



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

**DATE:** Thursday, May 21, 2015  
3:00 p.m.

**LOCATION:** **Board of Supervisors Chambers  
481 Fourth St., Hollister, CA 95023**

**DIRECTORS:** Chair Jerry Muenzer, Vice Chair Tony Boch  
Directors Anthony Botelho, Victor Gomez, and Ignacio Velazquez  
Alternates: San Benito County: Jaime De La Cruz;  
City of Hollister: Mickie Luna; City of San Juan Bautista: Jim West  
Ex Officio: Caltrans District 5

*Persons who wish to address the Board of Directors must complete a Speaker Card and give it to the Clerk prior to addressing the Board. Those who wish to address the Board on an agenda item will be heard when the Chairperson calls for comments from the audience. Following recognition, persons desiring to speak are requested to advance to the podium and state their name and address. After hearing audience comments, the Public Comment portion of the agenda item will be closed. **The Opportunity to address the Board of Directors on items of interest not appearing on the agenda will be provided during Section C. Public Comment.***

**3:00 P.M. CALL TO ORDER**

- A. Pledge of Allegiance**
- B. Verification of Certificate of Posting**
- C. Public Comment** (Opportunity to address the Board on items of interest on a subject matter within the jurisdiction of the Council of Governments and not appearing on the agendas. No action may be taken unless provided by Govt. Code Sec. 54954.2 Speakers are limited to 3 minutes.)
- D. APPOINT** Member and Alternate to the California Association of Councils of Governments (CalCOG)
- E. Executive Director's Report**
- F. Caltrans Report – Gubbins/Loe**
- G. Board of Directors' Reports**

**CONSENT AGENDA:**

*(These matters shall be considered as a whole and without discussion unless a particular item is removed from the Consent Agenda. Members of the public who wish to speak on a Consent Agenda item must submit a Speaker Card to the Clerk and wait for recognition from the Chairperson. Approval of a consent item means approval as recommended on the Staff Report.)*

1. **RECEIVE** Council of Governments Correspondence – Gilbert

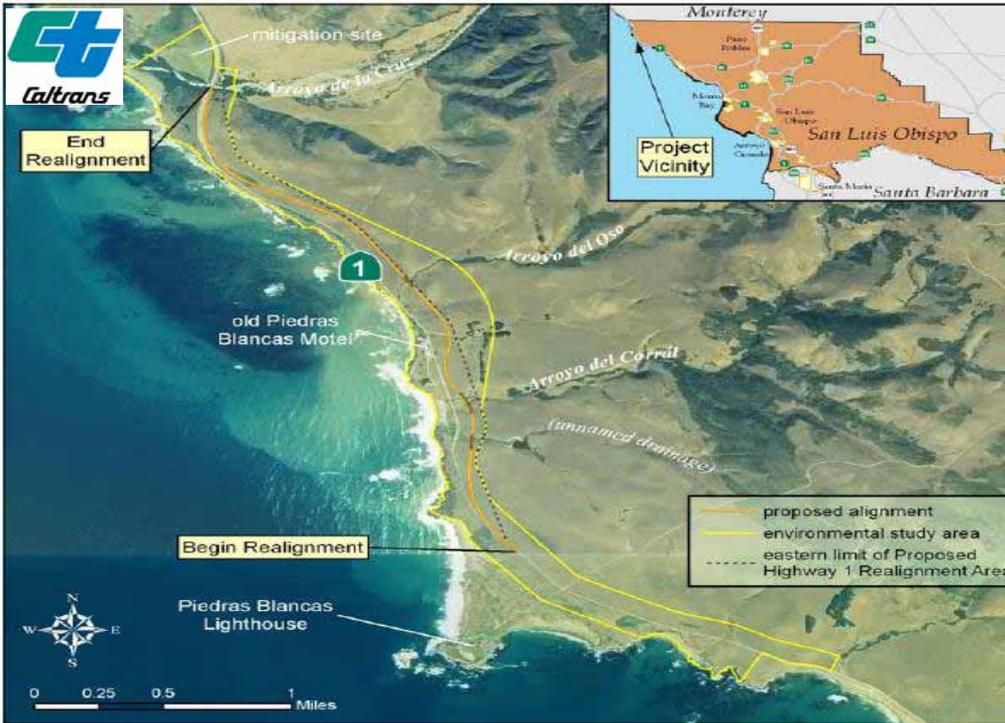
2. **APPROVE** Council of Governments Draft Meeting Minutes Dated April 16, 2015 – Gomez
3. **RECEIVE** Construction Projects Report – Caltrans District 5
4. **APPROVE** Request for Proposals for Financial Audit for Fiscal Year Ending June 30, 2015 – Postigo
5. **Transportation Development Act (TDA)/City of Hollister West Gateway Project – Lezama**
  - a. **APPROVE** City of Hollister Claim for Transportation Development Act (TDA) 2% Bicycle and Pedestrian Account Funding in the Amount of \$429,000 for the Hollister West Gateway Project.
  - b. **APPROVE** City of Hollister Claim for Transportation Development Act (TDA) Local Streets and Road Account Funding in the Amount of \$263,000 for the Hollister West Gateway Project.
  - c. **ADOPT** Resolution No. 2015-05 Wholeheartedly Supporting the City of Hollister's Active Transportation Program Grant Applications to the California Department of Transportation for funding of the Activating Safe and Equitable Connections in West Hollister Project and the Safe Routes to School Project.

#### REGULAR AGENDA: TRANSPORTATION ITEMS

6. **RECEIVE** Presentation on Transportation Funding in California – AMBAG
7. **RECEIVE** Report on Senate Bill 16 (Beall) and **APPROVE** Letter of Support by the Council of Governments Board of Directors – Gilbert
8. **DISCUSS** Potential for Transportation Sales Tax Measure in the 2016 Election Cycle – Gilbert
9. **RECEIVE** Update on COG Staff Work Plan for Highway 25 Development – Gilbert

#### **Adjourn to COG Meeting on June 18, 2015. Agenda Deadline is Tuesday, June 9, 2015 at 12:00 p.m.**

*In compliance with the Americans with Disabilities Act (ADA), if requested, the Agenda can be made available in appropriate alternative formats to persons with a disability. If an individual wishes to request an alternative agenda format, please contact the Clerk of the Council four (4) days prior to the meeting at (831) 637-7665. The Council of Governments Board of Directors meeting facility is accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the Clerk of the Council's office at (831) 637-7665 at least 48 hours before the meeting to enable the Council of Governments to make reasonable arrangements to ensure accessibility.*



SPRING 2015

## District Director's Report

A quarterly publication for our transportation partners

### Highway 1 realignment getting under way

A construction contract is being advertised for the Highway 1 Piedras Blancas realignment project. The estimated \$21 million project will realign 2.8 miles of Highway 1 near San Simeon. The project will move the highway inland to protect it from shoreline erosion in lieu of perpetuating rock slope protection along the shoreline. The new alignment will include standard 8-foot-wide paved shoulders improving conditions for bicycling along the Pacific Coast Bike Route.

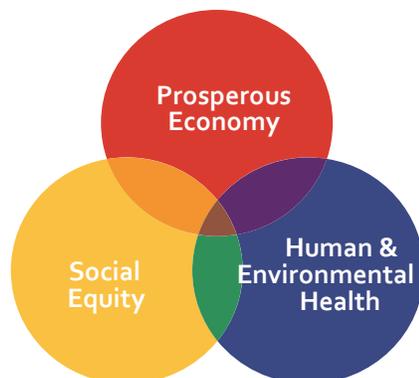
Two new parking areas will also be added with 20 spaces located at the southern end of the project at the existing surfer beach access, and 30 spaces (expandable to 60 future spaces) at the northern end of the project near Arroyo de la Cruz.

Once the project is completed, the public will have access to 80 acres of land west of the new alignment. State Parks will also develop a new 2.8 mile segment of the California Coastal Trail on that land with a \$1.4 million contribution from Caltrans. Construction is expected to begin in May 2015 and be completed in winter 2018. Two additional projects, totaling an estimated \$11 million, will mitigate impacts and re-vegetate disturbed areas beginning in spring 2017.

### Public input sought on state's long-term transportation plan

The 2040 California Transportation Plan is now available online for public comment. The plan defines performance-based goals, policies and strategies to achieve the state's collective vision for a statewide, integrated, multimodal and sustainable transportation system meeting future mobility needs. The updated plan will focus on meeting new trends and challenges such as economic and job growth, climate change, freight movement and public health. It will also develop performance measures and targets to assess the system and meet federal MAP-21 requirements. Comments will be accepted through April 17. More information is available at:

<http://www.dot.ca.gov/hq/tpp/californiatransportationplan2040/index.shtml>



Construction is nearing completion on the US 101 cable median barrier project located near Soledad in Monterey County. The estimated \$2.4 million safety project is installing a high-tension cable barrier, widening the inside shoulders and adding rumble strips for nearly four miles. The latter are a series of narrow indentations in the

*(Continued on back)*

### Cable barrier continued

## Caltrans District 5

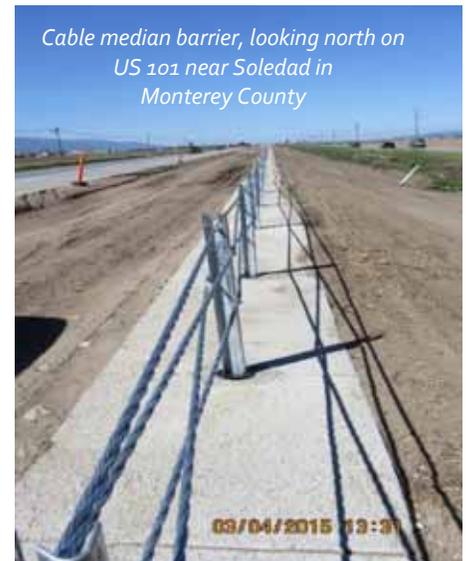


District Director

Timothy Gubbins

*Provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability.*

### First cable median barrier installation in District 5



Cable median barrier, looking north on US 101 near Soledad in Monterey County

pavement, which alert inattentive or distracted drivers using vibration and noise. The project is scheduled for completion in June 2015.

Median barriers dramatically reduce both fatalities and injuries in highway cross-over

collisions. At proper site locations, cable barrier offers several advantages over the more traditional concrete and three-beam barriers, including the following: reduced costs for installation and maintenance, less time for worker exposure to traffic during

repairs, and low impacts for visual, drainage and animal crossings. This barrier type is new to District 5 with reported success in several other districts. More information is available at:

<http://www.fhwa.dot.gov/research/deployment/cable.cfm>

## Workers' Memorial Ceremony and Safety Fair



The public is invited to join a special event April 23 honoring all Caltrans highway workers who have died in the line of duty since 1921. San Luis Obispo County Fifth District Supervisor Debbie Arnold is the keynote speaker. Statewide, Caltrans is observing Worker Memorial Day throughout April. Headquarters' service is April 16 in Sacramento.

On average, 1,000 Caltrans vehicles are struck each year. Highway construction is one of the most dangerous occupations in the United States. The risk of death is seven times higher for highway workers than for an average worker, according to the Occupational Safety Health Administration and U.S. Department of Labor. Speeding is a major factor in many fatal work zone crashes. Caltrans reminds everyone to *Slow for the Cone Zone* and move over for all emergency response and roadside work vehicles. After the ceremony, District 5 will host a safety fair with health screenings, giveaways and special activities for employees with more than 20 vendors and several local health departments' participating. Contact Safety Officer Henry Garcia at 805-549-3358 or

[henry.garcia@dot.ca.gov](mailto:henry.garcia@dot.ca.gov).

## Caltrans ushers in change



### Vision challenge: Find your role

Change is under way at Caltrans! We are committed to achieving real and significant changes to Caltrans' operations and culture, according to Director Malcolm Dougherty. We must *choose to lead* in order to remain a national leader in transportation policy in the future.

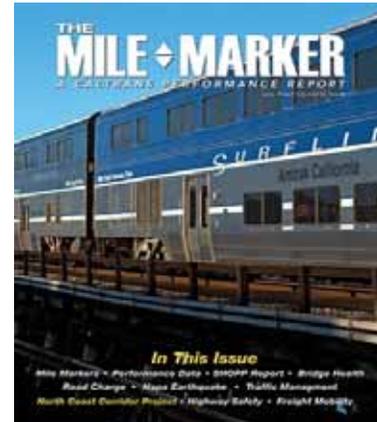
Going beyond our new mission, vision and goals, we plan to measure

Caltrans Director Malcolm Dougherty

our progress as well. We are developing specific data-based performance measures, which will be featured in the 2015-2020 *Strategic Plan* scheduled for release in early April 2015. Improving communication both internally and externally, and telling our organization's story better are important priorities for Caltrans. Speaking at a recent town hall meeting broadcast online statewide, Dougherty encouraged employees to familiarize themselves with Caltrans' new mission and vision statements, and know how they apply to their daily work. He also noted their individual roles and tasks are *vital* to fulfilling the future of transportation, improving the state's economy and contributing to Californians' quality of life. Some key meeting highlights include:

- Fixing-it-first, maintaining existing infrastructure, improving mobility, training staff, and streamlining the highway relinquishment process are high priorities.
- Additional investments in SHOPP and maintenance forces are needed.
- SHOPP is to preserve the system while accommodating other travel modes.

## Third Mile Marker released



The third edition of Caltrans *Mile Marker* is now available online. This report provides a transparent, plain-language accounting of Caltrans' performance. The latest edition features Amtrak's California revenue and ridership, project funding needs, technology's role in traffic management, level of service scores, and recent data on fatal accidents and work-related illness and injuries. Other topics include the transportation system's funding shortfall, the Caltrans Improvement Project, and an update on Proposition 1B-funded freight projects. More information is available at:

<http://dot.ca.gov/ctjournal/MileMarker/index.html>

April 29, 2015

Mary Gilbert  
Interim Executive Director  
Council of San Benito County Governments  
330 Tres Pinos Road, Suite C7  
Hollister, CA 95023

Dear Mary:

I want to update you regarding recent developments pertaining to the SR 25 Widening preliminary design plans.

### **Highway 25 Widening Plans**

Regarding the Highway 25 widening plans, Walt Allen spent last week in San Luis Obispo attending a class on "Federal Aid Series." While there, Walt ran into many of our mutual friends including Mark McCumsey, Arman Nazemi, and Richard Rosales, to name a few.

Walt had the opportunity to spend some time individually with Richard discussing the COG Board and Hwy 25 Stakeholders Group meetings last week and the interest of all parties with moving forward with widening Highway 25 along the existing alignment. **Richard was very receptive, friendly, and open with Walt regarding how to proceed with getting Highway 25 widened.** In a nutshell, Richard said that he had reviewed the preliminary design plans presented in the Highway 25 Interim Improvement Project Study Report-Project Development Support (PSR-PDS) "working draft document" dated October 2014 which Parsons prepared and provided to Caltrans District 5 on October 23, 2014 for informal review. Richard said that he is in agreement with the Parsons' proposal for widening the section of Highway 25 between Hudner Lane to north of Shore Road, since the alignment is consistent with Caltrans' preferred alignment identified in the Tier 1 environmental document. For this section, as you know, we proposed constructing a new two-lane roadway, running in parallel with the existing two-lane roadway, resulting in a four-lane highway having controlled access (no driveways).

