

**SAN BENITO COUNTY
COUNCIL OF GOVERNMENTS
REGULAR MEETING**

December 20, 2012, 2:00 P.M.

FINAL MINUTES

MEMBERS PRESENT:

Chair Botelho, Director Boch, Director De La Cruz, Director Gomez, and Director Scattini

STAFF PRESENT:

Deputy County Counsel, Shirley Murphy; Executive Director, Lisa Rheinheimer; Transportation Planning Manager, Mary Gilbert; Administrative Services Specialist, Kathy Postigo

OTHERS PRESENT:

Doug Emerson; Joe Arch, JJACPA, Inc.

CALL TO ORDER:

Chair Botelho called the meeting to order at 2:01 P.M.

A. PLEDGE OF ALLEGIANCE

B. CERTIFICATE OF POSTING

Upon a motion duly made by Director Gomez, and seconded by Director De La Cruz, the Directors unanimously approved the Certificate of Posting.

C. PUBLIC COMMENT: None

Chair Botelho stated for the record that the COG Board received Joe Thompson's public comment correspondence dated November 25, 2012 through December 18, 2012. The correspondence was entered into the public record.

D. EXECUTIVE DIRECTOR'S REPORT – Rheinheimer

Ms. Rheinheimer wished everyone a safe and happy holiday season.

E. CALTRANS DISTRICT 5 REPORT – None

F. BOARD OF DIRECTORS REPORTS:

Director Gomez thanked COG staff for all their work and also wished everyone a happy holiday season. Director Gomez thanked his fellow Board members as well. Director Gomez stated that the Council of Governments is very important for the community and it had been a knowledgeable experience to serve on the COG Board.

Director Boch announced that the Association of Monterey Bay Area Governments (AMBAG) appointed Jerry Muenzer as 2nd Vice-Chair.

The COG Board wished everyone a happy holiday season and a Happy New Year.

G. Presentation of Certificates of Appreciation to Outgoing Board Members Doug Emerson and Victor Gomez – Rheinheimer

Upon a motion duly made by Director De La Cruz, and seconded by Director Boch, the Directors unanimously approved Item G.

Chair Botelho presented the Certificates of Appreciation to outgoing Board members Doug Emerson and Victor Gomez. Chair Botelho stated that it had been a pleasure to work with the Directors. He expressed appreciation for their work and commitment to improving transportation for all San Benito County residents.

Former Chair Emerson expressed appreciation to the COG Board members. He stated that it was a pleasure to work jointly with the City and the County on many projects and accomplishments. He gave special thanks to COG staff.

CONSENT AGENDA:

1. **APPROVE** Council of Governments Draft Regular Meeting Minutes Dated November 15, 2012 – Gomez
2. **APPROVE** Council of Governments Transaction Report (Financial Claims) Dated November 2012 – Postigo
3. **RECEIVE** Construction Projects Report – Caltrans District 5
4. **SET** Public Hearings on Unmet Transit Needs for February 19 and 21, 2013 in Hollister – Lezama
5. **ADOPT COG** Resolution 12-13 Approving Amended Bicycle and Pedestrian Advisory Committee Bylaws – Lezama
6. **APPROVE** Amendment No. 1 to Contract with Schipper Design for Rideshare Website Design Services for an Additional Amount Not to Exceed \$2,250 – Lezama
7. **RECEIVE** Council of Governments FY 2012/13 First Quarter Budget Report – Postigo
8. **APPROVE** Agreement for Services with the Association of Monterey Bay Area Governments for Work to be Completed During the Development of a Sustainable Communities Strategy – Gilbert
9. **Highway 25 Bypass Route Transfer – Gilbert**
 - a) **RECEIVE** Update on the Highway 25 Bypass Route Transfer
 - b) **APPROVE** Amendment No. 2 to Cooperative Agreement for Construction

There was no public comment on the Consent Agenda.

Upon a motion duly made by Director De La Cruz, and seconded by Director Boch, the Directors unanimously approved Items 1-9 from the Consent Agenda.

REGULAR AGENDA

ADMINISTRATION ITEMS:

10. **RECEIVE** Council of Governments FY 2011/12 Basic Financial Statements – Postigo

Ms. Postigo reported that in July, COG hired JJACPA, Inc. to provide financial audit services for fiscal year ending June 30, 2012. There were no findings by the auditors and the financial statements were presented in conformity with accounting principles generally accepted in the United States of America.

Ms. Postigo introduced Joe Arch with JJACPA, Inc. who presented the opinions of the financial statements based on his audit.

Mr. Arch reported that JJACPA, Inc. audited the basic financial statements of the Council of San Benito County Governments as of and for the year ended June 30, 2012. Mr. Arch reported an “unqualified opinion” on the financial statements. This means that there was not anything that they came across that needed to be noted in their opinion. There were no findings or recommendations in the Management letter this year. It was a straight forward audit and COG staff was instrumental in getting it all done.

Director De La Cruz inquired if a government agency was required to report depreciation.

Mr. Arch stated that depreciation expense does have to be reported.

Director De La Cruz inquired if the auditor recommended a “sinking fund”.

Mr. Arch stated that a “sinking fund” would be a good idea for fixed assets. It would be a good idea to have a reserve type of account for replacement of high dollar cost capital, infrastructure assets, but the resources would have to be earmarked separately.

Director De La Cruz inquired about COG’s Other Post Employment Benefits (OPEB) being consistent with the County.

Mr. Arch stated that with regards to the County’s OPEB, COG would not have a liability yet because there are no retirees in the COG department yet.

Director Scattini referenced page 156 of the report and inquired about the increase of 15.7% for the Local Transportation Authority.

Ms. Postigo explained that it is a budgetary comparison between FY 2011-12 and FY 2012-13. Part of the increase in Salaries and Benefits may be due to increases in the cost of living and/or insurance benefits.

Ms. Rheinheimer offered to review the Budget with Director Scattini at another time in 2013.

There was no public comment on this item.

Upon a motion duly made by Director De La Cruz, and seconded by Director Scattini, the Directors unanimously accepted the FY 2011/12 Basic Financial Statements.

Upon a motion duly made by Director De La Cruz, and seconded by Director Gomez, the Directors unanimously adjourned the COG meeting.

ADJOURN TO COG MEETING JANUARY 17, 2013.