

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

May 15, 2014, 3:00 P.M.

FINAL MINUTES

MEMBERS PRESENT:

Chair Gomez, Director Boch, Director Botelho, Director Muenzer, and Director Scattini

STAFF PRESENT:

Deputy County Counsel, Shirley Murphy; Executive Director, Lisa Rheinheimer; Transportation Planning Manager, Mary Gilbert; Administrative Services Specialist, Kathy Postigo; Transportation Planner, Veronica Lezama; Transportation Planner, Betty LiOwen; Transportation Intern, Regina Valentine; Secretary, Monica Gomez

OTHERS PRESENT:

Brandy Rider, John Olejnik, Caltrans District 5; Maura Twomey, Heather Adamson, Association of Monterey Bay Area Governments (AMBAG)

CALL TO ORDER:

Chair Gomez called the meeting to order at 3:07 P.M.

A. PLEDGE OF ALLEGIANCE

B. CERTIFICATE OF POSTING

Upon a motion duly made by Director Muenzer, and seconded by Director Boch, the Directors acknowledged the Certificate of Posting. Vote: 5/0

C. PUBLIC COMMENT: None

D. EXECUTIVE DIRECTOR'S REPORT: Rheinheimer

None

E. CALTRANS DISTRICT 5 REPORT: Gubbins

Brandy Rider reported that the Active Transportation Program (ATP) is out and will close May 21, 2014. She encouraged all agencies to get their applications in as soon as possible.

Also, Ms. Rider notified the Board about the California Freight Mobility Plan (CFMP), which is currently out in draft form. She provided a fact sheet about the CFMP. She also provided a CFMP invitation to attend an upcoming public workshop June 23, 2014 at the Marina Public Library from 4:00 P.M. – 7:00 P.M.

Lastly, Ms. Rider announced that May is National Bike Month. She encouraged everyone to consider alternative modes of transportation, such as bicycle and pedestrian movements.

With regard to the Caltrans Project Update on the Highway 156 Improvement Project, Chair Gomez inquired if it would be possible for Caltrans to modify the project description to read “construct new 4-lane expressway”.

Ms. Rider stated that what is identified in the Environmental/CEQA Document is the actual description of the project. As far as significantly changing the project description outside of the CEQA process, would not be something that Caltrans would do.

Chair Gomez stated that he thought it could be an easy fix because the manner in which the project is currently described as “Widen 2 to 4 Lanes”, seems a bit deceptive to the public.

Ms. Rider stated that although she is not a project engineer, the description could be talking about some areas where it tapers down to 2 lanes.

Chair Gomez stated that it seems easier to describe this project as a “New expressway between Hollister and San Juan Bautista” and this is how he is going to describe it to the public.

Ms. Rider stated that Caltrans can provide the Board with project Fact Sheets. This way the Board, staff, and Caltrans will have the same project information and can speak from the same page.

Director Botelho stated that San Juan residents would describe the project as a 6-Lane Super Expressway. He hopes that they can go with a smaller footprint.

F. BOARD OF DIRECTORS REPORTS:

Chair Gomez directed Ms. Rheinheimer to agendaize for the next COG meeting an item that was brought to his attention via-email. The email is from a concerned resident regarding multiple accidents at the intersections at Meridian and Santa Ana Road and the Highway 25 Bypass. Chair Gomez mentioned that he has requested crash data for both intersections from the Hollister Police Department.

Ms. Rheinheimer stated that she would place the item on the next meeting agenda.

Upon a motion duly made by Director Scattini, and seconded by Director Botelho, the Directors unanimously voted to convene into Closed Session. Vote: 5/0 motion passes.

CLOSED SESSION:

Deputy County Counsel, Shirley Murphy reported:

1. Conference with Legal Counsel-Anticipated Litigation
Significant Exposure to litigation pursuant to subdivision (d) of Section 54956.9:
Closed session is authorized by Section 54956.9 (d) (2), (e) (2) and also noted for the record (e) (3), and (e) (4), would also support the closed session discussion.

On May 5, 2014, the Council of San Benito County Governments received correspondence from the law firm of L+G, LLP, alleging that action taken at the Council of San Benito County Governments Board meeting on April 17, 2014 on Item no.5 was in violation of the Brown Act.

