April 7th board meeting anyway.

Supervisor Botelho wanted to get a feel for the general tax in survey. He added that anywhere he went he mentioned the road crisis. He noted that they have a lot of growth and development and by not fixing the roads only makes them worse.

Joe Paul Gonzalez, Clerk-Auditor-Recorder, explained that Measure A passed in 1988 and there was a list of Measure A projects with Highway 25 at the top, then regional projects and then city projects. He added that there was not enough money to do all the projects. He asked the board to keep that in mind as how to structure.

Ms. Fontanos stated that the Board of Equalization staff was extremely helpful.

Chair Barrios opened public comment.

Marty Richman thanked Mr. Liefer and Ms. Fontanos and noted that he supported Measure E. He felt they should level the playing field wherein people living in Hollister pay an extra 1% than those living outside the city limits. He added that it was not fair that City of Hollister residents were paying more taxes and noted that the people with the bigger money live in the unincorporated areas. He asked that they take the action they need to take and stop playing favorites. He commented that they needed to pay their share of local taxes to support the county.

Pat Loe stated that Measure A passed to get 156 traffic out of Hollister with 6 projects added to bring the two cities along. She felt it was smart the way they were moving forward.

There was no further public comment.

The board adjourned at 11:52 a.m. for lunch and reconvened at 1:30 p.m. into special session.

COUNTY ADMINISTRATION OFFICE – R. Espinosa:

3) Receive information regarding San Benito County Estimated Costs for Road Needs as of March 20, 2015.

Interim Public Works Director Joe Horwedel, explained that they found the highest used roads and the map in the packet shows where those segments are. He added that the charts looked at the costs for overlay and chip seal. He noted that Fairview Road and Cienega Road were highly used. He stated that to chip seal Fairview Road would be about \$600,000 and to do a groundout would be up to \$800,000. He indicated that would give them an idea of how far dollars would go if they passed a sales tax. He reported that their budget was 2.6 million. He noted that the gas tax changes every year and they stood to lose about \$600,000 next year so their budget starting point may be 2 million. He commented that clearly there were challenges in front of them.

Supervisor Botelho asked what percentage of the 2.6 million went into chip sealing areas.

Mr. Horwedel stated that there was zero preventative maintenance but instead was pure patching now with no overlay or chip seal. He added that at the end of the fiscal year if there is money left they would see what preventative maintenance they could do. He indicated that Cienega Road was 18 miles and it would take 1.3 million to chip seal. He added that it may be a capital rebuild. He reported that there were 400 miles of roads in the county and their analysis only included 180. He stated that page 9 in the packet shows the different options. He suggested they look at where the best bang for the dollar was.

Discussion was had regarding Highway 25 options.

Supervisor De La Cruz felt they should add some roads from his district and expressed that he was surprised that Wright Road was not on the list.

Mr. Horwedel stated that it was definitely a cut through road but he didn't see enough to put it on the list. He added that he was not saying that this was the list to adopt, but instead was a listing of higher used roads.

Supervisor De La Cruz stated that the sales tax would not be enough for even half of the list.

Mr. Horwedel agreed noting that when they build houses and add businesses it puts pressure on the network.

Chair Barrios called for public comment.

Marty Richman suggested that the 1% catch up tax could be used for roadways also but they should concentrate on Highway 25. He added that they were not getting much of the transportation money out of the State of California. He indicated that he would like to see Highway 25 improved and went through the fact sheet he had provided to the Clerk of the Board and board members.

Supervisor Botelho expressed appreciation for Mr. Horwedel coming back with this information and that the report was informative. He felt there was work to do on prioritizing the roads and they would have to plan for expansion of Highway 25 and start shooting for it.

Chair Barrios concurred. She thanked staff and commented that the information would serve them well when considering a sales tax. She estimated that a ½ % sales tax would cover about ¼ of the need.

Mr. Horwedel commented that there were radio ads in the bay area regarding awareness that the gas tax is not paying for the roads. He further noted an article in the San Jose Mercury News about traffic in South Santa Clara and San Benito counties. *File #105*

COUNTY ADMINISTRATION OFFICE – R. Espinosa:

- 4) **Approve the re-organization in regards to the following departments: Planning Department, Public Works Department, and Integrated Waste Department; approve the class specification for the Resource Management Agency (RMA) Director and approve salary of 40.2 (\$10,457-\$13,353/month; adopt Resolution establishing the position of RMA Director as a Department Head; authorize the current Interim Public Works Director to oversee Public Works, Planning & Building, and Integrated Waste Management; and direct staff to return to discuss detailed organization and how it will better public services and use public resources more efficiently. (Res. No. 2015-16)**

County Administrative Officer Ray Espinosa explained that they had discussed reorganization at the retreat and possibilities of moving forward with a Resource Management Agency (RMA).

Management Analyst Sara Fontanos stated that the re-organization in the subject line on the AIT and the agenda were incorrect.

Interim Human Resources Director Georgia Cochran explained that it started with the Optimity report. She added that this concept was the service level contract. She explained that they needed to approve the class specs today so they could get moving. She added that they wanted to use Mr. Horwedel's expertise while he was still here, adding that they would not hire until the board approved the reorganization. She noted that Monterey County had been doing an RMA for years and Solano County for about 10 years.

Chair Barrios indicated that Mr. Horwedel would serve in the position as interim and at the end of the day he would be able to say if it works or doesn't work.

Ms. Cochran reported that Mr. Horwedel was putting together specifics on how this would work before they formally adopt the department.

Chair Barrios asked if anyone had contacted Solano County with questions.

Ms. Cochrane stated that she had worked for Solano County for about 12 years of which 7 were with the RMA. She reported that she did not see any problems.