Richard said that Parsons' proposed design for the section of Route 25 between San Felipe Road and Hudner Lane was not consistent with the alignment addressed in the Tier 1 environmental document, which proposed construction of an entirely new 4-lane expressway on a new alignment located to the west of the existing highway. Therefore, Richard suggested that widening Highway 25 along the existing alignment on that section would need to be characterized as an "interim improvement," just as it was proposed in the PSR-PDS document prepared by Parsons. For this section, you recall that we proposed widening the existing 2-lane road to four-lanes by adding lanes adjacent to the existing two-lane road, as one of two alternatives addressed in the PSR-PDS. The two-lane widening along the existing alignment is the same widening concept that was championed by Supervisor Botelho at the COG Board meeting and supported by the Hwy 25 Stakeholder Group last week.



Richard said that to move forward, Parsons' draft PSR-PDS document needs to be transmitted to Caltrans through some official channel such as COG. He said that while there are still a few questions to resolve, he thinks the Parsons' plans are a "good place to start," and there is no need to restart plan development from the beginning.

### **Proposed Highway Alternatives Analysis**

Lee Taubeneck, Parsons' resident expert on federal funding and former Caltrans District 4 Deputy Director for Transportation Planning and Local Assistance, advises that using left over funding from the Highway 25 Safety Project runs the risk of federalizing the project, with all the attendant issues and delays that entails. You may recall that accepting the \$1 million (?) of federal funding for the Highway 25 bypass project led to a two year delay and at least \$5 million of additional construction and right-of-way costs. If any San Benito County funds are used to support an alternatives analysis study, the existing TIMF fund balance would be a better source of funding.

More importantly, **there is no need to conduct a new alternatives analysis study**, or to spend any public funds on this effort, as the draft PSR-PDS already prepared by Parsons provides a suitable starting point for the "Project Initiation" phase of project development, as defined in Chapter 9 of Caltrans Project Development Procedures Manual. Parsons stands ready to revise and refine the PSR-PDS document pending Caltrans review comments, at no cost to COG. The only thing needed from COG, at this moment, is a phone call, letter, or meeting whereby you officially convey the PSR-PDS plans to Caltrans. (Richard has about five copies of the draft PSR-PDS document, so additional copies may not be needed.) As you know, the PSR-PDS is the Project Initiation Document which is needed by Caltrans to allow the widening proposal to proceed to the next step, which would be the preparation of Project Approval/Environmental Documents. Lee Taubeneck and I would be happy to attend the meeting with Caltrans to kick off the project initiation effort, at no cost to COG. To be very clear, Parsons does not expect to be paid by any public agency for advancing the plans or documents for accomplishing the Highway 25 widening, including the preparation of the Project Approval/Environmental Documents.

Please call me at 408-656-1232 if you have any questions about this letter. It seems that your Highway 25 Widening stakeholder group is fully supportive of moving forward along the lines suggested by Richard and Supervisor Botelho.

Sincerely,

**PARSONS**



Robert C. Scales  
Senior Program Director

cc. Richard Rosales





May 14, 2015

Robert C. Scales  
Senior Program Director  
Parsons Transportation Group  
100 West San Fernando Street, Suite 450  
San Jose, California 95113

**RE: Highway 25 Widening Report**

Dear Mr. Scales:

I am in receipt of your letter dated April 29, 2015, requesting that COG utilize the draft Project Study Report -Project Development Support (PSR-PDS) document dated October 2014, prepared by Parsons, as the basis of beginning the Project Initiation phase of project development for the Highway 25 Widening Project. While I appreciate the offer, COG will not be able to use Parsons' PSR/PDS for that purpose.

At its April meeting, the COG Board of Directors directed staff to move forward with consultant services to conduct an alternatives analysis study for the widening of State Route 25 from 2-4 lanes from San Felipe Road to the San Benito/Santa Clara County line. Parsons' PSR/PDS document includes roadway limits from San Felipe Road to ½ mile north of Shore Road. This is inconsistent with the COG limits for the project, as described in the environmental document, and the 2014 Regional Transportation Plan, as directed by the COG Board of Directors.

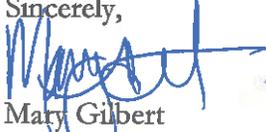
In addition, I would like to correct one inaccuracy in your letter. You noted that Mr. Lee Taubenek advised against using funding from COG's Highway 25 Safety project account as it may run the risk of federalizing the project. The funds in our Highway 25 Safety project account are entirely local funds and as such do not add any additional federal oversight to the project.

Your April 29<sup>th</sup> letter and the transmitting email made reference to the COG stakeholder meeting and stakeholder support of widening concepts. At our stakeholder meetings we have made no presentation of specific widening concepts beyond what is included in the draft environmental document for the project. The stakeholders have discussed the project and have indicated a general interest in seeing alternatives to the build alternatives developed as part of the environmental study for the corridor. COG staff has considered input from various sources, including but not limited to input received during stakeholder meetings, and is proceeding expediently to provide an alternatives analysis based on direction from the COG Board of Directors. The stakeholder group and Caltrans will be given ample ongoing opportunity for involvement as COG moves ahead with its analysis.

Robert C. Scales  
May 14, 2015  
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If you have any questions, please feel free to contact me by phone or email.

Sincerely,



Mary Gilbert  
Interim Executive Director

cc: COG Board of Directors  
Shirley Murphy, Deputy County Counsel  
Tim Gubbins, Caltrans District 5

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

**April 16, 2015, 3:00 P.M.**

**DRAFT MINUTES**

**MEMBERS PRESENT:**

Chair Muenzer, Vice-Chair Boch, Director Botelho, Director Gomez, Director Velazquez  
Ex Officio: Tim Gubbins, Caltrans District 5

**STAFF PRESENT:**

Deputy County Counsel, Shirley Murphy; Interim Executive Director, Mary Gilbert; Transportation Planner, Veronica Lezama; Secretary, Monica Gomez

**OTHERS PRESENT:**

John Olejnik, Caltrans District 5; Sara LaBatt, EMC Research; Heather Adamson, Association of Monterey Bay Area Governments

**CALL TO ORDER:**

Chair Muenzer called the meeting to order at 3:01 P.M.

**A. PLEDGE OF ALLEGIANCE**

**B. CERTIFICATE OF POSTING**

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

**C. PUBLIC COMMENT: None**

**D. EXECUTIVE DIRECTOR'S REPORT: Gilbert**

Ms. Gilbert reported that the California Transportation Commission's Road User Charge Technical Advisory Committee will be hosting a meeting in Monterey on April 24<sup>th</sup> at the Monterey Hyatt Regency from 9:30 a.m. to 3:00 p.m. Ms. Gilbert stated that the meeting is open to the public and she is planning on attending.

Ms. Gilbert reported that Senate Bill 16 from Senator Jim Beall was introduced in April. The Bill proposes new funding strategies for transportation needs in California. She stated that one of the exciting provisions of the Bill is the five percent of the revenues deposited in the Road Maintenance and Rehabilitation Account established by the bill is suppose to be set aside for counties that are newly self-help counties after July 1, 2015.

**E. CALTRANS DISTRICT 5 REPORT: Gubbins**

Tim Gubbins announced that the Strategic Management Plan 2015-2020 came out this week and is available online. The Strategic Management Plan is only one of the steps Caltrans has taken recently to embrace reform, transform into a modern transportation agency and better serve all Californians. Its new mission, vision, and goals encompass a larger set of outcomes around economy, livability and environment in addition to the traditional goals of improving mobility.

Regarding project updates, the San Juan Road Interchange northbound on-ramp and southbound off-ramp are now open to traffic. Cole Road is now permanently closed at the US 101, but you can access Cole Road to San Juan. Work is still occurring on the frontage road.

Caltrans continues pursuing 50 percent water reductions installing smart sprinkler systems that use less water on state property, technology that automatically adjusts to weather conditions, soil moisture or broken pipes. There may be approximately 30-50 landscaping jobs on hold until the drought is over. Recycled water is being used at San Luis Obispo to water their lawn.

Lastly, he reported on the Workers' Memorial Ceremony that was held in Sacramento this morning in honor of all of the workers who have lost their lives in the line of duty. Another ceremony will be held in San Luis Obispo on April 23. He reported that Statewide there have been 183 Caltrans workers killed in the line of duty.

Director Botelho asked if there were any updates to report with regard to the Highway 156 project and any discussions with County staff.

Mr. Gubbins stated that the project remains on schedule. However, he would have to follow up and speak with the project manager, Richard Rosales with regards to any discussions that have occurred with County staff and get back to him.

Director Gomez thanked Mr. Gubbins for being in attendance at the meeting and for always having a Caltrans representative in attendance to answer questions.

#### **F. BOARD OF DIRECTORS REPORTS:**

Director Gomez encouraged the COG Board to consider taking a formal position of support for Senate Bill 16 at the next COG meeting. He stated that it was a great way to encourage the revenue for a variety of transportation issues throughout the State.

Director Botelho concurred with the recommendation made by Director Gomez. He stated that he also expressed his support for Senate Bill 16 at the RCRC meeting that he attended.

Chair Muenzer asked Heather Adamson from the Association of Monterey Bay Area Governments (AMBAG) if at the next COG meeting AMBAG could provide the comprehensive presentation of future funding that was presented at the AMBAG meeting by the California Transportation Commission Director.

Director Gomez asked if staff could also include a Vehicle Miles Travelled update.

Ms. Gilbert stated that staff would place the items on the next COG agenda.

#### **CONSENT AGENDA:**

- 1. APPROVE** Council of Governments Draft Special Meeting Minutes Dated March 19, 2015 – Gomez
- 2. APPROVE** Council of Governments Draft Meeting Minutes Dated March 19, 2015 – Gomez
- 3. RECEIVE** Construction Projects Report – Caltrans District 5

4. **APPROVE** Resolution No. 2015-01 ADOPTING the 2015 Title VI Program Language Assistance Plan (LAP) for Limited English Proficiency (LEP) Individuals – Lezama
5. **APPROVE** City of Hollister Claim for TDA 2% Funding in the Amount of \$6,000 for Bicycle and Pedestrian Counts for the Hollister West Gateway Project – Lezama
6. **ACCEPT** the Final 2015 Public Participation Plan Prepared by the Association of Monterey Bay Area Governments – Lezama
7. **APPROVE** Amendment No. 2 to the Fiscal Year 2014/2015 Overall Work Program – Gilbert
8. **ADOPT** Resolution 15-03, Allocating Low Carbon Transit Operations Funds to the San Benito County Local Transportation Authority – Gilbert

Ms. Gilbert noted a typo correction to Consent Item 4. She stated that the correct number for the Resolution was No. 2015-**02**.

There was no public comment.

*Upon a motion duly made by Director Gomez and seconded by Director Botelho, the Directors approved Items 1-8 from the Consent Agenda, with the noted correction to Item 4. Vote: 5/0 motion passes.*

**REGULAR AGENDA**  
**TRANSPORTATION ITEMS:**

9. **RECEIVE** Presentation on Results of 2015 Voter Survey – Gilbert

Ms. Gilbert introduced Sara LaBatt from EMC Research. Ms. LaBatt provided a Power-Point presentation on the results of the telephone survey of San Benito County voters.

Ms. LaBatt presented the following key findings:

- Voters recognize the need for investment in transportation: Nearly 80% believe there is a need for additional transportation funding for San Benito County.
- Support for a transportation sales tax is above two-thirds: Three-quarters of voters support a half-cent sales tax to fund a range of county transportation improvements including road repair, Highway 25 widening, improved transit, and bike and pedestrian safety.
- With many voters concerned about raising taxes and trusting local governments with tax money, the measure should include strong accountability provisions and a focused plan.

Director Gomez inquired if other tax measures were used in the survey such as a full cent, quarter-cent, etc.

Ms. LaBatt stated that they focused only on the half-cent tax measure for transportation.

Ms. LaBatt reported that there was no difference in support between *likely* June and *likely* November 2016 voters. She stated that their advice to the Board would be to consider being ready to move on the June election if possible.

Ms. LaBatt ended her presentation with the following conclusions:

- Results of this survey support the county moving forward with the next steps toward a potential 2016 transportation sales tax measure
- The measure's expenditure plan should include a diverse set of projects and programs to support transportation improvements throughout the county

Overall, the COG Board was pleased with the survey results. They were surprised with the number of voters in support of a sales tax measure.

Chair Muenzer stated that the survey was based on a half-cent sales tax, but asked if EMC Research would be able to correlate what raising the sales tax to one-cent or three quarter-cent would do to the approval rating results.

Ms. LaBatt stated that going above the half-cent sales tax would risk reducing the support they demonstrated from the survey results. She also mentioned that if the Board decides to continue down the road towards 2016 for any future measure, it would be very likely that they would want to conduct a future poll to ask more explicit questions about the design that has been chosen and the amount as well. She stated that this survey focused on Highway 25 project vs. multiple projects, not an amount.

There was discussion about each COG Board member going back to their respective jurisdictions to discuss a possible tax measure and how it should be structured. The Board stated that they need more information from the County, City of Hollister, and the City of San Juan Bautista so that they can clearly understand where they are with their respective road assessments.

Ms. Gilbert stated that the County just had a County Roads assessment done recently, but she was not aware if the City of Hollister or San Juan Bautista had an updated road assessment.

Director Gomez and Director Velazquez stated that they have been requesting a City Roads assessment from City staff but they have not received the information.

Director Gomez stated that EMC Research did a great job with conducting the survey and now the COG Board needs to have a discussion about which projects they would be able to afford with a potential half-cent sales tax.

Director Boch agreed with their comments. He stated that over the last few years the City of San Juan Bautista has only been focusing on what they can do with the funds that were available such as the State Transportation Improvement Program (STIP). He stated that they would have to check with the City Manager to see if it would be possible to complete a roads assessment for San Juan Bautista.

Director Botelho stated that he spoke with the County CAO about possibly having a discussion with Santa Cruz County because they had already gone through the process of hiring a consultant to put together a sales tax measure in 2016.

Director Velazquez stated that the City is going to have to figure out what roads need to be included, but he would prefer hiring a consultant to complete their roads assessment.

Director Gomez stated that each agency would make its own determination about which roads need improvement in their respective jurisdictions. Ultimately, what the Board will have to decide is how they will divide the proportions out to the projects such as Highway 25, road maintenance, new infrastructure, etc.

Chair Muenzer stated that the first thing that needs to be determined is whether or not their respective Boards want COG to pursue studying a sales tax measure to go on the ballot in 2016 for roads and transportation. He stated that Highway 25 is important to everyone and having a sales tax measure with Highway 25 being identified as a beneficiary will go a long way to getting the project on the constrained list. In addition, there is also the possibility of getting new highway funding.

After extended discussion there was consensus from the COG Board to go back to their respective agencies to see if all three agencies would be on board to move forward in support of a sales tax measure for roads and transportation.