2. Conference with Real Property Negotiators – Pursuant to Government Code Section 54956.8
Property: 600 Del Monte Drive, Hollister
Agency Negotiators: Shirley Murphy, Deputy County Counsel, Lisa Rheinheimer, Executive Director, and Mary Gilbert, Transportation Planning Manager
Negotiating Parties: Leslie Marie Clark Trust
Under Negotiation: Price and Terms of Payment

The COG Board convened to Closed Session at 3:18 p.m.

The COG Board reconvened from Closed Session at 3:36 p.m.

Shirley Murphy, Deputy County Counsel reported:

1. Under Conference with Legal Counsel-Anticipated Litigation
Significant Exposure to litigation pursuant to subdivision (d) of Section 54956.9:
Closed session is authorized by Section 54956.9 (d) (2), (e) (2) and also noted for the record (e) (3), and (e) (4).

On May 5, 2014, the Council of San Benito County Governments received correspondence from the law firm of L+G, LLP, alleging that action taken at the Council of San Benito County Governments Board meeting on April 17, 2014 on Item no.5 was in violation of the Brown Act.

There was no reportable action taken.

2. Under Conference with Real Property Negotiators – Pursuant to Government Code Section 54956.8
Property: 600 Del Monte Drive, Hollister
Agency Negotiators: Shirley Murphy, Deputy County Counsel, Lisa Rheinheimer, Executive Director, and Mary Gilbert, Transportation Planning Manager
Negotiating Parties: Leslie Marie Clark Trust
Under Negotiation: Price and Terms of Payment

There was no reportable action taken.

CONSENT AGENDA:

3. **APPROVE** Council of Governments, Local Transportation Authority Special Joint Meeting Minutes Dated March 18, 2014 – Gomez
4. **APPROVE** Council of Governments Draft Meeting Minutes Dated April 17, 2014 – Gomez
5. **RECEIVE** the Fiscal Year 2014/2015 Draft Overall Work Program, Which Includes Planning Activities to be Performed by the Council of Governments – Lezama
6. **RECEIVE** Construction Projects Report – Caltrans District 5
7. **APPROVE** Proclamation No. 14-01 Declaring May 18-24, 2014 as National Public Works Week in San Benito County – Rheinheimer
8. **AUTHORIZE** COG Chair to Sign Release of Claim Associated with the San Juan Highway Bike Lanes Project – Rheinheimer

Upon a motion duly made by Director Boch, and seconded by Director Muenzer, the Directors unanimously approved Items 3-8 from the Consent Agenda. Vote: 5/0 motion passes.

REGULAR AGENDA

TRANSPORTATION ITEMS:

3:00 P.M. Public Hearing (Or As Soon Thereafter As The Matter May Be Heard)

9. **HOLD** Public Hearing on the Draft Regional Housing Needs Allocation Plan – Rheinheimer

Ms. Rheinheimer stated that this is an opportunity for the general public and interested individuals to express their concerns or opinions about the Draft Regional Housing Needs Allocation Plan.

There was no discussion from the Board.

Chair Gomez opened the public hearing at 3:39 p.m.

PUBLIC COMMENT:

**Gabriel Torres, Project Manager
CHISPA**

Mr. Torres stated he works for CHISPA, an affordable housing developer based out of Salinas. They currently have developments in Monterey and Santa Cruz Counties. They now have multi-family as well as single family, potential developments within San Benito County that they will be working on. He stated that for the most part they feel that the plan as presented is in fairly good shape, however they will be meeting with other housing related organizations in town to provide additional feedback in regards to some of the guidelines at a later date. He stated that they look forward to doing multi-family developments at a larger scale.

Chair Gomez closed the public hearing at 3:40 p.m.

There was no discussion from the Board.

10. Highway 25 Widening Project – Rheinheimer

- a. **DIRECT** that COG Staff Work with Caltrans and Federal Highway Administration to Grant an Extension to Complete the Environmental Document;
- b. **REQUEST** that Caltrans Return to the Board with a Cost and Schedule to Complete the Environmental Document;
- c. **DISCUSS** the Project Design and Steps for Moving Forward which Would Include Reaffirming the Route
- d. **DISCUSS** the Funding Outlook for the Project and **REQUEST** that the Ad-hoc Committee Return to the Board with a Recommendation on Possible New Funding for the Project.