Mr. Espinosa stated that he had involved Planning, including Interim Planning Director Byron Turner. He noted that he had met with Monterey County on this and discussed their experiences. He reported that they said there were some roadblocks and challenges but they would not go back to the way it was.

Chair Barrios felt there was no better time to look at this as there were interims in all positions.

Supervisor Botelho felt it was a big undertaking. He could see Integrated Waste as it was a small department but expressed concern that it would be too much of a burden on one person.

Interim Public Works Director Joe Horwedel stated that the media had captured it wrong and that it was not about cost savings. The purpose was not to have overlaps or gaps in services. He indicated that we're a county because we have urban functions.

Supervisor Botelho felt they would need to find the right person and noted that they were having trouble finding an assistant CAO.

Chair Barrios asked Mr. Horwedel if he envisioned that it could work.

Mr. Horwedel replied absolutely and that he wanted to make it work on a sustainable basis for the county.

Supervisor De La Cruz voiced concerns as well, but in listening to Mr. Horwedel and Supervisor Barrios, he would support.

Supervisor Rivas expressed mixed feelings. He felt if done correctly it could lead to a lot of efficiencies. He stated that he would have to do some more research himself but the potential was there. He indicated that he was not ready to make a commitment now and was cautiously optimistic.

Mr. Espinosa stated that by combining offices there would be a lot of benefits. He added that Monterey County went through the process and it wasn't easy, but, they said they would do it again. He indicated that they had done a lot of work on this and there was still more to do.

Ms. Cochrane explained that recommended action #3 authorized Mr. Horwedel to oversee operations and #1 and #2 were to adopt the specs so they wouldn't have to wait another three months. She stated that no job offer would be made until the reorganization was approved.

Chair Barrios called for public comment.

Marty Richman stated that one reason to open recruiting was to see if the option even exists. He added that what they may want might cost three times as much. He added that all persons are key people and that every change is a disruption. He felt they should start looking.

Supervisor Muenzer asked if there was a timeframe to bring it back to them.

Mr. Espinosa stated that they would be looking at it from a budgeting perspective as well, aligning budgets to be very similar. He added that it really depended on Mr. Horwedel and his day of departure. He stated that the end of this fiscal year would be the goal.

Supervisor Botelho stated that he had reservations about putting someone in charge that would be leaving shortly.

Chair Barrios felt it could not be more perfect. She explained that they were not deciding on the reorganization that day. She added that Mr. Horwedel has experience with this.

Mr. Horwedel stated that the contract with his firm was through the end of the fiscal year. He added that he has a vested interest in what they've worked on and he wanted to see a successful transition. He felt it was an opportune time not just with interims but budget time. He reiterated that he was committed to seeing it go through.

*Upon motion duly made by Supervisor Muenzer and seconded by Supervisor De La Cruz, **adopted Resolution No. 2015-16 establishing the Resource Management Agency (RMA) Director job classification as a department head level position, approved the class specification for the RMA Director and approve the salary of 40.02 (\$10,457 - \$13,353/month), authorized the current Interim Public Works Director to oversee Public Works, Planning & Building, and Integrated Waste Management and directed staff to return to discuss detailed organization and how it will better public services and use public resources more efficiently with the correction of lines 5 and 6 running together on page 2 of the RMA Director specs. (The motion passed 5-0) File #119***

CLERK/AUDITOR/RECORDER – J. P. Gonzalez:

- 5) **Discussion of new information related to AB 440 and its relevance to property tax revenue apportionment between fiscal years 1993 and 2002; and selection of one or two Board members to attend the Local Government Committee Hearing with the County Administrative Office on April 15, 2015 at 1:30 p.m.**

County Administrative Officer Ray Espinosa stated that this was a longstanding property tax issue.

Clerk-Auditor-Recorder Joe Paul Gonzalez explained the purpose of the legislation. He indicated that the County's portion of the error is about 2 million dollars and the board has chosen to reserve the 2 million dollars in ERAF funds in case they have to pay it back. He explained that it was Senator Alejo's second attempt to pass this bill with the first time being in 2012/13. He stated that the plan was to take AB 440 through the assembly to the senate then possibly to the governor for signature. He added that if it fails for a third time there was the possibility to fix the ERAF issue through a budget trailer bill, which was preferred and had the highest possibility of success. He stated that there were two paths being taken. He stated that there was a Local Government Committee Hearing on April 15, 2015 and the county needed to be present and testify. He recommended the CAO and one or two members of the board attend.

Chair Barrios noted that she, Supervisor De La Cruz and the CAO were at the last Local Government Committee Hearing and they were aware of San Benito County.

Supervisor Botelho noted a letter from RCRC to attend and lobby the Department of Finance. He expressed appreciation for legislators Alejo and Cannella. He expressed the hope for a better turnout since the state was in better shape now.

Chair Barrios noted that when the bill sent through before the state was in dire straits.

Mr. Gonzalez expressed that he was hopeful and noted that Senator Alejo has a successful record with legislation.

Chair Barrios stated that she, Supervisor Botelho and CAO Espinosa would attend the hearing. *File #10*

The vote of each member of the Board of Supervisors upon each matter at the foregoing meeting, unless otherwise stated, was as follows:

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| AYES: | SUPERVISORS: | Barrios, Rivas, De La Cruz, Botelho, Muenzer |
| NOES: | SUPERVISORS: | None |
| ABSENT: | SUPERVISORS: | None |

There being no further business the Board adjourned at 2:37 p.m. to April 7, 2015 at 9:00 a.m.

MARGIE BARRIOS, CHAIR
San Benito County Board of Supervisors

ATTEST:
Denise R. Thome, Clerk of the Board