Ms. Gilbert reported that the Board of Supervisors will be receiving this presentation on Tuesday. Staff will host another stakeholder meeting next week and will be presenting the transportation survey results to them as well. This will help with moving forward with next steps for an expenditure plan.

EMC Research will be providing the Power-point presentation to the County and Cities as well.

There was no public comment on this item.

**10. RECEIVE** Presentation on the Draft California Transportation Plan 2040 and **DIRECT** Staff to Provide Comments to Caltrans – Gilbert

Ms. Gilbert introduced John Olejnik from Caltrans District 5. He provided a Power-Point presentation on the Draft California Transportation Plan 2040.

Mr. Olejnik reported that the California Transportation Plan (CTP) is a statewide, long-range transportation policy plan designed to meet the State's future transportation needs. It looks at the State's Transportation needs for the next 25 years. Caltrans prepares the CTP in response to federal (Map 21) and State (SB391) laws and requirements every five years.

Chair Muenzer inquired about Alternative 3 and whether it could be addressed in greater detail because it was his understanding that AMBAG had some concerns with it.

Mr. Olejnik stated that the alternatives worked together in layers until they reach the goal for Greenhouse Gas Emissions (GHG Emissions). He explained that you would not be choosing one out of the three alternatives, but rather you would begin with Alternative 1, if it doesn't work you add Alternative 2, and if it still does not work you add Alternative 3 to reach GHG Emissions.

Heather Adamson of AMBAG addressed the Board and stated that AMBAG sent a comment letter to Caltrans headquarters on the Draft CTP 2040. She clarified that AMBAG did not have issues so much with the Alternatives that were evaluated. Their concerns were more with the strategies that were in the CTP. They would like more flexibility in the strategies to meet the needs of the different type of regions around the states.

Mr. Gubbins explained that the Alternatives are to be used more as additives, only by doing all of them do you truly reach the aggressive goals in the planning effort.

Director Botelho commented on how the state comes up with ideas of "one size fits all" and he expressed concern with how the performance measures are done to reflect on the differences between rural and urban areas and their greenhouse gas emissions.

Mr. Gubbins stated that they may not be able to reduce the GHG Emissions in spot locations, but by increasing some of the freight that moves in and out of these farming communities and ensuring sustainability and a good rail connection instead of moving by truck does help. He stated that by balancing all of the goals together they should be able to get there.

Chair Muenzer asked for clarification regarding AMBAG's concern with some of the language in the plan about not having capacity producing projects.

Heather Adamson stated that AMBAG's concern was noted in their comment letter to Caltrans. She stated that it was with regards to page 122 under the section of strategies that says *Invest Strategically*. One of the strategies specifically said avoid funding projects that add road capacity and increase maintenance cost. AMBAG said it is not right, considering you have all of these other strategies that say increase freight movement and freight capacity. AMBAG commented that it should be rewritten to be able to provide more flexibility. It should be strategically adding road capacity where it is needed it is

not necessarily pave over the entire state, but there are a lot of gaps that need to be completed. There are widening projects in all of the counties different plans that they want to pursue, particularly for the more rural areas.

Ms. Gilbert stated that staff concurred with AMBAG's concerns. It was also discussed at the Technical Advisory Committee meeting. They stated that areas like ours need capacity increasing projects and to also maintain local control of projects and reiterate the need for funding in rural areas for transportation projects.

The COG Board directed staff to draft a comment letter primarily focusing on the comments noted by Ms. Adamson and Ms. Gilbert and submit comments prior to the April 17 deadline.

Director Botelho stated that he wanted to make sure that it is understood that some communities are going to see some growth and economic development and that this plan is compatible with that. It is important to lower GHG Emissions and we should not be penalized for trying to do what is right in land use policies for our communities.

There was no public comment on this item.

*Upon a motion duly made by Director Boch and seconded by Director Botelho, the Directors directed staff to submit comment letter to Caltrans. Vote: 5/0 motion passes.*

**11. RECEIVE** Update on Potential Planning Study for the State Route 156 Corridor in San Juan Bautista – Gilbert

Ms. Gilbert provided an update on this item. She stated that staff met with members of San Juan Bautista's strategic planning committee and discussed the different issues at the intersection of the Alameda and State Route 156 and what some potential improvements might be that COG could look into as part of a planning study. They went out and walked the intersection together to get a sense of what some of the issues are.

Staff is considering an option for funding of the study to be acquired through a transportation planning grant from Caltrans. The grant application cycle will likely begin in the fall. In an effort to prepare for the application process, staff is developing a scope of work.

Director Gomez asked if staff is looking at other types of funding in the meantime to try to address some of the concerns.

Ms. Gilbert stated that the scope of work would include a funding plan for any improvements that are identified, feasible and supported.

Director Boch commented that Caltrans put in a 4-lane Highway from 101 to the Alameda and did not give much consideration to the intersection or to the Monterey Street intersection as far as slowing people down. He stated that they have been really lucky to not have fatalities at those locations. He stated that any support they can get from COG, Caltrans, grants, would be appreciated.

Director Botelho concurred with Director Boch. He stated that this grant would provide improvements that are greatly needed. If they can somehow enhance the entrance of the Monterey intersection to slow down the traffic and the trucks and create an alternative entrance into San Juan Bautista would lend itself to a better future for that community. This is a good time to establish the groundwork for a future project.

Chair Muenzer stated that every part of the County is going to have to benefit from a potential sales tax measure and they will have to identify projects to do that so whatever ends of being designed as traffic

calming for San Juan Bautista would be a great project for a sales tax measure. He noted that the traffic signal at the Alameda is there because of Measure A.

**Public Comment:**

**Jolene Cosio, SJB  
Strategic Planning Committee**

Ms. Cosio thanked Mary Gilbert and Veronica Lezama from COG for meeting and walking across the crosswalk with them. She mentioned that the signal is forty seconds long and it took them thirty-nine seconds to make it across. She noted that she did not realize that the red-hand turns at the same time as the signal changes. They had discussion about increasing the time to get across the street.

Ms. Cosio stated that per her public records request for information from Caltrans there have been 14 accidents between 2010-2012 at the Alameda, 4 more at Mission Vineyard, and 1 at Monterey, with no fatalities. They are still trying to get local statistics from the Fire Department. She mentioned they need better signage for San Juan Bautista and noted Placerville as an example. She stated that while driving through Placerville it is 40 mph and they have plenty of signage coming up to the first intersection. They have a changeable board that said cross traffic ahead, and congested intersection and flashing light. She stated that she would like to see the roundabout idea at Monterey and maybe slow traffic from both directions at Mission Vineyard.

**John Freeman, SJB  
Strategic Planning Committee**

Mr. Freeman also thanked Ms. Gilbert and Ms. Lezama for meeting with them and walking across the crosswalk at the intersection of Highway 156 and the Alameda. He stated that it is a little intimidating walking across 4-lanes and a median and if you are elderly or disabled you will not make it across in time.

Mr. Freeman suggested that they move forward with short-term and long-term solutions. He stated that Ms. Cosio mentioned some of the long-term solutions flashing lights, signage, and roundabouts. Some short-term solutions could be to lengthen the crosswalk light from 40 seconds to 50-60 seconds. He stated that Ms. Gilbert talked about having a newer version of the light that has a countdown for the pedestrians and various other safety measures built into it. Lastly, he stated that since it is a Caltrans road and intersection perhaps, they could help out a little.

Ms. Gilbert commented that staff had submitted an information request to Caltrans about the crossing and there response was that currently the way it is timed is at the maximum timing for pedestrians for that intersection type and size.

Chair Muenzer asked if it was possible to try to get a newer version of the light that shows a countdown for pedestrians.

Ms. Gilbert stated that she would discuss with Caltrans staff to see if it is possible.

There was no further discussion.

**12. RECEIVE Update on COG Staff Work Plan for Highway 25 Development and DIRECT Staff to Initiate Procurement of Consultant Services for Highway Alternatives Analysis – Gilbert**

Ms. Gilbert reported that staff will be meeting with the stakeholder group next week to go over the survey results with them. She stated that there continues to be discussion at both the Board level and with the stakeholder group about what type of project will be funded if they are able to come up with the needed funds for Highway 25. Currently, Caltrans is working on completion of the Environmental document for

the route adoption alternative. There has been discussion about refining the scope of the project and looking at a smaller project that is potentially phaseable and fundable. Staff is seeking direction from the Board to move forward with pursuing consultant engineering services to identify alternative design scenarios for the Highway 25 4-Lane Widening and also to move forward with procurement of these services.

Director Botelho commented on how the project was important to everyone however, he added that he could not understand spending money on a \$350 million project that they would probably never see come to fruition. He asked Caltrans District 5 Director, Tim Gubbins if the alternative design of adding 2 lanes to the route would be acceptable by Caltrans or if would be a waste of time and money.

Mr. Gubbins stated that he did not believe it would be a waste of time and money. He stated that Caltrans is currently finishing up on the larger document which is more of a route adoption used for planning purposes. He stated that the financial aspect remains a challenge; however this would help inform going forward.

Director Botelho stated that there are so many components with the Caltrans design that are not needed such as the loop around from San Felipe Road to Hudner and the frontage roads on the other end. All that is needed are two more lanes with a barrier and to perhaps make some headway with a phase. He expressed reservation about supporting this item because he did not want to spend additional money on something to be told later down the line that it cannot be done.

Mr. Gubbins reiterated that he did not believe this would be a waste of money. He stated that there may be some phasing ideas that work very well and some that may not however, they could discuss the reasons why and how to move forward from there.

Ms. Gilbert clarified that staff would be using funds that were left over from the Highway 25 Safety Project account budget to pay for the Highway 25 alternatives analysis.

Chair Muenzer explained that this part of the process would have to occur in order to work towards a phased project.

Ms. Gilbert stated that something similar was done with the Highway 25 Safety Project. Staff got the engineering firm on board and they completed the initial study for COG. They used environmental studies that Caltrans had already completed, which is part of the study that is being done for the ultimate 4-lane, so they would be able to use the study again in this effort as well. Ms. Gilbert stated that this is an action that would have to occur in order to get a phased project in. It is also the quickest way to get it done, driving it locally and working with Caltrans. As far as a full funding commitment staff would be bringing back a contract to the board for a final decision at a future meeting.

Director Botelho repeated his question about whether or not Caltrans would approve the addition of two lanes along the existing route as previously stated.

Mr. Gubbins once again stated that there may be some phasing ideas that work well and some that do not, but he believed that this step would further it along towards COG's goal of getting Highway 25 widening done in pieces.

*Upon a motion duly made by Director Velazquez, and seconded by Director Gomez, the Directors unanimously directed staff to move forward with initiating procurement of consultant services for Highway Alternatives Analysis. Vote 5/0 motion passes.*

*Upon a motion duly made by Director Gomez, and seconded by Director Boch, the Directors unanimously continued Item 13 to the end of the LTA, and ALUC meetings. Vote: 5/0 motion passes.*

Chair Muenzer moved to the LTA, and ALUC meetings at 5:04 p.m.

The COG Board convened to Closed session at 5:18 p.m.

**13. Public Employee Appointment**

Title: Executive Director

Authority: California Government Code section 54957

The COG Board reconvened from Closed session at 5:39 p.m.

Deputy County Counsel, Shirley Murphy stated that there was no reportable action taken under Item 13.

*Upon a motion duly made by Director Velazquez, and seconded by Director Gomez, the Directors Unanimously adjourned the COG meeting at 5:40 p.m. Vote:5/0 motion passes.*

**ADJOURN TO COG MEETING MAY 21, 2015.**



# PROJECT UPDATE - SAN BENITO COUNTY

PREPARED FOR MAY 21, 2015 COUNCIL OF SAN BENITO COUNTY GOVERNMENT'S MEETING

## CONSTRUCTION PROJECTS

Project	Location	Description	Construction Timeline	Construction Cost	Funding Source	Implementing Agency	Project Manager (Resident Engineer)	Contractor	Comments
1 Hwy. 101/San Juan Road Interchange (315804)	On Route 101 near Prunedale .4 mile south of Dumbarton Road in Mon. Co. (PM 100.0-101.3)	Construct new interchange at San Juan Road and US 101	Dec. 3, 2012- Winter 2016 (Timeframe includes Plant Establishment Work)	\$46.2 Million	STIP/ CMIA/ ARRA	Caltrans	David Silberberger (JW)	Granite Construction/ MCM	All the ramps are open. The remaining work is the final touches to the median of Highway 101 and the completion of Dumbarton Road. Construction should complete in July of 2015. Plant Establishment is scheduled for Winter 2016.
2 Hwy. 25 Curve Realignment (0T6404)	On Route 25 Near Hollister, from 0.8 mile north of San Benito Lateral to 2 miles south of Rte 146 (PM 18.8/19.5)	Realign roadway and widen lanes and shoulders	End of May 2015- December 2015	\$1.99 Million	SHOPP	Caltrans	Richard Rosales (JW)	John Madonna Construction Co.	Trees cleared December 2014. Construction to begin by end of May 2015.

## PROJECTS IN DEVELOPMENT

Project	Location	Description	Construction Timeline	Construction Cost	Funding Source	Implementing Agency	Project Manager	Phase	Comments
3 Hwy. 156 Improvement Project (34490)	On SR 156 in and near San Juan Bautista from The Alameda to 0.2 mi east of 4th St. near Hollister (PM 3.0/R8.2)	Widen 2 to 4 Lanes	Summer 2017 to Summer 2019	\$48.5 Million	STIP, IIP, RJP, Local	Caltrans	Richard Rosales	PS&E	Project design on-going. Right of Way appraisals in progress. Request for Controlled Access Highway Agreement submitted. Utility relocation design coordination ongoing.



# PROJECT UPDATE – SAN BENITO COUNTY

PREPARED FOR MAY 21, 2015 COUNCIL OF SAN BENITO COUNTY GOVERNMENTS MEETING

Caltrans

## PROJECTS IN DEVELOPMENT (Cont'd.)

Project	Location	Description	Construction Timeline	Construction Cost	Funding Source	Implementing Agency	Project Manager	Phase	Comments
4. Hwy. 25 Route Adoption Hollister to Gilroy (48540 )	Near Hollister and Gilroy on SR 25 in SBT & SCL Counties (SBT-25-51.5/60.1) (SBT-156-R10.5/12.2) (SCL-25-0/0/2.6)	Route Adoption (SBT-25-51.5 to SCL-25-2.6)	N/A	N/A	Local	Caltrans	Richard Rosales	PA&ED	Funding Cooperative Agreement approved July 28, 2014 to complete Tier 1 final Environmental Document and Route Adoption



## Staff Report

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To: Council of San Benito County Governments  
 From: Kathy Postigo, Administrative Services Specialist Phone Number: (831) 637-7665  
 Date: May 21, 2015  
**Subject: Request for Proposals for Financial Audit for Fiscal Year Ending June 30, 2015**

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### Recommendation:

**Approve** Request for Proposals for Financial Audit for fiscal year ending June 30, 2015.

### Summary:

Under the Transportation Development Act regulations, the Council of Governments is required to perform an outside financial audit each fiscal year along with reporting to the State Controller's office. The audit examines the financial statements made by the Council of Governments and performs a Single Audit if required under federal regulation.