Ms. Rheinheimer reported that in order to conclude with the Highway 25 Widening environmental document, Caltrans is seeking action from the COG Board. At this point, a request for an extension from Federal Highway Administration is an important first step in moving this project forward. This will allow us to avoid making a repayment of Federal Funds that have been spent on preparing the Environmental Document. It also allows time to consider alternative designs. Additionally, a cost and schedule is needed to ensure that the project can meet an extension.

Ms. Rheinheimer reported that another issue is with regard to project design. In 2010, the COG Board selected Route Adoption 2 and Build Alternative B as the project to move forward. There are other project design and funding considerations which will have an impact on the completion of the environmental document which were discussed.

Ms. Rheinheimer reported that an alternative project design has been proposed by Parsons Transportation Group. This design would use much of the existing route and add new lanes to add capacity to the corridor. This proposal has been presented by Bob Scales and Walt Allen of Parsons to Caltrans staff, Ms. Rheinheimer, Chair Gomez, and Supervisor Jaime De La Cruz. However, at this point there has been no official response from Caltrans as to what components of this project might work or not work.

Ms. Rheinheimer stated that should the COG Board wish to explore this alternative design proposal by Parsons, she would recommend that the COG Board work with Caltrans on what is feasible and what can be worked on and have an open and transparent public process for which they could consider this alternative design proposal.

Ms. Rheinheimer stated that the most challenging issue is funding the Highway 25 Widening project. Ms. Rheinheimer stated that there were four reasons prior Board actions which prevented staff from including

Highway 25 in the financially constrained list of projects. It is contained in the list of projects without identified funding for it. The four reasons are:

1. San Benito COG, the City of Hollister, and County of San Benito removed the Highway 25 Widening project from the Traffic Impact Mitigation Fee study in 2011. Based on Caltrans estimated project costs for Phase I, new development would be responsible for \$29.1 million. The remaining project cost, \$32.3 million must come from another source.
2. In February 2013 staff asked the Board whether they wanted to include traditional revenues or go above and beyond that and consider a measure for transportation or look at a vehicle mileage fee, or tolling. At that time the Board specifically said that they did not want to look at alternative funding as part of the Regional Transportation Plan.
3. The Board predetermined at the August 2013 Board meeting that any Regional Surface Transportation Program dollars would continue going to local streets and roads as a part of AMBAG's Hybrid Scenarios discussion.
4. Looking at the State Transportation Improvement Program (STIP) as a possible funding source is unrealistic because all STIP monies for San Benito have been advanced since 2008 for the Highway 156 project.

Ms. Rheinheimer stated that the funding problem can't be solved today, however it can be solved over time with the political will, and some creative thinking. She stated that it starts with getting the Federal Highway Administration time extension to be able to sort out these issues. Secondly, COG needs to start working collaboratively with Caltrans as the owner operator of the State Highway System and also include Parsons into this conversation about the merits of the alternative design. COG also needs to start thinking about other funding sources that might be available through the next Regional Transportation Plan because it takes 3 years to put the plan together. Staff could certainly put the project in the 2018 Regional Transportation Plan as constrained, provided that some of the issues get resolved. Alternatively, if COG can get there sooner with a large source of money that is made available, such as a new gas tax or a check that is made out to San Benito County for millions of dollars for Highway 25, then it could be put on the constrained project list through an amendment to the Regional Transportation Plan.

Ms. Rheinheimer closed by saying that she felt very strongly that the Highway 25 Widening is absolutely important, but her hands are tied in terms of where the other money is going to come from.

Chair Gomez thanked Ms. Rheinheimer for her report. He stated that the extension from the Federal Highway Administration was crucial and the Board definitely had to move forward with that request. He mentioned that he experiences the existing deficiency on Highway 25 on his drive to work as he sits in traffic that is backed up to the County line right past the railroad tracks. Chair Gomez stated that from what he remembered it was a unanimous decision from the COG Board to remove Highway 25 from the list, mainly because of the price tag. He restated what he told the COG Board and staff when he took over as Chairman of the COG Board, which was that Highway 25 was going to be one of his top priorities. He also mentioned that the Board did have an Ad-hoc Committee and because Supervisor De La Cruz is no longer on the COG Board he wanted to reappoint Council Member Scattini at the end of this discussion. Chair Gomez stated that they have had discussions with Caltrans staff in San Luis Obispo and Parsons was part of those discussions as well. He stated that they are going to have to figure out a less expensive way of getting this project done, which is why there have been discussions in regards to a P3, or they're going to have to look at a new funding mechanism that will help support improvements of Highway 25 between San Felipe Road and up to Highway 101. Chair Gomez stated that he looks forward to all of the discussions that will include Caltrans, COG staff, the Ad-hoc committee, and anyone else who wants to see a solution to Highway 25.

Chair Gomez stated that the COG Board did provide direction to staff on moving forward with Alternative 2B, but they may have to relook at that as they try to find a possible new alignment.

PUBLIC COMMENT:

Brandy Rider, Caltrans District 5

Ms. Rider stated that Caltrans would like to recommend that the Board moves forward with the time extension. Caltrans has had discussions with the Federal Highway Administration and they are very supportive of moving forward with that as well as moving down the path of looking at a route adoption and a tiered environmental document. This gives the Board and the community an open process to look at the route adoption options within the environmental document. Also, it doesn't preclude the opportunity with other types of projects associated with it. She noted that this will help the community from not having to pay back a large sum of money to the Federal Highway Administration. The time extension buys additional years of looking at this project and allowing time to find a way to address the deficiencies in the long term.

Director Botelho asked how you get Caltrans to build a partnership. He stated that since he's been on the Board it's been 'Caltrans' way or no way.' He also mentioned that COG is using up all of the STIP funds for Highway 156, when what they should have done was split it and put some funds towards Highway 25. He asked how does this get resolved when Caltrans is not as interested in finding funding to help this community make the improvements that are needed for Highway 25.

Ms. Rider stated that one of the key components is collaboration and continuing to talk to one another and have a really good dialogue early and often. She stated that maybe those discussions didn't happen early enough or as often, or maybe other types of working together should be considered. Ms. Rider stated that an example of partnership and working together to find creative funding solutions, was done in Santa Barbara, Monterey, and Santa Cruz when Proposition 1B funds came down. Caltrans worked together in partnership and moved these projects forward with different funding sources. She stated that they are stronger if they work together. Ms. Rider stated that how you get there may not be a comfortable process because there has been a lot of concern over the Highway 156 project and there are relationships that have to be mended. Moving forward, and speaking on behalf of the Caltrans District Director, she stated that they are willing to come to the table and do that and Highway 25 is an opportunity to make amends and move forward and be positive.

Director Botelho stated that he looked forward to the Ad-hoc Committee and the COG Board looking for solutions to build an affordable road that can be built as a partnership.

Ms. Rider stated that one area where the discussions could start is how Caltrans is viewed by the COG Board. She stated that in all of their other agencies they are an ex-officio member of the Board and this is the only transportation agency in their District where they have been told that they are not welcome as an ex-officio member.

Director Botelho stated that he did not believe in a bureaucracy being a part of a Board. He stated that every one of them on the Board were elected and Caltrans has their own role. He stated that there are other ways of developing partnerships. Director Botelho stated that he could only hope that this will be the first project that the Board looks back on and is able to say that they were able to develop a partnership with Caltrans and the new Director.

Chair Gomez stated that the Board has gone back and forth a few times and they have even met with Caltrans staff and he believes that the COG Board is ready to turn the page to something new. He added that when the Ad-hoc committee, Ms. Rheinheimer, and Parsons, met with Caltrans staff and proposed this new idea it must have been the most productive meeting he has ever had with Caltrans. Chair Gomez agreed with Ms. Ryder and stated that this a good opportunity to demonstrate to both Caltrans and the community of San Benito County that they can work together.

Chair Gomez asked Mr. Scales to elaborate a little on some of the public/private partnerships that have occurred in California.

Bob Scales, Parsons Transportation Group

Mr. Scales stated that the reason why he is interested in this is because for 35 years he's been trying to help get Highway 25 built. He stated that things change over time and unfortunately during most of the time that the Highway 25 Widening project was being conceived in the environmental document, it was a better funding picture at the time.