### Financial Impact:

Staff will include a line item in the fiscal year 2015/2016 budget to account for the expense of the contract. In the budget for fiscal year 2014/2015 \$15,000 was allocated to the financial audit.

### Background:

For the past four years, the Council of Governments contracted with JJACPA, Inc. for financial auditing services. The contract expired with the completion of the fiscal year 2013/2014. Staff is recommending that the Council of Governments release a Request for Proposals for financial auditing services for fiscal year 2015/2016, with the option for three successive one-year periods (July 1 – June 30) under the same terms and conditions unless either party, not less than sixty days before the expiration of the contract, provides written notice of intent that the agreement not be renewed.

### Staff Analysis:

Every three to four years the Council of Governments releases a Request for Proposals for financial auditing services. At this time staff recommends that the Board approve the Request for Proposals for the financial audit for fiscal year ending June 30, 2015.

Executive Director Review: \_\_\_\_\_

Counsel Review: Yes

Attachments: Request for Proposals for Financial Audit for fiscal year ended June 30, 2015.



**Council of San Benito County Governments (COG)**

**Request for Proposals COG #2015-01**

**Financial Audit for FYE June 30, 2015**

June 19, 2015, 4:00 PM

Prepared By:

Council of San Benito County Governments  
330 Tres Pinos Road, Suite C7  
Hollister, California 95023  
(831) 637-7665

Council of San Benito County Governments  
Financial Audit for FYE June 30, 2015  
Request for Proposals COG #2015-01

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## **SECTION 1. REQUEST**

The Council of San Benito County Governments, herein referred to as "COG", is soliciting Proposals from qualified professional consultants to provide financial auditing services for the fiscal year ending June 30, 2015. Auditing services are to be conducted in accordance with auditing standards generally accepted in the United States of America; Government Auditing Standards issued by the Controller General of the United States; and provisions of OMB Circular A-133, Audits of State and Local Governments. Those standards require that the auditor plans and performs the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement.

The Audits must also meet all requirements of California state law relating to fiscal audits of a Regional Transportation Planning Agency (RTPA) and Transportation Development Act (TDA) claimants. Specifically, auditor shall perform fiscal audits, which comply with all provisions of Title 21, California Code of Regulations, sections 6662, 6664, 6666, and 6667, and related sections of the California Code of Regulations and adopted by the State of California Business, Transportation and Housing Agency, Department of Transportation, and certain provisions of laws, regulations, contracts, and grants.

See Section 4: Scope of Services for more detail. Consultants are invited to submit a Proposal to provide the scope of services outlined in Section 4: Scope of Services.

~ END SECTION 1 ~

## **SECTION 2. BACKGROUND**

The project area is located in San Benito County, a rural and agricultural community in the Central Coast Region, south of Silicon Valley. The County is surrounded by the Counties of Santa Clara, Santa Cruz, Monterey, Fresno and Merced. Land area is 1,389 square miles. Terrain varies from flat valley floor, to hilly rangeland in the east, to 5,450 foot peaks far south. The City of Hollister where the County seat is located is at an elevation of 229 feet. The north and northwest segments of the County are comprised of urban areas, leaving the southern portion of the County primarily rural. The population in the County was 55,269 according to the 2010 U.S. Census. The County has two incorporated cities – Hollister, population 35,000, and San Juan Bautista, population 1,700 – and various unincorporated communities (Aromas, Tres Pinos, Panoche, Ridgemark, and Paicines). Major transportation routes bisecting the County include State Routes 101, 129, 156 and 25.

~ END SECTION 2 ~

**SECTION 3. INSTRUCTIONS TO RESPONDENTS**

**3.1 Responding to RFP**

Respondents shall submit a completed Proposal with appropriate attachments or explanatory materials in response to COG RFP #2015-01. All attachments shall be identified with the Respondent's name, the RFP number and page number. No oral, telegraph, telephone, facsimile, electronic responses or photocopies will be accepted. Proposals must be completed in ink, typewritten, or word-processed.

**3.2 RFP Documents**

The following exhibits, in addition to this RFP and the Official Proposal Form set forth in Section 5 of this RFP, are included as a part of this RFP:

- Exhibit A – Respondent Fact Sheet
- Exhibit B – Acknowledgment of Addenda Form
- Exhibit C – Customer References
- Exhibit D – Designation of Subcontractors
- Exhibit E – Non-Collusion Declaration
- Exhibit F – Fee Schedule
- Exhibit G – Standard Contract

**3.3 RFP Process Schedule**

The following is an anticipated RFP schedule. The COG may change the estimated dates and process as deemed necessary.

The proposed schedule for the submittal reviews and notification is as follows:

<b>Activity</b>	<b>Date</b>
Release RFP online at: <a href="http://www.sanbenitocog.org">www.sanbenitocog.org</a>	May 22, 2015
Deadline for Written Questions	June 12, 2015
COG Deadline to Respond to Questions	June 17, 2015
Deadline for Proposals	June 19, 2015
Review Proposals	June 22, 2015 – June 26, 2015
Select Consultant, Negotiate Contract	June 30, 2015
Approximate Award Date	July 16, 2015

**3.4 Submission of Proposals**

Respondent shall submit the Proposal on the form(s) provided by and made available at the COG Office, at the address set forth below. All items shall be filled in and the signatures of all persons signing shall be written and printed in longhand. Respondent shall submit four (4) sets of hard copies and an electronic copy on CD-Rom of the completed Proposal, an original and three (3) copies, including all applicable supporting documentation, including but not limited to the Exhibits set forth in Section 6 of this RFP, addressed and delivered to the office and individual named below:

Kathy Postigo, Administrative Services Specialist  
Council of San Benito County Governments  
330 Tres Pinos Road, Suite C7  
Hollister, California 95023  
(831) 637-7665, ext. 208  
Fax: (831) 636-4160  
kpostigo@sanbenitocog.org

All Proposals must be received by no later than **4:00 PM, Pacific Time, on June 19, 2015**. Proposals received after the above date and time will be rejected and will be returned unopened. Facsimile transmission of Proposals will not be accepted. Proposals must be signed by the Respondent or by a duly authorized officer of the Respondent, delivered along with all required documents, sealed and plainly addressed to the agency representative specified in this RFP.

All costs of the preparation of a Proposal shall be the sole responsibility of the Respondent. All materials submitted in response to the Request for Proposal become the property of COG and shall not be returned.

All Proposals shall remain firm for at least ninety (90) calendar days after the Proposal Due Date or unless otherwise specified. Within ninety (90) calendar days after the Proposal Due Date, a purchase order and/or a contract may be awarded by the COG to the highest ranked Respondent, as it may deem proper in its absolute discretion. The time for awarding a purchase order and/or contract may be extended at the sole discretion of the COG, if required to evaluate Proposals of for such other purposes as the COG may determine, unless the Respondent objects to such extension in writing, submitted with the Proposal.

A responsive Proposal shall be limited in length to **no more than 15 double-sided pages**, and 12 point size font. Page limit is not inclusive of cost Proposal, certification forms, or résumés. Submissions beyond the page limit will not be considered.

A responsive Proposal shall include, at a minimum, the following items:

- The fully completed and executed Official Proposal Form set forth in Section 5 of this RFP
- Fully completed and executed Exhibits A through F of this RFP
- A cover letter
- A brief description of the Respondent's experience, including the year the firm was established, type of firm (partnership, corporation, etc.), and a statement of the Respondent's qualifications for performing the subject services, demonstrating Respondent has at least two (2) years' of experience providing the services described in Section 4, Scope of Work
- Evidence of Respondent's possession of all personal license(s), business license(s) needed in order to perform the services required and/or any other licenses and/or permits required to do business in the City of Hollister, County of San Benito, and State of California
- An organizational chart depicting the names of the individual or team proposed by the Respondent and a brief summary of the qualifications and experience of each member proposed as the project team, demonstrating each has the personal license(s) necessary and at least two (2) years' of experience providing the services described in Section 4, Scope of Work
- A concise, but detailed description on the Respondent's approach to meet the requirements set forth in Section 4, Scope of Work
- A schedule for each task identified in Section 4, Scope of Work, and for completion of the audit by December 31, 2015
- The relevant qualifications and experience of any Subcontractors to be used, as well as customer references for each Subcontractor

- A cost Proposal that includes all charges by task and the hourly rates for all positions and staff persons expected to work on the project, including the annual hourly rate for the duration of the contract. Hourly rates should indicate overhead rates applied (as appropriate). Once the contract is signed, hourly and other rates shall remain in effect for the duration of the contract. The cost Proposal must be submitted in a separate sealed envelope and will not be used as part of the evaluation criteria. The cost Proposal shall not be included in the compact disc.
- Any past, current or upcoming projects by your firm or professionals that may result in an actual or perceived conflict of interest with this project.
- Other relevant information that will assist the COG in selecting the most qualified Respondent(s).

### 3.5 Proprietary Information

All information appearing within the Proposal may be subject to public inspection. Any proprietary information must be clearly marked as such and submitted in a separate sealed envelope and referenced only within the body of the Proposal.

### 3.6 Point of Contact

All questions regarding this RFP shall be directed to Kathy Postigo, Administrative Services Specialist [kpostigo@sanbenitocog.org](mailto:kpostigo@sanbenitocog.org) or by facsimile at 831.636.4160 with the subject: "RFP COG 2015-01" followed by a brief description. No other individual has the authority to respond to any questions submitted unless specifically authorized by Mary Gilbert, Interim Executive Director or her designee. Failure to adhere to this process may disqualify the Respondent.

### 3.7 Interpretation

Should any discrepancies or omissions be found in the RFP specifications/requirements, or doubt as to their meaning, the Respondent shall notify the COG in writing at once (e-mail is acceptable). The COG will post addenda with further instruction or clarification on [www.SanBenitoCOG.org](http://www.SanBenitoCOG.org) for all interested parties to view. COG shall not be held responsible for oral interpretations. Questions must be received at least seven (7) days before the Proposal due date and will be answered via Addenda.

### 3.8 Questions

Questions must be received by **June 12, 2015 at 4:00 PM, Pacific Time**. All Addenda issued shall be incorporated into the contract. It is the Respondent's responsibility to check the website to obtain the most current information regarding this RFP.

### 3.9 Updates and Addenda

No one is authorized to amend any of these documents in any respect by an oral statement or to make any representation or interpretation in conflict with their provisions. Any changes to these documents will be issued in writing via Addendum by Mary Gilbert or her designee, to be posted on the COG's website at [www.SanBenitoCOG.org](http://www.SanBenitoCOG.org) for all interested parties to view, and to be faxed, emailed, or mailed to all prospective Respondents known by the COG, if and when necessary. All Addenda issued shall be incorporated into the contract. Respondents shall be responsible for monitoring the COG's website at [www.SanBenitoCOG.org](http://www.SanBenitoCOG.org) to obtain the most current information regarding this RFP. Current information may be in the form of an update or a formal Addendum. The last day for updates and Addenda to be posted on the above mentioned website is **June 17, 2015, at 5:00 PM, Pacific Time**.

### 3.10 Late Responses

All responses to the RFP must be delivered in person or received by mail no later than **4:00 PM, June 19, 2015, Pacific Time**. Respondents shall be responsible for the timely delivery of their Proposals. Proposals received after the deadline will not be accepted and will be unopened and discarded.

### 3.11 Multiple Proposals

Only one Proposal will be accepted from any one person, partnership, corporation or other entity; however, several alternatives may be included in one Proposal.

### 3.12 Proposal Evaluation Criteria

If an award is made, it will be made to the responsive Proposal by a responsible Respondent that offers COG the greatest value based on an analysis involving a number of criteria. An Evaluation Committee consisting of COG staff will review each Proposal for completeness and content. Each Proposal will be evaluated based upon the relevant experience of the Respondent. The Evaluation Committee will review and rank the Proposals and may conduct interviews, if necessary. The rankings will be based upon the evaluation criteria that may include, but is not necessarily limited to the following:

- **Organization:** Does the Respondent offer the breadth and quality of services required for the anticipated project? Does the Respondent's organizational structure show sufficient depth for its present workload?
- **Staff:** Do the qualifications of key personnel to be assigned to the anticipated projects coincide with project requirements? Do assigned personnel have requisite education, experience, and professional qualifications?
- **Experience:** Has the Respondent demonstrated the ability to successfully provide services for projects of a similar complexity and nature as described herein?
- **Technical Approach:** How does the Respondent intend to achieve the budget and project delivery goals for the anticipated project? How will the Respondent perform the Scope of Work specified in Section 4 of this RFP? Will the firm be able to perform the Scope of Work within a timely manner?
- **Reputation:** Are the Respondent's references from past clients and associates favorable? Does the Respondent show financial and operational stability?
- **Cost:** Is the proposed budget cost effective?

### 3.13 Selection Procedure

The COG shall perform an initial review of all Proposals to determine responsiveness as specified in Paragraph 3.4 in this RFP. The Evaluation Committee will review all responsive Proposals and will rank Proposals in descending order of preference. The Evaluation Committee will then select the preferred Proposal, that best meets the needs as set forth in this RFP, is the best qualified, and is able to provide the requested services as follows:

- **PRE-SELECTION:** The Evaluation Committee will review and screen the Proposals for completeness. Proposals that are incomplete, or improperly written, may be considered non-responsive and may be rejected. Each Proposal will be evaluated for its completeness and responsiveness to the Evaluation Criteria set forth in Section 3.11 above, and to the Scope of Services outlined in Section 4 of this RFP. Based upon the scores of responsive Proposals, the Evaluation Committee will set a competitive range and invite Respondents in the competitive range to participate in an in-person interview. Top ranking

Respondents will be asked to prepare an oral presentation of their Proposal to the Evaluation Committee. References may be contacted by any person of the Evaluation Committee. The Evaluation Committee reserves the right to evaluate the interview and presentation, and to reevaluate the initial Proposal based upon new information provided during the interview component.

- **SELECTION:** Award of a contract shall not be based on cost alone, but on the strength of qualifications of the Respondent and the Respondents' capability of providing the services outlined in the RFP. The Evaluation Committee will rank the Proposals based upon the interview, compliance with the RFP terms and conditions, quality and performance of the services offered based on previous contracts, reference checks for the same or similar services, and the capacity of the Respondent to perform the required services.
- **NEGOTIATIONS:** Staff will enter into negotiations with the highest ranked Respondent, regarding the terms of a contract consistent with the RFP and the Proposal, which will be submitted to the COG Board of Directors for approval. The successful Respondent will be expected to enter into the agreement appended as Exhibit G to this RFP. No modifications to the general terms and conditions of the standard contract appended as Exhibit G to this RFP will be considered. If an agreement is not reached within a reasonable time after the highest ranked Proposal is identified, the COG reserves its right to terminate negotiations with the highest ranked Respondent and begin negotiations with the next highest ranked Respondent, suspend the process entirely or request new Proposals. This process will continue until an agreement is reached or all Proposals are rejected.

All Respondents may be notified of the Proposal which is ranked highest. No other information will be released.

The evaluation of the Proposals shall be within the sole judgment and discretion of the Evaluation Committee. COG reserves the right to reject any and all Proposals received pursuant to the RFP. Award of a contract is contingent on funding availability and the COG Board of Directors' approval. The COG is under no obligation to award any contract. There shall be no appeal of any decision of the COG, or any COG representative.