Mr. Scales stated that the project that has been defined puts a brand new 4 lanes separated from the existing two lanes, much like the Highway 156 project where you're building a brand new road and converting the existing road to a frontage road. What is not mentioned too often with Highway 156 is that if you are going to put in a significant improvement in, to keep the road out of the floodplain. That is why it was almost impossible to reuse the existing road with Highway 156. Highway 25 doesn't have that problem. Mr. Scales stated that what Ms. Rheinheimer talked about with the 2011 TIF that found that for the little passing lane proposal, it would have to be shared 50/50 or 53% by the existing County and then the other 46+% could only be paid for with new development. But that scenario does not apply if in fact you widen the existing 2-lane road to 4-lanes by either making the 2 lanes 4 lanes or building two more lanes adjacent to the existing two lanes. This was the proposal that was presented to Caltrans in San Luis Obispo which was all predicated on how you actually fund this. Mr. Scales stated that he was all in favor of having new development pay for the entire thing. He stated that new development should pay for the new part and the existing population has already invested in the existing road. He stated that when you look at it that way once you go from a 2-lane road to a 4-lane road you quadruple the capacity of the facility. So by building 2 more lanes on either side to make it 4 lanes or building 2 brand new 2 lanes near the existing 2 lanes, opens up an entirely different situation. He stated that there is a way to make peace and have it all. He suggested something similar to what the VTA has worked up with the Metropolitan Transportation Commission (MTC) in San Francisco regarding the State Route 152 project. MTC didn't have the money to build it and VTA suggested putting the project in the Metropolitan Transportation Plan for project development only. He stated that it's not a build project it's just on paper, it doesn't need to be cleared as a build project.

Scott Fuller, San Juan Oaks

Mr. Fuller stated that he deferred to Mr. Scales' expertise on traffic. However, he did not agree with the concept that he suggested with putting 2 lanes besides the existing 2 lanes means that you don't have to have a nexus study or you can assume that new development will pay for the entire cost of the improvement because you've added two lanes. He stated that unless he has a way to have everybody living there now just drive on the two lanes that are there, he's not sure how you could do that, but it is a concept that would need to be studied very carefully before you have concluded that new development will pay the entire costs of the improvements.

Ms. Rheinheimer professionally disagreed with Mr. Scales' concept of having new development only paying for the new road piece of it. The benefit that everybody gets from that new capacity is shared by all not just new development. Ms. Rheinheimer stated that if they want to explore that concept, it should be done within the context of the Traffic Impact Mitigation Fee Study which will be discussed later on in the agenda.

Director Botelho stated that the prudent thing to do is wait until the County's General Plan is complete before considering anything with regard to the impact fees. He stated that if they get out in front of the General Plan then mistakes could be made.

Director Botelho asked that if they continue the environmental work which is for the entire corridor of Highway 25, including the alternative route next to the airport and the alternative route that was next to the prime farmland from San Felipe Road to Hudner. If so, it could lead to some unnecessary work.

Ms. Rheinheimer stated that Director Botelho was correct, however, the Board will have the opportunity to revisit that within the next several years.

Director Botelho stated that by going from maybe Highway 156 to the County line and encompassing that as a project might make the project a bit more affordable. He also stated that with regard to Chair Gomez's concerns about deficiencies from the railroad tracks and the Highway 101 interchange, those are Caltrans District 4 projects in Santa Clara County.

Chair Gomez agreed with Director Botelho's comments and added that having the discussions with VTA and Caltrans District 4 will be another component that they will have to work on.

Ms. Rheinheimer mentioned that she had a conversation with VTA's John Ristow, who indicated his agreement with the time extension request to Federal Highway Administration. He also indicated his willingness and delight at getting together again to discuss Highway 25 and Highway 152 and the Highway 101/25 Interchange.

Chair Gomez stated that he was aware that Chairman Caldwell from VTA sent a letter to Congressman Farr. He stated that they had a conversation with John Ristow regarding the 152 Realignment. Chair Gomez asked Ms. Rheinheimer if she could look into providing the Board with some feedback from Congressman Farr's office with regard to the letter.

There was discussion with regard to Item 10 d. regarding the Ad-hoc committee.

Deputy County Counsel, Shirley Murphy stated that she had concerns with the Brown Act's definition of a standing committee vs. an Ad-hoc committee. She stated that the longer the Ad-hoc committee continues to act and who they are meeting with could merge into a standing committee subject to the Brown Act. She recommended that the Board agendaize the item.

Chair Gomez asked to agendaize Item 10 d. and include in the item the appointment of Councilmember Scattini.

Director Botelho stated that he had some concerns about the function of the Ad-hoc committee as well as the utilization of outside private consultants without the authorization and the approval of the Board. He stated that he had issues with Parsons being included in the conversations at this point in time.

Chair Gomez stated that Director Botelho's concerns can be addressed when the Ad-hoc item is brought back to the Board for discussion.

Upon a motion duly made by Director Muenzer, and seconded by Director Botelho, the Directors Approved Item 10a and 10b. Vote: 5/0 motion passes.

11. Draft On the Move: 2035 San Benito Regional Transportation Plan – Rheinheimer

- a. RATIFY** Action from April 17, 2014 COG Board Meeting to Rescind the March Draft Regional Transportation Plan and Release the February Draft Regional Transportation Plan for Public Review;
- b. RECEIVE** Information on Proposed Staff Changes for Inclusion in the Final Regional Transportation Plan; and
- c. RECEIVE** Information on the Status of the Environmental Document Associated with the Regional Transportation Plan.

Deputy County Counsel, Shirley Murphy stated that with regard to the action on this item, it was in part generated by the COG's receipt of a letter from a law firm L+G, LLP attorney Jeff Gilles, arguing that the action that the Board took in April was not properly agendized under the Brown Act. This question was brought to Counsel's attention at last month's meeting. Ms. Murphy stated that the requirement of the Brown Act is to have a general description. The description on the agenda to direct staff regarding the RTP was sufficiently broad to encompass the action that was taken, however, the Brown Act does have a Safe Harbor Provision where somebody makes a demand, as has been made by Mr. Gilles, that the COG cure an alleged violation of the Brown Act. The COG has an opportunity to cure any alleged violation and under the relevant law that doesn't have any evidentiary value that there was a violation in the first place. So without conceding or agreeing that there was any violation, Counsel advised staff to put on the agenda a ratification of last month's action to rescind the release of the March version of the Draft RTP and instead then release the prior February Draft, which staff has since done. Ms. Murphy stated that this is really just done out of an abundance of caution. If there is any technical violation this ratification would cure that. However, as she stated before, the COG does not concede that there was a violation in the first place.

Ms. Rheinheimer stated that COG is required to hold a public hearing to receive comment from the general public. A public hearing has been scheduled for May 29, 2014 at 4:00 p.m. at the Board of Supervisors Chambers. The mandated notice was also provided in the local newspaper.

Ms. Rheinheimer stated that since the February draft RTP, COG staff has received new information about additional funding for transportation projects in San Benito County. The result is that the financial projections will be updated in the Final RTP.

Ms. Rheinheimer also mentioned that the associated Environmental Impact Report for the Regional Transportation Plan is scheduled to be certified by the Association of Monterey Bay Area Governments on the June 11 meeting. Any major changes to the San Benito Regional Transportation Plan project list would likely require recirculation of the EIR and cause significant delay.

Chair Gomez asked how long the Highway 25 project was on the constrained list of projects.

Ms. Rheinheimer stated that she did not recall how long Highway 25 was on the constrained list, however she could go back and look through past Regional Transportation Plans.

PUBLIC COMMENT: None

Chair Gomez inquired about the Traffic Impact Fee (TIF) funds that were collected for the Highway 25 project prior to the project being removed from the constrained list a few years back.

Ms. Rheinheimer stated that in the past the City and County have made arrangements for projects such as the Highway 25 Bypass to contribute what they could through an agreement for a particular project that was about ready to go to construction. Other projects that were funded by the TIF in the local jurisdiction would draw from the account to pay for whatever project was coming on-line. Moving forward with the regional projects, such as the Highway 25 Widening or Highway 156, an arrangement would have to be made between the City and the County for contributing that money to the project.

Chair Gomez asked if the funds that were collected through the TIF could be allocated to the passing lanes project. He also asked if the TIF funds collected could be used and reallocated to other projects on the list.