### 3.14 Reservations

The COG reserves the right to do the following at any time and for its own convenience, at its sole discretion:

- To reject any and all Proposals, without indicating any reason for such rejection
- Waive or correct any minor or inadvertent defect, irregularity or technical error in the RFP or any RFP procedure, in any Proposal, or in any subsequent negotiation process
- Terminate this RFP and issue a new RFP anytime thereafter
- Procure any materials or services specified in the RFP by other means
- Extend any or all deadlines specified in the RFP, including deadlines for accepting Proposals, by issuance of an Addendum at any time prior to the deadline for receipt of Proposals
- Disqualify any Respondent on the basis of any real or perceived conflict of interest or evidence of collusion that is disclosed by the Proposal or other data available to the COG. Such disqualification is at the sole discretion of the COG

- Reject the Proposal of any Respondent that is in breach of or in default under any other agreement with the COG
- Reject any Respondent deemed by the COG to be non-responsive, unreliable, unqualified, or non-responsible

### 3.15 Notification of Modification or Withdrawal of Proposals

The Respondent may modify or withdraw a Proposal by submitting a written request for its modification or withdrawal to a COG representative at any time prior to the Proposal submission deadline. The withdrawal shall be signed by the Respondent or an authorized agent of the Respondent.

The Respondent may thereafter submit a new Proposal prior to the deadline. All Proposals not modified or withdrawn prior to the deadline will become the COG's property. Modifications of a Proposal offered in any manner, oral or written, will not be considered after the deadline.

### 3.16 Notice of Intent to Award

Notice of Intent to Award may be issued upon receipt of all required documents.

### 3.17 Contractor Responsibility and Performance

The COG will consider the Contractor to be the sole point of contact with regard to all contractual matters.

Contractor shall provide the services of one (1) or more qualified contract manager(s) responsible for assuring that the services provided under the contract are satisfactory. It is desirable that the Contractor have local representation to provide on-site consultation/problem resolution if required.

### 3.18 Insurance

The Contractor, at its sole cost and expense, for the full term of this contract (and extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage. Such insurance coverage shall be primary coverage as respects the COG and any insurance or self-insurance maintained by the COG shall be in excess of the Contractor's insurance coverage and shall not contribute to it.

#### 1. Types of Insurance and Minimum Limits

- a) Worker's Compensation and Employer's Liability Insurance in conformance with the laws of the State of California.
- b) The Contractor's vehicles used in the performance of this contract, including owned, non-owned (e.g. owned by the Contractor's employees), leased or hired vehicles, shall each be covered with Automobile Liability Insurance in the minimum amount of \$500,000 combined single limit per accident for bodily injury and property damage.
- c) The Contractor shall obtain and maintain Comprehensive General Liability Insurance coverage in the minimum amount of \$1,000,000.00 combined single limit, including bodily injury, personal injury, and property damage. Such insurance coverage shall include, without limitation:
  - (i) Contractual liability coverage adequate to meet the Contractor's indemnification obligations under this Request;
  - (ii) Full Personal Injury coverage;
  - (iii) Broad form Property Damage coverage, and

(iv) A cross-liability clause in favor of the COG.

2. Other Insurance Provisions

- a. As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000 shall be disclosed to and be subject to written approval by the COG.
- b. All required Automobile Liability Insurance, Comprehensive or Commercial General Liability Insurance or Professional Liability Insurance shall contain the following endorsement as a part of each policy:  

"The Council of San Benito County Governments is hereby added as an additional insured as respects the operations of the named insured."
- c. All the insurance required herein shall contain the following clause:  

"It is agreed that these policies shall not be canceled nor the coverage reduced until thirty (30) days after the Council of San Benito County Governments ("COG") shall have received written notice of such cancellation or reduction. The notice shall be deemed effective the date delivered to the COG as evidenced by properly validated return receipt. Such notice shall be sent to: Council of San Benito County Governments, 330 Tres Pinos Road Suite C7, Hollister, CA 95023".
- d. The prospective Contractor agrees to provide the COG at or before the effective date of any award resulting from this RFP with a certificate of insurance of the coverage required.
- e. All required insurance policies shall be endorsed to contain the following clause:  
This Insurance shall not be cancelled until after thirty (30) days prior written notice has been given to:

Council of San Benito County Governments  
Mary Gilbert, Interim Executive Director  
330 Tres Pinos Road, Suite C7  
Hollister, CA 95023

The Contractor agrees to provide its insurance broker(s) with a full copy of these insurance requirements and provide the COG on or before the effective date of this contract Certificates of Insurance for all required coverage. By submitting a Proposal, the proposing Respondent agrees to provide the insurance specified in Paragraph 3.17 of this RFP.

3.19 Pre-Award Conference

If requested, successful Respondent(s) shall meet with the COG representatives prior to the Award of Contract to review the specifications and finalize the initiation of the proposed contract.

3.20 Execution of Agreement

Upon successful reference checks, evaluations and receipt of all required documents, the agreement must be executed by both parties. The successful Respondent will be expected to enter into the agreement appended as Exhibit G to this RFP, with other terms and conditions specified in this RFP incorporated therein. No modifications to the general terms and conditions of the standard contract appended as Exhibit G to this RFP will be considered. Submittal of a Proposal shall constitute concurrence with the terms and conditions set forth in the COG's standard contract and in this RFP.

3.21 Cost of Service

The COG reserves the right to negotiate the proposed cost with the successful Respondent prior to contract signing. Agreed to costs and cash discounts are to be firm through the end of the contract term. Upon renewal, rates may be adjusted by mutual agreement. Any subsequent cost increase will be no more than the change in the Consumer Price Index for the San Francisco, Oakland and San Jose, CA area for the twelve (12) months preceding the agreement's expiration date. However, in the case of an announced cost decrease, such decrease shall be passed on to the COG.

~ END SECTION 3 ~

**SECTION 4. SCOPE OF WORK**

4.1 General Description

The Council of San Benito County Governments, herein referred to as "COG", is soliciting Proposals from qualified professional consultants to provide financial auditing services for the fiscal year ending June 30, 2015. Auditing services are to be conducted in accordance with auditing standards generally accepted in the United States of America; Government Auditing Standards issued by the Controller General of the United States; and provisions of OMB Circular A-133, Audits of State and Local Governments. Those standards require that the auditor plans and performs the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement.

The purpose of this Request for Proposals is to solicit proposals from independent Auditors who are qualified to provide the following services:

- a. Perform annual fiscal audit of the Council of San Benito County Governments (COG) for FYE June 30, 2015 (if necessary perform a single audit).
- b. Perform annual fiscal audit of Transportation Development Act (TDA) funds of claimants: COG, Local Transportation Authority, Measure A Authority, Airport Land Use Commission, Service Authority for Freeways and Expressways, City of Hollister, San Benito County, and City of San Juan Bautista.
- c. The Council of Governments will be implementing GASB 68 for fiscal year ended June 30, 2015. Assistance in implementing changes resulting from pronouncements and /or changes made by the Governmental Accounting Standards Board such as GASB 68 for pension accounting will be required.

The Audits must meet all requirements of California state law relating to fiscal audits of a Regional Transportation Planning Agency (RTPA) and Transportation Development Act (TDA) claimants. Specifically, auditor shall perform fiscal audits, which comply with all provisions of Title 21, California Code of Regulations, sections 6662, 6664, 6666, and 6667, and related sections of the California Code of Regulations and adopted by the State of California Business, Transportation and Housing Agency, Department of Transportation, and certain provisions of laws, regulations, contracts, and grants applicable to the use of such funds.

Unless terminated, this contract shall automatically renew for three successive one-year periods (July 1 – June 30) under the same terms and conditions, unless either party, not less than sixty (60) days before the expiration of the contract, provides written notice of intent that the contract not be renewed. This will not prevent either party from exercising the right to terminate the contract with 30 days written notice, and the termination provisions shall apply to all contract renewals. The contract will include all charges by task, the hourly rates for all positions and staff persons expected to work on the project, including the annual hourly rate for the duration of the contract. Hourly rates should indicate overhead rates applied (as appropriate). Hourly and other rates specified in the contract shall remain in effect for the duration of the contract.

4.2 Frequently Asked Questions

**Question 1. Who was the prior year auditor?**

*Response:* JJACPA, Inc.

**Question 2. What are COG's major expenditure categories?**

*Response:* Transportation planning and contracted transit operations.

**Question 3. Who performs accounting functions for COG?**

*Response:* COG staff and the County of San Benito Auditor's Office (via contract).

**Question 4. Does COG have any debt issuance?**

*Response:* COG does not have any debt issuance.

**Question 5. Where is idle cash invested?**

*Response:* Cash is invested via San Benito County in the Local Area Investment Fund for the State of California.

**Question 6. What are COG's current year federal expenditures to date?**

*Response:* This information is not available at this time.

**Question 7. How many employees does COG have?**

*Response:* There are six (6) full time equivalent employee positions.

**Question 8. Please provide a copy of last year's audit.**

*Response:* Prior year audit is available on the Council of Governments web site at [www.SanBenitoCOG.org](http://www.SanBenitoCOG.org).

~ END SECTION 4 ~

**SECTION 5. OFFICIAL PROPOSAL FORM**

The undersigned offers and agrees to furnish all work, materials, supplies, equipment and other incidentals required to complete the services subject to this Request for Proposals, for the costs stated and in conformance with all requirements, conditions and instructions. All hours are approximate and there is no guarantee that all hours will be met. No minimum or maximum hours apply to the resulting contract. The respondent is to consider the estimated number of hours as only a ball park figure based on prior history for the same services.

Complete the following Exhibit A including costs of services as shown. Please note any deviation from the hourly charge and indicate the number of hours needed to complete each task.

Have you complied with all specifications, requirements, terms and conditions of this RFP?

Yes  No

A "no" answer requires a detailed explanation giving reference to all deviations to be submitted on company letterhead in attachment form. All exceptions must reference the RFP paragraph and section number followed by an explanation

Is a Solid Waste Diversion Plan needed for these services?

Yes  No

If you are the successful Respondent, will you extend costs quoted to the County of San Benito to other municipalities, districts or jurisdictions (political subdivisions)?

Yes  No

If discounts quoted herein are offered to other political subdivisions, additional delivery charges if any, must be negotiated between that political subdivision and the Supplier.

Executed in \_\_\_\_\_, California, on \_\_\_\_\_,

Signature \_\_\_\_\_ Title \_\_\_\_\_

Print Name \_\_\_\_\_

Name of Company \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Date \_\_\_\_\_

I declare under penalty of perjury that I have not been a party with any other Respondent to offer a fixed cost in conjunction with this Request for Proposal.

~ END SECTION 5 ~



**EXHIBIT B—ACKNOWLEDGMENT OF ADDENDA FORM**

\_\_\_\_\_ (Respondent or Proposed Subcontractor Business Name)

hereby acknowledges receipt of all Addenda through and including:

Addendum No. \_\_\_\_\_, dated \_\_\_\_\_.

Authorized Representative Name and Title: \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_

Date \_\_\_\_\_

**END OF EXHIBIT B**

**EXHIBIT C—CUSTOMER REFERENCES**

List and submit with this Proposal four (4) customer references, for whom you have furnished similar product or services.

1. Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_
  
2. Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_
  
3. Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_
  
4. Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_

**END OF EXHIBIT C**



**EXHIBIT E—NON-COLLUSION DECLARATION**

TO BE EXECUTED BY RESPONDENT AND SUBMITTED WITH THE PROPOSAL

I, \_\_\_\_\_, am the  
Name  
\_\_\_\_\_ of \_\_\_\_\_,  
Position/Title Company

the party making the foregoing Proposal that the Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Proposal is genuine and not collusive or sham; that the Respondent has not directly or indirectly induced or solicited any other Respondent to put in a false or sham Proposal; and has not directly or indirectly colluded, conspired, connived, or agreed with any Respondent or anyone else to put in a sham Proposal, or that anyone shall refrain from responding; that the Respondent has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal price of the Respondent or any other Respondent, or to fix any overhead, profit, or cost element of the Proposal price, or of that of any other Respondent, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the Proposal are true; and, further, that the Respondent has not, directly or indirectly, submitted his or her Proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, Proposal depository, or to any member or agent thereof to effectuate a collusive or sham Proposal.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

\_\_\_\_\_  
Date Signature

**END OF EXHIBIT E**

**EXHIBIT F—FEE SCHEDULE**

		Hourly Rate	Est. Hours	Total Cost
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Total overall cost for services identified: \_\_\_\_\_

**END OF EXHIBIT F**

**EXHIBIT G—STANDARD CONTRACT**

The following is a copy of the Standard Contract used by the COG for contracting with consultants or individuals for professional services. This document shall serve as the basis for a contract with the successful consultants (s) or individual(s). *Respondents should not respond to this RFP if they cannot agree to the standard contract terms and conditions.*

The COUNCIL OF SAN BENITO COUNTY GOVERNMENTS ("COG") and \_\_\_\_\_ ("CONTRACTOR") enter into this contract which shall be effective on the date stated in Paragraph 1.

**1. Duration of Contract.**

This contract shall commence on \_\_\_\_\_, and end on \_\_\_\_\_ unless sooner terminated as specified herein.

**2. Scope of Services.**

CONTRACTOR, for COG's benefit shall perform the services specified on Attachment A to this contract. Attachment A is made a part of this contract.

**3. Compensation for Services.**

In consideration for CONTRACTOR'S performance, COG shall pay compensation to CONTRACTOR according to the terms specified in Attachment B. Attachment B is made a part of this contract.

**4. General Terms and Conditions.**

The rights and duties of the parties to this contract are governed by the general terms and conditions mutually agreed to and listed in Attachment C. Attachment C is made a part of this contract.

**5. Insurance Limits.**

CONTRACTOR shall maintain the following insurance policy limits of coverage consistent with the further insurance requirements specified in Attachment C.

- (a) Comprehensive general liability insurance: \_\_\_\_\_ \$1,000,000 \_\_\_\_\_
- (b) Professional liability insurance: \_\_\_\_\_ \$1,000,000 \_\_\_\_\_
- (c) Comprehensive motor vehicle liability insurance: \$1,000,000 \_\_\_\_\_

**6. Termination.**

The number of days of advance written notice required for termination of this contract is \_\_\_\_\_  
thirty (30) \_\_\_\_\_ days.

**7. Specific Terms and Conditions. (check one)**

- There are no additional provisions to this contract.
- The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment D. Attachment D is made a part of this contract.

**8. Information about Contract Administrators.**

The following names, titles, addresses, and telephone numbers are the pertinent information for the respective contract administrators for the parties.