Ms. Rheinheimer stated that the funds could be used for other projects that are on the list and ready for construction. If the project gets deleted from the list in the next round in place of the Highway 25 Widening project, you wouldn't collect money for the passing lanes project, you would apply those funds to the capacity needed for the Highway 25 Widening.

Chair Gomez asked if residents that have paid TIF for a specific project would be reimbursed if that project is taken off of the constrained list of projects.

Ms. Rheinheimer stated that they could discuss Chair Gomez' question some more during the next agenda item.

Chair Gomez asked if AMBAG had responded to his letter regarding AMBAG's Traffic Model.

Ms. Rheinheimer stated that part of what she would like to do in the context of the TIF program, is to have AMBAG's Dr. Buphendra Patel, provide the Board a presentation of the Regional Travel Demand Model. Dr. Patel is a very experienced modeler who can provide information about the intricacies of the Model.

There was no further discussion from the Board.

Upon a motion duly made by Director Muenzer, and seconded by Director Boch, the Directors Approved Item 11a, with Chair Gomez and Director Scattini opposed. Vote: 3/2 motion passes.

12. CONSIDER Options for Updating the San Benito County Transportation Impact Mitigation Fee Nexus Study and **PROVIDE** Direction to Staff – Gilbert

Ms. Gilbert reported that staff has prepared a few options for how the Board might initiate an update to the Traffic Impact Mitigation Fee Study that traditionally COG has prepared. Generally, an update has been done every 4-5 years. The last one was initiated in 2010 and adopted in 2011.

Ms. Gilbert stated the 2011 report was based on the 2008 growth forecast and traffic model developed by the Association of Monterey Bay Area Governments (AMBAG). Since that time, several factors have changed:

- New AMBAG Growth Forecast
- AMBAG Model Improvement Plan Implementation
- Changing Economic Climate
- Draft San Benito County General Plan Update

Ms. Gilbert stated that given new conditions in 2014, COG staff is proposing that the study be updated. Ms. Gilbert stated that the COG board may choose one of the following options or direct staff in another manner to pursue a consultant contract to complete the study: Option 1: Issue a Request for Proposals for the Update. Option 2: Direct Staff to Negotiate a Contract with On-Call Consultants.

Ms. Gilbert stated that Option 2 would significantly cut down on processing time and work on the update could start in approximately 2 months. However, staff would ask that a Board member assist staff in selecting a final consultant to bring a contract back to the COG Board.

Director Botelho asked if would make more sense to wait 6 months and bring this item back when the County has completed their General Plan.

Ms. Rheinheimer asked the County Supervisors when they could anticipate that the General Plan would be adopted.

Director Muenzer stated that he was committed in seeing the General Plan completed by the end of the calendar year.

Ms. Rheinheimer stated that staff could time it to ensure that the General Plan is a strong part of the consideration. It took staff about one year to complete the last TIF study.

Chair Gomez stated that although he was pleased that the County General Plan is moving along, he was concerned that with every month that goes by they are losing tens of thousands of dollars in Traffic Impact Fees. He stated that perhaps, the Board could proceed with this and if it takes some time to complete it will be beneficial for the County because it will allow them the 6 months needed to complete their General Plan. If it takes less time to complete then they could take suggestions from the County because the City's position is not going to change.

Chair Gomez asked if the City of Hollister could move forward with its specific impact fees and list of projects.

Ms. Rheinheimer stated that they could, however the point of the Regional Impact Fee program is so that the regional approach recognizes that traffic flows everywhere.

Director Botelho stated that if they do move forward, they would direct staff and the consultant that is doing the analysis to take into account that there is new information and they may have to wait for them to complete it, to ensure that they get the correct number.

Director Botelho asked if the Board could continue this item to the next meeting to allow the County Supervisors to meet with County Planning staff and their consultant to see where they are at with the General Plan update. He stated that he agreed with Chair Gomez and did not want to lose impact fees that they could be collecting for road improvements. Director Muenzer concurred with Director Botelho's recommendation.

The Board discussed whether they should move forward with a Request for Proposals or direct staff to negotiate a contract with an On-Call consultant that was previously approved by the Board in 2013. There was consensus from the Board to move forward with a consultant from the On-call list. However, in order to allow the County Supervisors time to meet with their Planning staff, the Board directed staff to agendize this item as a place holder for next month and if the Board is not ready to take action next month then they will continue the item again.