Contract Administrator for COG:

Name: Mary Gilbert

Title: Interim Executive Director

Address: 330 Tres Pinos Road, Ste. C7

Hollister, California 95023

Phone No.: (831) 637-7665

Fax No.: (831) 636-4160

Contract Administrator for CONTRACTOR:

Name:

Title:

Address:

**SIGNATURES**

APPROVED BY CONTRACTOR:

Name:

Chair

Date:

Name:

Title:

Date:

**APPROVED AS TO LEGAL FORM:**

San Benito County Counsel's Office

By:

Shirley L. Murphy, Deputy County Counsel

Date:

**ATTACHMENT A**  
**Scope of Services**

**This section has been intentionally left blank as the scope of services will be provided following selection of a qualified Respondent.**

**~ END ATTACHMENT A ~**

**ATTACHMENT B**  
**Payment Schedule**

**B-L. BILLING**

Charges for services rendered pursuant to the terms and conditions of this contract shall be invoiced on the following basis: (check one)

- One month in arrears.
- Upon the complete performance of the services specified in Attachment A.
- The basis specified in paragraph B-4.

**B-2. PAYMENT**

Payment shall be made by COG to CONTRACTOR at the address specified in paragraph 7 of this contract, net thirty (30) days from the invoice date.

**B-3. COMPENSATION**

COG shall pay to CONTRACTOR: *(check one)*

- a total lump sum payment of \$ \_\_\_\_\_, or
- a total sum not to exceed \$ \_\_\_\_\_.

**for services rendered pursuant to the terms and conditions of this contract and pursuant to any special compensation terms specified in this attachment, Attachment B.**

**B-4. SPECIAL COMPENSATION TERMS: (check one)**

- There are no additional terms of compensation.
- The following specific terms of compensation shall apply: (Specify)

CONTRACTOR shall invoice monthly at an hourly rate for services rendered pursuant to B-4 and of this Contract. CONTRACTOR shall provide a monthly progress report as a part of the monthly invoice which tracks tasks specified in Attachment A, Scope of Services, with services completed by CONTRACTOR. The monthly progress report shall include the following:

- Description of the tasks in progress or achieved
- Description of the tasks still to be achieved
- Percentage of work still anticipated for each task for the completion of the project

The COG shall have the right to retain 10% of the total contracted amount until the project is deemed completed by the CONTRACTOR and the COG.

~ END ATTACHMENT B ~

## ATTACHMENT C General Terms and Conditions

### C-1. INDEMNIFICATION.

CONTRACTOR and COG each agree to indemnify, defend and save harmless the other party and the other party's officers and employees, from and against any and all claims and losses whatsoever arising out of, or in any way related to, the indemnifying party's performance under this contract, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorneys' fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers and employees.

### C-2. GENERAL INSURANCE REQUIREMENTS.

Without limiting CONTRACTOR'S duty to indemnify COG, CONTRACTOR shall comply with the insurance coverage requirements set forth in the contract and in this attachment. Those insurance policies mandated by Paragraph C-3 shall satisfy the following requirements:

- (a) Each policy shall be issued by a company authorized by law to transact business in the State of California.
- (b) Each policy shall provide that COG shall be given notice in writing at least thirty (30) days in advance of any change, cancellation, or nonrenewal thereof.
- (c) The comprehensive motor vehicle and comprehensive general liability policies shall each provide an endorsement naming the County of San Benito and its officers, agents and employees as additional insureds.
- (d) The required coverage shall be maintained in effect throughout the term of this contract.

CONTRACTOR shall require all Subcontractors performing work under this contract to obtain substantially the identical insurance coverage required of CONTRACTOR pursuant to this agreement.

### C-3. INSURANCE COVERAGE REQUIREMENTS.

If required by paragraph 5 of the contract, CONTRACTOR shall maintain the following insurance policies in full force and effect during the term of this contract:

- (a) Comprehensive general liability insurance. CONTRACTOR shall maintain comprehensive general liability insurance, covering all of CONTRACTOR'S operations with a combined single limit of not less than the amount set out in paragraph 5 of this contract.
- (b) Professional liability insurance. CONTRACTOR shall maintain professional liability insurance with liability limits of not less than the amount set out in paragraph 5 of this contract.
- (c) Comprehensive motor vehicle liability insurance. CONTRACTOR shall maintain comprehensive motor vehicle insurance covering all motor vehicles (including owned, non-owned and hired) used in providing services under this contract, with a combined single limit of not less than the amount set out in Paragraph 5 of this contract.

- d) Workers' compensation insurance. CONTRACTOR shall maintain a workers' compensation plan covering all of its employees as required by California Labor Code Section 3700, either through workers' compensation insurance issued by an insurance company or through a plan of self-insurance certified by the State Director of Industrial Relations. If CONTRACTOR elects to be self-insured, the certificate of insurance otherwise required by this contract shall be replaced with a consent to self-insure issued by the State Director of Industrial Relations.

**C-4. CERTIFICATE OF INSURANCE.**

Prior to the commencement of performance of services by CONTRACTOR and prior to any obligations of COG, CONTRACTOR shall file certificates of insurance with COG, showing that CONTRACTOR has in effect the insurance required by this contract. CONTRACTOR shall file a new or amended certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file. In lieu of providing proof of insurance, CONTRACTOR may provide proof of self-insurance meeting requirements equivalent to those imposed herein. CONTRACTOR warrants that CONTRACTOR'S self-insurance provides substantially the same protection to COG as the insurance required herein. CONTRACTOR further agrees to notify COG in the event any change in self-insurance occurs that would alter the obligations undertaken in this contract within thirty (30) days of such change.

**C-5. RECORDS TO BE MAINTAINED.**

CONTRACTOR shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. CONTRACTOR shall contractually require that all of CONTRACTOR'S Subcontractors performing work called for under this contract also keep and maintain such records. All such records, whether kept by CONTRACTOR or any SUBCONTRACTOR, shall be made available to COG or its authorized representative, Federal Highway Administration (FHWA), or any duly authorized representative of the Federal Government or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by COG, its authorized representative, or officials of the State of California.

**C-6. RETENTION OF RECORDS.**

CONTRACTOR shall maintain and preserve all records related to this contract for a period of three years from the close of the fiscal year in which final payment under this contract is made. CONTRACTOR shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the three-year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to insure the maintenance of the records beyond the initial three year period shall arise only if the COG notifies CONTRACTOR of the commencement of an audit prior to the expiration of the three year period.

**C-7. TITLE TO DOCUMENTS; COPYRIGHT.**

All reports and other materials collected or produced by the CONTRACTOR or any Subcontractor of CONTRACTOR shall, after completion and acceptance of the contract, become the property of COG, and shall not be subject to any copyright claimed by the CONTRACTOR, SUBCONTRACTOR, or their agents or employees. CONTRACTOR may retain copies of all such materials exclusively for administrative purposes. Any use of completed or uncompleted documents for other projects by CONTRACTOR, any Subcontractor, or any of their agents or employees, without the prior written consent of COG is prohibited.

**C-8. INDEPENDENT CONTRACTOR.**

CONTRACTOR and its officers and employees, in the performance of this contract, are independent CONTRACTORS in relation to COG and not officers or employees of COG. Nothing in this contract shall create any of the rights, powers, privileges or immunities of any officer or employee of COG. CONTRACTOR shall be solely liable for all applicable taxes or benefits, including, but not limited to, federal and state income taxes, Social Security taxes, or ERISA retirement benefits, which taxes or benefits arise out of the performance of this contract. CONTRACTOR further represents to COG that CONTRACTOR has no expectation of receiving any benefits incidental to employment.

**C-9. CONFLICT OF INTEREST.**

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. CONTRACTOR further covenants that, in the performance of this contract, no Subcontractor or person having such an interest shall be used or employed.

**C-10. COMPLIANCE WITH APPLICABLE LAWS.**

CONTRACTOR shall comply with all applicable federal, state and local laws now, or hereafter, in force, and with any applicable regulations, in performing the work and providing the services specified in this contract. This obligation includes, without limitation, the acquisition, and maintenance of any permits, licenses, or other entitlements necessary to perform the duties imposed expressly or impliedly under this contract.

**C-11. NONDISCRIMINATION.**

CONTRACTOR shall not discriminate in the employment of persons necessary to perform this contract on any legally impermissible basis, including on the basis of the race, color, national origin, ancestry, religion, age, sex, or disability of such person.

**C-12. BANKRUPTCY.**

CONTRACTOR shall immediately notify COG in the event that CONTRACTOR ceases conducting business in the normal manner, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of, or becomes subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors.

**C-13. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION OF DUTIES.**

Except as specifically authorized herein, no rights under this contract may be assigned and no duties under this contract may be delegated by CONTRACTOR without the prior written consent of COG, and any attempted assignment or delegation without such consent shall be void.

**C-14. NEGOTIATED CONTRACT.**

This contract has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code Section 1654.

**C-15. SEVERABILITY.**

Should any provision herein be found or deemed to be invalid, this contract shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect. To this end, the provisions of this contract are declared to be severable.

**C-16. ENTIRE CONTRACT.**

This contract is the entire agreement of the parties. There are no understandings or agreements pertaining to this contract except as are expressly stated in writing in this contract or in any document attached hereto or incorporated herein by reference.

**C-17. TIME IS OF THE ESSENCE.**

Time is of the essence in the performance of this contract.

**C-18. TERMINATION.**

Either party may terminate this contract, with or without cause, at any time. In order to terminate this contract, the terminating party shall give advance written notice to the other party. The termination shall be effective no earlier than the expiration of the number of days specified in paragraph 6 of this contract. The termination notice shall be made as specified in paragraph C-19, below. In the event of termination, COG shall pay CONTRACTOR for all work satisfactorily performed prior to the effective date of the termination.

**C-19. NOTICES.**

Notices to the parties in connection with the administration of this contract shall be given to the parties' contract administrator personally, by regular mail, or by facsimile transmission as more particularly specified in this paragraph. Notices will be deemed given on:

- (a) The day the notice is personally delivered to the contract administrator or the office of the party's contract administrator; or
- (b) Five days after the date the notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, with first-class postage fully prepaid; or
- (c) On the day that the notice is transmitted by facsimile to a party's facsimile number specified in paragraph 8 of this contract, provided that an original of such notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, on the same day as the facsimile transmission is made.

**C-20. RESPONSIBILITY OF CONTRACT ADMINISTRATORS.**

All matters concerning this contract which are within the responsibility of the parties shall be under the direction of, or shall be submitted to, the respective contract administrators or to the party's employee specified, in writing, by the contract administrator. A party may, in its sole discretion, change its designation of its contract administrator and shall promptly give written notice to the other party of any such change.

**C-21. MATERIALITY.**

The parties consider each and every term, covenant, and provision of this contract to be material and reasonable.

**C-22. WAIVER.**

Waiver by either party of a breach of any covenant of this contract will not be construed to be a continuing waiver of any subsequent breach. COG's receipt of consideration with knowledge of CONTRACTOR'S violation of a covenant does not waive its right to enforce any covenant of this contract. The parties shall not waive any provisions of this contract unless the waiver is in writing and signed by all parties.

**C-23. AUTHORITY AND CAPACITY.**

CONTRACTOR and CONTRACTOR'S signatory each warrant and represent that each has full authority and capacity to enter into this contract.

**C-24. BINDING ON SUCCESSORS.**

All of the conditions, covenants and terms herein contained shall apply to, and bind, the heirs, successors, executors, administrators and assigns of CONTRACTOR. CONTRACTOR and all of CONTRACTOR'S heirs, successors, executors, administrators, and assigns shall be jointly and severally liable under this contract.

**C-25. CUMULATION OF REMEDIES.**

All of the various rights, options, elections, powers and remedies of the parties shall be construed as cumulative, and no one of them exclusive of any other or of any other legal or equitable remedy which a party might otherwise have in the event of a breach or default of any condition, covenant or term by the other party. The exercise of any single right, option, election, power or remedy shall not, in any way, impair any other right, option, election, power or remedy until all duties and obligations imposed shall have been fully performed.

**C-26. INDEPENDENT ADVICE.**

Each party hereby represents and warrants that in executing this contract it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with respect to the matters set forth in this contract and the rights and duties arising out of this contract, or that such party willingly foregoes any such consultation.

**C-27. NO RELIANCE ON REPRESENTATIONS.**

Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true. The parties expressly assume the risk of the facts turning out to be different and agree that this contract shall be effective in all respects and shall not be subject to rescission by reason of any such difference in facts.

**C-28. REDUCTION OF CONSIDERATION.**

CONTRACTOR agrees that COG shall have the right to deduct from any payments specified in Attachment B any amount owed to COG by CONTRACTOR as a result of any obligation arising prior to, or after, the execution of this contract. For purposes of this paragraph, obligations arising prior to, or after, the execution of this contract may include, without limitation, any property tax, secured or unsecured, which tax is in arrears. If COG exercises the right to reduce the consideration specified in Attachment B, COG, at the time of making a reduced payment, shall give CONTRACTOR notice of the amount of any off-set and the reason for the reduction.

**C-29. COUNTERPARTS.**

This contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original. The counterparts shall together constitute one contract.

~ END ATTACHMENT C ~

~ END EXHIBIT G ~

~ END SECTION 6 ~



## Staff Report

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To: Council of Governments Board of Directors  
From: Veronica Lezama, Transportation Planner  
Date: May 21, 2015  
**Subject: Transportation Development Act (TDA)/City of Hollister West Gateway Project**

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### Recommendation:

1. **APPROVE** City of Hollister Claim for Transportation Development Act (TDA) 2% Bicycle and Pedestrian Account Funding in the Amount of \$429,000 for the Hollister West Gateway Project.
2. **APPROVE** City of Hollister Claim for Transportation Development Act (TDA) Local Streets and Road Account Funding in the Amount of \$263,000 for the Hollister West Gateway Project.
3. **ADOPT** Resolution No. 2015-05 Wholeheartedly Supporting the City of Hollister's Active Transportation Program Grant Application to the California Department of Transportation for funding of the Activating Safe and Equitable Connections in West Hollister Project and the Safe Routes to School Project.

### Summary:

The City of Hollister is requesting two Transportation Development Act (TDA) funding allocations for the Hollister West Gateway Project. The City is also requesting a letter of support, via Resolution No. 2015-05, from COG for the support of a Caltrans Active Transportation Program (ATP) grant application for funding of the West Gateway Project.

### Financial Considerations:

As provided in State law, the Council of San Benito County Governments (COG) is responsible for safeguarding Transportation Development Act (TDA) funds. TDA funds are currently allocated to finance transit operations, COG administration, and bicycle and pedestrian projects. The TDA account also includes a one-time funding allocation which is set aside to the Cities and County for local streets and roads projects. Part of COG's responsibility includes the approval of TDA claims for funding various eligible projects.

The City of Hollister is requesting the approval of two funding allocation claims (Attachment 1). The first claim requests funding from the TDA account that is reserved bicycle and pedestrian

projects. According to TDA law, 2% of the entire TDA allocation is to be reserved (approx. \$32,000 annually) for bicycle and pedestrian projects. The current TDA Bicycle and Pedestrian account balance is \$442,000. The City of Hollister is requesting \$429,000 from the account. These funds are available to the Cities and County on a first come first serve bases and on project readiness.

The second request is for \$263,000 from the City of Hollister’s share of TDA funds which are reserved for Local Streets and Roads projects. This account includes a one-time funding allocation which was set aside specifically for local streets and roads in the amount of \$700,000. These funds are allocated to the Cities and County based on the following population funding distribution.

Funding Type	Available Balance	City of Hollister (60%)	San Juan Bautista (10%)	San Benito County (30%)
TDA Local Streets and Roads	<b>\$700,000</b>	\$420,000	\$70,000	\$210,000

**Background:**

The Cities and County may submit a claim form to COG to request Transportation Development Act (TDA) funds. The claim form must be accompanied by a resolution from the claimant’s governing board approving the claim and its submittal to COG. Approval of the claim by the COG Board then reserves the funds for that particular jurisdiction’s bicycle and pedestrian facility project(s). As the jurisdictions expend funds in implementing the projects, they submit invoices, accompanied with appropriate documentation to COG, which is then processed for payment. If a jurisdiction does not claim its allocation of bicycle and pedestrian funds within five-years the funds will revert to the LTF for apportionment to another project and jurisdiction. The TDA program is a reimbursement program.

The City of Hollister is requesting TDA funds to provide as a local match for a Caltrans Active Transportation Program (ATP) grant for the West Gateway Project. The West Gateway Project is located along San Juan Road between Graft Road and Westside Boulevard. The project will consist of sidewalks, lighting, and access to undeveloped properties. The proposed improvements also include the replacement of the dual left-turn lane with a landscaped median, striping a Class II bike lane, addition of bulb-outs at the intersection at the intersections to reduce the length of crossings. The City is also looking into submitting a second application which would improve student access between R.O. Hardin and Calaveras Elementary Schools.

**Staff Analysis:**

The City of Hollister is requesting two TDA funding allocations to provide as a local match for a Caltrans Active Transportation Program (ATP) grant for the West Gateway Project. The City of Hollister’s TDA allocation requests are as follows:

1. The City of Hollister is requesting \$429,000 from the TDA Bicycle and Pedestrian account. The account currently consists of a balance of \$442,000. If approved, the remaining TDA Bicycle and Pedestrian account would total \$6,000.

2. The City of Hollister is requesting \$263,000 TDA Local Streets and Roads account. These funds were previously allocated for Local Streets and Roads projects. The account consists of a one-time funding allocation of \$700,000, which was set-aside for local streets and road projects. The City of Hollister's share of the TDA Local Streets and Roads account totals \$420,000. If approved the remaining, TDA Local Streets and Roads account would total \$157,000, which would be reserved for future City of Hollister Projects.

In addition to above-mentioned TDA allocation requests, the City of Hollister is requesting that the Council of Governments support, via adoption of Resolution No. 2015-05, its Active Transportation Program grant application to the California Department of Transportation for funding of the *Activating Safe and Equitable Connections in West Hollister Project*.

Interim Executive Director Review: \_\_\_\_\_

Counsel Review: Yes

Supporting Attachment(s):  
1. City of Hollister Claim for TDA Funds  
2. Resolution No. 2015-05

**CLAIM FOR LOCAL TRANSPORTATION FUNDS**  
**STREETS & ROADS PURPOSES**

TO: COUNCIL OF SAN BENITO COUNTY GOVERNMENTS  
330 TRES PINOS RD., SUITE C7, HOLLISTER, CA 95023

FROM: CLAIMANT: City of Hollister  
ADDRESS: 375 Fifth Street  
Hollister, California 95023

CONTACT PERSON: Mary M. Paxton

Phone: (831)636-4316 Email: mary.paxton@hollister.ca.gov

The City of Hollister hereby request, in accordance with the State of California Public Utilities Code, commencing with Section 99200 and the California Code of Regulations commencing with Section 6600, that this claim for Local Transportation Funds be approved for Fiscal Year 15/16, FOR STREET AND ROAD PURPOSES (P.U.C. 99400a) in the amount of \$ \$263,000 to be drawn from the Local Transportation Fund deposited with San Benito County Treasurer.

When approved, this claim will be transmitted to the San Benito County Auditor for payment. Approval of the claim and payment by the County Auditor to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the terms of the approved annual financial plan and budget.

**APPROVED:**

COUNCIL OF SAN BENITO COUNTY  
GOVERNMENTS BOARD OF  
DIRECTORS

APPLICANT

BY: \_\_\_\_\_  
(signature)

BY:   
\_\_\_\_\_  
(signature)

TITLE: \_\_\_\_\_

TITLE: Mayor

DATE: \_\_\_\_\_

DATE: 5-8-15

**TDA ANNUAL PROJECT AND FINANCIAL PLAN**

This form will show the planned expenditures of all TDA funds claimed for the fiscal year. Briefly describe all projects which will be funded by current year TDA funds, provide the total cost of the project, and provide all sources of funding associated with the project. The project, costs, and funding should be consistent with the budget developed in the TDA Claim Worksheet completed for the submittal of this claim. The total project cost and total funding source(s) should balance for each project.

Claimant: City of Hollister

Fiscal Year: FY 15/16

<u>Brief Project Description</u>	<u>Project Cost</u>	<u>Source of Funding &amp; Amount</u>
<p>Funds will be used as part of a match for the 2015 Active Transportation Program funding request, 'Activating Safe and Equitable Connections in West Hollister' to provide gap funding for safety improvements on San Juan Road. The ATP funds will not pay for the landscape medians, striping for left-turn lanes, striping for on-street parking, and the majority of the landscaping and landscaping costs and will not pay for pedestrian friendly street lighting. The funds will be used to assist with sidewalk ramps, grading to reduce the crown of the road, landscaping and street lighting.</p>	<p align="center">\$213,000</p>	

Gateway sign to the City of Hollister and Pinnacles National Park at the west entrance to Hollister	\$50,000	

946-40

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER

**RESOLUTION NO. 2015-86**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER  
APPROVING CLAIMS IN FY 2015-16 FOR BICYCLE, PEDESTRIAN, TRANSIT,  
AND ROAD SAFETY IMPROVEMENTS IN WEST HOLLISTER**

**WHEREAS**, the City Council of the City of Hollister supports active transportation infrastructure and Complete Streets design that promotes walking and bicycle usage and recognizes that transportation systems conducive to bicycling and walking improves public health, reduces pollution, and holds great potential for revitalizing communities and spurring economic development; and

**WHEREAS**, the California Department of Transportation (Caltrans) allocated Local Transportation Funds (LTF) from general sales tax for bicycle and pedestrian and road and street facility projects to the communities in San Benito County for safety improvements, hazard mitigation, traffic monitoring management and control; and

**WHEREAS**, the City of Hollister desires to use a share of the LTF and Regional Surface Transportation Improvement (RSTP) funds to construct improvements to help convert San Juan to a complete street and implement improvements identified in the 2009 San Benito County Bikeway and Pedestrian Master Plan, the West Gateway Streetscape Beautification Plan on San Juan Road (Fourth Street) and the Regional Transportation Plan as summarized in the May 4, 2015, Staff Report; and

**WHEREAS**, the City of Hollister desires use LTF street and road funds to transportation enhancements including the construction of gateway sign at the west entrance to Hollister to establish a gateway entry to Pinnacles National Park; and

**WHEREAS**, the commitment of the funds will be used as part of a match for a 2015 Active Transportation Program funding request for pedestrian and bicycle improvements in West Hollister which is the most economically disadvantaged area of the County of San Benito; and

**NOW, THEREFORE, BE IT RESOLVED** that the City of Hollister has adopted a Mitigated Negative Declaration for the West Gateway Streetscape Beautification Plan and may be required to comply with the National Environmental Protection Act (NEPA) if ATP funds are approved; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Hollister authorizes staff to submit Claims to the San Benito County Council of Governments for Local Transportation Funds and to reserve Regional Surface Transportation Improvements funds for the West Hollister improvements.

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER

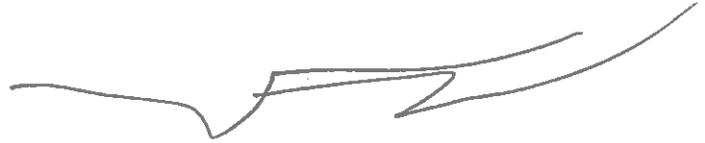
**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 4th day of May, 2015, by the following vote:

**AYES:** Council Members Klauer, Gomez, Friend, Luna, and Mayor Velazquez.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** None.



\_\_\_\_\_  
Ignacio Velazquez, Mayor

**ATTEST:** 3 17 15

  
\_\_\_\_\_  
Geri Johnson, MMC, City Clerk

**CLAIM FOR BICYCLE AND PEDESTRIAN FUNDS**

TO: COUNCIL OF SAN BENITO COUNTY GOVERNMENTS  
330 TRES PINOS RD., SUITE C7, HOLLISTER, CA 95023

FROM: CLAIMANT: City of Hollister  
ADDRESS: 375 Fifth Street  
Hollister, CA 95023

CONTACT PERSON: Mary Paxton  
Phone: (831) 636-4316 x16 Email: mary.paxton@hollister.ca.gov

The **City of Hollister** hereby requests, in accordance with the State of California Public Utilities Code, as amended (Chapter 3, Section 99234), that this claim for Bicycle and Pedestrian funds in the amount of \$429,000 be approved for Fiscal Year **2015-2016** to be drawn from the Bicycle and Pedestrian Trust Fund.

When approved, this claim will be transmitted to the San Benito County Auditor for payment. Approval of the claim and payment by the County Auditor to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the terms of the approved annual financial plan and budget.

**APPROVED:**

COUNCIL OF SAN BENITO COUNTY  
GOVERNMENTS BOARD OF  
DIRECTORS

APPLICANT

BY: \_\_\_\_\_  
(signature)

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

BY:   
\_\_\_\_\_  
(signature)

TITLE: Mayor, City of Hollister

DATE: 5-8-15

**BICYCLE AND PEDESTRIAN PROJECT AND FINANCIAL PLAN**

Briefly describe the project for which you are applying for Bicycle / Pedestrian Funds. Also identify all funding sources related to the project. The total project cost and total funding source(s) should balance for the project.

Include a location map for the project as appropriate.

Claimant: City of Hollister

Fiscal Year: 2014-2015

<u>Brief Project Description</u>	<u>Project Cost</u>	<u>Source of Funding &amp; Amount</u>
Funds will be used as part of a match for the 2015 Active Transportation Program funding request Activating Safe and Equitable Connections in West Hollister to provide gap funding for pedestrian and bicycle safety improvements. The ATP funds only 5% of the landscaping costs and will not pay for pedestrian friendly street lighting. The funds will be used to assist with sidewalk ramps, landscaping and street lighting.	\$429,000	Local Transportation Funds \$429,000

946-40

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER

**RESOLUTION NO. 2015-86**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER  
APPROVING CLAIMS IN FY 2015-16 FOR BICYCLE, PEDESTRIAN, TRANSIT,  
AND ROAD SAFETY IMPROVEMENTS IN WEST HOLLISTER**

**WHEREAS**, the City Council of the City of Hollister supports active transportation infrastructure and Complete Streets design that promotes walking and bicycle usage and recognizes that transportation systems conducive to bicycling and walking improves public health, reduces pollution, and holds great potential for revitalizing communities and spurring economic development; and

**WHEREAS**, the California Department of Transportation (Caltrans) allocated Local Transportation Funds (LTF) from general sales tax for bicycle and pedestrian and road and street facility projects to the communities in San Benito County for safety improvements, hazard mitigation, traffic monitoring management and control; and

**WHEREAS**, the City of Hollister desires to use a share of the LTF and Regional Surface Transportation Improvement (RSTP) funds to construct improvements to help convert San Juan to a complete street and implement improvements identified in the 2009 San Benito County Bikeway and Pedestrian Master Plan, the West Gateway Streetscape Beautification Plan on San Juan Road (Fourth Street) and the Regional Transportation Plan as summarized in the May 4, 2015, Staff Report; and

**WHEREAS**, the City of Hollister desires use LTF street and road funds to transportation enhancements including the construction of gateway sign at the west entrance to Hollister to establish a gateway entry to Pinnacles National Park; and

**WHEREAS**, the commitment of the funds will be used as part of a match for a 2015 Active Transportation Program funding request for pedestrian and bicycle improvements in West Hollister which is the most economically disadvantaged area of the County of San Benito; and

**NOW, THEREFORE, BE IT RESOLVED** that the City of Hollister has adopted a Mitigated Negative Declaration for the West Gateway Streetscape Beautification Plan and may be required to comply with the National Environmental Protection Act (NEPA) if ATP funds are approved; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Hollister authorizes staff to submit Claims to the San Benito County Council of Governments for Local Transportation Funds and to reserve Regional Surface Transportation Improvements funds for the West Hollister improvements.

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER

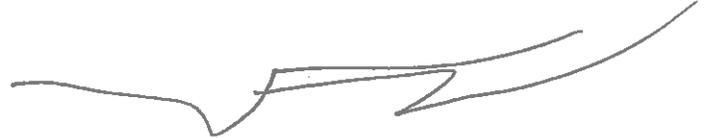
**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 4th day of May, 2015, by the following vote:

**AYES:** Council Members Klauer, Gomez, Friend, Luna, and Mayor Velazquez.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** None.



\_\_\_\_\_  
Ignacio Velazquez, Mayor

**ATTEST:** 3 City

  
\_\_\_\_\_  
Geri Johnson, MMC, City Clerk



**BEFORE THE COUNCIL OF SAN BENITO COUNTY GOVERNMENTS**

**A RESOLUTION OF THE BOARD OF DIRECTORS )  
OF THE COUNCIL OF SAN BENITO COUNTY ) Resolution No. 2015-05  
GOVERNMENTS SUPPORTING THE CITY OF )  
HOLLISTER'S APPLICATION SUBMITTAL TO )  
CALTRANS FOR CONSIDERATION OF AN )  
ACTIVE TRANSPORTATION PROGRAM GRANT )**

**WHEREAS**, the Council of San Benito County Governments is the designated Regional Transportation Planning Agency (RTPA) for San Benito County; and

**WHEREAS**, the Council of Governments supports active transportation infrastructure and Complete Streets design that promotes walking and bicycle usage. A transportation system conducive to bicycling and walking improves public health, reduces pollution, and holds great potential for revitalizing communities and spurring economic development. Such a comprehensive approach could also reduce some of the notable costs associated with obesity and other health-related problems incurred each year in San Benito County; and

**WHEREAS**, the California Department of Transportation (Caltrans) released a Call for Projects for its Active Transportation Program (ATP). The ATP program was designed to fund projects that encourage increased use of active modes of transportation, such as biking and walking; and

**WHEREAS**, the Council of Governments (COG) wholeheartedly supports the City of Hollister's Active Transportation Program's Safe Routes to School and *Activating Safe and Equitable Connections in West Hollister Project (West Gateway Project)* grants to the California Department of Transportation for funding; and

**WHEREAS**, the *Activating Safe and Equitable Connections in West Hollister Project* and the Safe Routes to School Project consists of bicycle and pedestrian infrastructure improvements from the City of Hollister's proposed West Gateway Improvement Project and COG's Safe Routes to School Implementation Plan; and

**WHEREAS**, the Active Transportation Program (ATP) grant requires that Safe Routes to School infrastructure projects be located within two miles of a public school; and

**WHEREAS**, the *Activating Safe and Equitable Connections in West Hollister Project* and the Safe Routes to School Project are located within two miles of R.O Hardin and Calaveras Elementary Schools; and

**WHEREAS**, the *Activating Safe and Equitable Connections in West Hollister Project* and the Safe Routes to School Project are consistent with various local plans, including:

- 2009 San Benito County Bikeway and Pedestrian Master Plan
- 2005 Circulation Element of the City of Hollister General Plan
- Safe Routes to R.O. Hardin and Calaveras Elementary Schools Implementation Plan

- Hollister West Gateway Urban Design Plan
- 2014 San Benito County Regional Transportation Plan
- 2015 Short-Range and Long Range Transit Plan, Draft

**WHEREAS**, the Active Transportation Program grant gives priority to projects located in Disadvantaged Communities where at least 75% of public school students in the project area are eligible to receive free or reduced price meals under the National School Lunch Program; and

**WHEREAS**, R.O. Hardin and Calaveras Elementary schools are within the jurisdiction of the Hollister School District. According to the fiscal year 2012-2013 National School Lunch Program, 100% of R.O. Hardin Elementary School students and 82.98% of Calaveras Elementary Schools students are eligible to receive Free and Reduced Price Meals (FRPM); and

**WHEREAS**, the *Activating Safe and Equitable Connections in West Hollister Project* and the *Safe Routes to Schools Project* meet numerous federal, state, regional and local goals, including:

- Increase the number of trips accomplished by bicycling and walking;
- Increase the safety and mobility of non-motorized users;
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals as established pursuant to Senate Bill 375;
- Supports the Assembly Bill 1358, The California Complete Streets Act;
- Ensure that disadvantaged communities fully share in the benefits of the Project;
- Provide a broad spectrum of projects to benefit many types of active transportation users.