PUBLIC COMMENT:

Brandy Rider, Caltrans District 5

Ms. Rider stated that Caltrans was excited that the COG Board will be moving forward with this item. They are pleased to see that the Board will be considering putting Highway 25 back into the TIF and doing the analysis necessary. Ms. Rider stated that Caltrans is dedicated to continue working with staff on the Traffic Impact Fee Nexus Study.

Scott Fuller, San Juan Oaks

Mr. Fuller stated that it made no sense to do a new Traffic Impact Mitigation Fee until the General Plan items are clear. A compromise would be if there is an administrative draft of the circulation element because it would tell the Board what they need to know. As far as projects going forward that administrative draft would be ahead of the final completed General Plan, but is unlikely to change very dramatically as it goes through the rest of the process. Additionally, he stated that there are benefits to doing an RFP other than timing. He stated that it didn't make sense to just pick somebody if you are also slowing things down because picking somebody goes faster. He stated that if going through an RFP provides other benefits than just picking somebody and there isn't a time constraint, then the Board may want to consider that before deciding.

Mr. Fuller also stated that San Juan Oaks recognizes the need to update the TIF and to put the Highway 25 Widening project back in. Not to say that they don't support it, but to say that it does not make any sense to do it when the General Plan is near completion. He stated that the Board should wait until they at least have an administrative draft of the circulation element.

There was no further discussion.

13. Council of Governments Office Facilities Lease – Postigo

- a. **DIRECT** Staff to Negotiate a New Five Year Lease with Cost Savings Between Council of San Benito County Governments and the Pivetti Company for Office Space Located at 330 Tres Pinos Road, Suite C7. Or
- b. **DIRECT** Staff to Negotiate a Two-Year Lease at the Existing amount Between Council of San Benito County Governments and The Pivetti Company for Office Space Located at 330 Tres Pinos Road, Suite C7.

Ms. Postigo reported that the lease for COG's office facilities is set to expire on July 31, 2014. County Public Works has informed staff that the County Courthouse space will not be available for at least eighteen months. Staff approached the current landlord who has offered to extend the lease for another five years with a reduction for the first three years and an increase in years four and five. The cost to extend the lease for two years would remain at the current rent of \$3,009. The cost to enter a new lease with the Pivetti Company for five years would start at \$2,593 for the first year ending at \$3,345 for the fifth year.

Ms. Postigo reported that staff has looked into the potential costs associated with the courthouse space. The Public Works Department had suggested that the rent would be one dollar per square foot for 2,500 square feet; totaling \$2,500 per month. Other items to consider are the County's Cost Allocation Plan, utilities, and janitorial services. With a square footage of 2,500, the additional costs may be \$520 per month for building and maintenance, \$171 per month for janitorial services, and \$173 per month increase in utilities, totaling \$3,364 per month in rent.

Ms. Postigo noted that the estimate does not include any moving cost or additional cost for improvements that COG may be responsible for.

Staff requested direction from the Board to either negotiate a new five year lease or a new two year lease at the existing rent.

Director Muenzer stated that he spoke with Ray Espinosa, who was a bit surprised about the figures that were provided by the Public Works Department. He recommended that Ms. Rheinheimer speak with Mr. Espinosa to ensure that the numbers that were provided are correct.

Ms. Rheinheimer stated that she would meet with Mr. Espinosa to discuss the figures and staff will continue the item to the next meeting.

Director Botelho stated that he is on the Facilities Committee and they will be meeting next Friday. He can ask about the timeframe of 18 months. He also stated that he did not have an issue with COG staff staying at its current location and working towards a 5 year lease if it makes sense. He stated that they could move the County Board of Education to the area COG was looking at and expand the County Library.

PUBLIC COMMENT: None

Upon a motion duly made by Director Muenzer, and seconded by Director Boch, the Directors continued Item 13 to the June meeting. Vote: 5/0 motion passes.

Upon a motion duly made by Director Boch, and seconded by Director Botelho, the Directors unanimously adjourned the COG meeting at 5:21 p.m. Vote: 5/0 motion passes.

ADJOURN TO COG MEETING JUNE 19, 2014.