**NOW, THEREFORE, BE IT RESOLVED**, that the Council of San Benito County Governments supports the City of Hollister's Active Transportation Program applications titled *Activating Safe and Equitable Connections in West Hollister Project* the *Safe Routes to School Project*.

**PASSED AND ADOPTED BY THE COUNCIL OF SAN BENITO COUNTY GOVERNMENTS** on this 21<sup>st</sup> day of May 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Victor Gomez, Chair

ATTEST:

Mary Gilbert, Interim Executive Director

APPROVED AS TO LEGAL FORM:  
San Benito County Counsel's Office

By: \_\_\_\_\_

By: Shirley L. Murphy  
Shirley L. Murphy, Deputy County Counsel

Dated: \_\_\_\_\_

Dated: May 13, 2015



## Staff Report

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To: Council of San Benito County Governments  
 From: Mary Gilbert, Interim Executive Director Phone Number: (831) 637-7665 x.207  
 Date: May 21, 2015  
**Subject: Transportation Funding in California**

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### Recommendation:

**Receive** Presentation on Transportation Funding in California

### Summary:

Transportation agencies face many challenges in funding the vast infrastructure needs in California. Heather Adamson of AMBAG will provide the COG Board with a report on these statewide challenges and potential solutions.

### Financial Impact:

California's infrastructure needs face a \$59 Billion deficit currently. In San Benito County, infrastructure needs of over \$200 million are currently unfunded.

### Background:

California Transportation Commission Executive Director Will Kempton provided a report on these issues to the Association of Monterey Bay Area Governments Board of Directors in April. The COG Board is receiving the report to provide more awareness of statewide issues related to transportation planning and funding.

### Staff Analysis:

The report provides a comprehensive review of current transportation funding needs and potential solutions for the State of California. Heather Adamson of AMBAG will provide the report to the Board.

Executive Director Review: \_\_\_\_\_

Counsel Review: \_\_\_\_\_ N/A \_\_\_\_\_



## Staff Report

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To: Council of San Benito County Governments  
 From: Mary Gilbert, Interim Executive Director Phone Number: (831) 637-7665 x.207  
 Date: May 21, 2015  
**Subject: Senate Bill 16**

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### Recommendation:

**RECEIVE** Report on Senate Bill 16 (Beall) and **APPROVE** Letter of Support by the Council of Governments Board of Directors.

### Summary:

Senate Bill 16 was introduced by Senator Jim Beall in April. The Bill proposes new funding strategies for transportation. At its April meeting, the COG Board asked staff to bring an item to the Board to provide support for the bill. The California League of Cities, California State Association of Counties and California Association of Councils of Governments all support SB 16.

### Financial Impact:

The full funding package under Senate Bill 16 totals approximately \$3 Billion. California City Finance provided the following estimates for a portion of the share that could return annually to San Benito County jurisdictions for local roadway improvements:

- City of Hollister: \$756,586 to \$972,754
- San Benito County: \$1,891,665 to \$2,432,140
- City of San Juan Bautista: \$38,640 to \$49,680

### Staff Analysis:

Senate Bill 16 includes several provisions to improve the transportation funding outlook in California. A summary of these provisions includes:

- To take the truck weight fee, which raises about \$1 billion a year, from the general fund and return it to its intended purpose: mitigating the damage to roads caused by heavy commercial trucks.
- The per gallon excise fuel tax would be increased by 10 cents to make up for the decline in value lost to inflation.
- The vehicle license fee would be increased by 0.07 percent annually over five years.

- The vehicle registration fee would be increased by \$35.
- Zero-emission vehicles would be subject to an annual \$100 registration fee.
- The bill also guarantees that the revenue will be used exclusively for road, street, bridge repairs, and improving freight mobility at ports.
- Five percent of the revenues deposited in the Road Maintenance and Rehabilitation Account established by the bill “shall be set aside for counties in which voters approve, on or after July 1, 2015, a transactions and use tax for transportation purposes, and which counties did not, prior to that approval, impose a transactions and use tax for those purposes.”

The full text of the bill is included as an attachment to this report.

COG’s Technical Advisory Committee recommended support of the Bill at its May 8 meeting. Staff has prepared a letter of support for the bill for the Board’s review and approval.

Executive Director Review: \_\_\_\_\_

Counsel Review: \_\_\_\_\_ N/A \_\_\_\_\_

Supporting Attachments: 1. Senate Bill 16 – Full Text

2. Letter of Support

AMENDED IN SENATE APRIL 15, 2015  
AMENDED IN SENATE MARCH 26, 2015  
AMENDED IN SENATE MARCH 2, 2015

**SENATE BILL**

**No. 16**

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**Introduced by Senator Beall**

December 1, 2014

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~~An act to add Section 14526.7 to the Government Code, relating to transportation. An act to add Sections 14526.7, 14526.8, and 16321 to the Government Code, to amend Sections 7360, 10752, and 60050 of the Revenue and Taxation Code, to add Section 2103.1 to, and to add Chapter 2 (commencing with Section 2030) to Division 3 of, the Streets and Highways Code, and to add Sections 9250.3, 9250.6, and 9400.5 to the Vehicle Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 16, as amended, Beall. ~~Department of Transportation: budgetary cost-savings plan: state highway operation and protection program. Transportation funding.~~

*(1) Existing law provides various of sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol.*

*Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account.*

*This bill would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would provide for the program to be authorized every 5 years by the Legislature, and would provide that authorization for the 2015–16 through 2019–20 fiscal years. The bill would require the California Transportation Commission to identify the estimated funds to be available for the program and adopt performance criteria to ensure efficient use of the funds. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund, including revenues from a \$0.10 per gallon increase in the motor vehicle fuel (gasoline) tax imposed by the bill and \$0.10 of the \$0.12 per gallon increase in the diesel fuel excise tax imposed by the bill, an increase of \$35 in the annual vehicle registration fee, a new \$100 annual vehicle registration fee applicable to zero-emission motor vehicles, as defined, commercial vehicle weight fees redirected over a 5-year period from debt service on general obligation transportation bonds, and repayment, over a 3-year period, of outstanding loans made in previous years from certain transportation funds to the General Fund.*

*The bill would continuously appropriate the funds in the account for road maintenance and rehabilitation purposes for each 5-year period in which the Legislature has authorized the program, and would, for those fiscal years, allocate 5% of available funds to counties that approve a transactions and use tax on or after July 1, 2015, with the remaining funds to be allocated 50% for maintenance of the state highway system or to the state highway operation and protection program, and 50% to cities and counties pursuant to a specified formula. The bill would impose various requirements on agencies receiving these funds.*

*This bill, in fiscal years in which the Road Maintenance and Rehabilitation Program is not reauthorized by the Legislature, would make inoperative the increases in the gasoline and diesel excise tax rates and the \$35 increase in the vehicle registration fee imposed by the bill. The bill, in those fiscal years, would also provide for the deposit of revenues from the \$100 vehicle registration fee applicable to zero-emission vehicles, and weight fee revenues, in the State Highway*

*Account, to be used for purposes of maintaining the state highway system or the state highway operation and protection program.*

*(2) The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.*

*The bill would transfer revenues from \$0.02 of the \$0.12 increase in the diesel fuel excise tax to the Trade Corridors Investment Fund for expenditure on eligible projects. As with the remainder of the gasoline and diesel fuel tax increases imposed by this bill, this portion of the diesel fuel excise tax increase would be inoperative in fiscal years in which the Road Maintenance and Rehabilitation Program in (1) is not reauthorized.*

*(3) Existing law imposes a vehicle license fee, in lieu of property tax, on motor vehicles based on market value, at a rate of 0.65%. Pursuant to Article XI of the California Constitution, vehicle license fee revenues at the 0.65% rate are required to be allocated to cities and counties.*

*This bill would incrementally increase the vehicle license fee to a rate of 1%, over a 5-year period beginning July 1, 2015, with the revenues above the 0.65% rate to be deposited in the General Fund and used for transportation general obligation bond debt service.*

*(4) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. The program is required to be based on an asset management plan, as specified. Existing law requires the department to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the California Transportation commission to review and adopt the program, and authorizes the commission to decline and adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.*

*This bill, on and after February 1, 2017, would require the commission to make an allocation of all capital and support costs for each project in the program, and would require the department to submit a supplemental project allocation request to the commission for each project that experiences cost increases above the amounts in its allocation. the bill would require the commission to establish guidelines to provide exceptions to the requirement for a supplemental project allocation requirement that the commission determines are necessary to ensure that projects are not unnecessarily delayed.*

*(5) Existing law requires the Department of Transportation to prepare and submit to the Governor a proposed budget and to develop budgeting, accounting, fiscal control, and management information systems to provide budget oversight.*

*This bill, by April 1, 2016, would require the department to present to the California Transportation commission a plan to increase department efficiency by up to 30% over the subsequent 3 years, with the ongoing savings to result in increased capital expenditures in the state highway operation and protection program or an increase in the state highway maintenance program.*

*(6) This bill would declare that it is to take effect immediately as an urgency statute.*

~~(1) Under existing law, the Department of Transportation is responsible for the planning, design, construction, maintenance, and operation of the state highway system. Existing law requires the department to prepare and submit to the Governor a proposed budget and to develop budgeting, accounting, fiscal control, and management information systems to provide budget oversight.~~

~~Existing law authorizes the California Transportation Commission to prepare an independent evaluation of the department's budget regarding the adequacy of funding levels and the relative needs of program categories and to submit its recommendations to the Legislature by April 1 of each year.~~

~~This bill would require the Department of Transportation, by April 1, 2016, and as part of its budget for the 2016–17 fiscal year, to prepare a plan to identify up to \$200,000,000 annually in cost savings from its budget, and to submit the plan to the appropriate policy committees of the Senate and the Assembly.~~

~~(2) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects~~

~~that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. The program is required to be based on an asset management plan, as specified. Existing law requires the department to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the California Transportation Commission to review and adopt the program, and authorizes the commission to decline to adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.~~

~~This bill, on and after February 1, 2016, would require the commission to make an allocation of all capital and support costs for each project in the program, and would require the department to submit a supplemental project allocation request to the commission for each project that experiences cost increases above the amounts in its allocation. The bill would require the commission to establish guidelines to provide exceptions to the requirement for a supplemental project allocation requirement that the commission determines are necessary to ensure that projects are not unnecessarily delayed.~~

~~Vote: majority<sup>2/3</sup>. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.~~

*The people of the State of California do enact as follows:*

- 1     SECTION 1. *The Legislature finds and declares all of the*
- 2     *following:*
- 3     (a) *Over the next ten years, the state faces a \$59 billion shortfall*
- 4     *to adequately maintain the existing state highway system, in order*
- 5     *to keep it in a basic state of good repair.*
- 6     (b) *Similarly, cities and counties face a \$78 billion shortfall*
- 7     *over the next decade to adequately maintain the existing network*
- 8     *of local streets and roads.*
- 9     (c) *Statewide taxes and fees dedicated to the maintenance of*
- 10    *the system have not been increased in more than 20 years, with*
- 11    *those revenues losing more than 55 percent of their purchasing*
- 12    *power, while costs to maintain the system have steadily increased*
- 13    *and much of the underlying infrastructure has aged past its*
- 14    *expected useful life.*

1 (d) California motorists are spending \$17 billion annually in  
2 extra maintenance and car repair bills, which is more than \$700  
3 per driver, due to the state's poorly maintained roads.

4 (e) Failing to act now to address this growing problem means  
5 that more drastic measures will be required to maintain our system  
6 in the future, essentially passing the burden on to future  
7 generations instead of doing our job today.

8 (f) A five-year funding program will help address a portion of  
9 the maintenance backlog on the state's road system and will stop  
10 the growth of the problem until a longer-term solution can be  
11 created.

12 (g) Modestly increasing various fees can spread the cost of road  
13 repairs broadly to all users and beneficiaries of the road network  
14 without over-burdening any one group.

15 (h) Improving the condition of the state's road system will have  
16 a positive impact on the economy as it lowers the transportation  
17 costs of doing business, reduces congestion impacts for employees,  
18 and protects property values in the state.

19 (i) The federal government estimates that increased spending  
20 on infrastructure creates more than 13,000 jobs per \$1 billion  
21 spent.

22 (j) Well-maintained roads benefit all users, not just drivers, as  
23 roads are used for all modes of transport, whether motor vehicles,  
24 transit, bicycles, or pedestrians.

25 (k) Well-maintained roads additionally provide significant health  
26 benefits and prevent injuries and death due to crashes caused by  
27 poorly-maintained infrastructure.

28 **SECTION 1.**

29 **SEC. 2.** Section 14526.7 is added to the Government Code, to  
30 read:

31 14526.7. (a) On and after February 1, ~~2016~~, 2017, an allocation  
32 by the commission of all capital and support costs for each project  
33 in the state highway operation and protection program shall be  
34 required.

35 (b) For a project that experiences increases in capital or support  
36 costs above the amounts in the commission's allocation pursuant  
37 to subdivision (a), a supplemental project allocation request shall  
38 be submitted by the department to the commission for approval.

39 (c) The commission shall establish guidelines to provide  
40 exceptions to the requirement of subdivision (b) that the

1 commission determines are necessary to ensure that projects are  
2 not unnecessarily delayed.

3 ~~SEC. 2. The Department of Transportation shall, by April 1,~~  
4 ~~2016, and as part of its budget for the 2016–17 fiscal year, prepare~~  
5 ~~a plan to identify up to two hundred million dollars (\$200,000,000)~~  
6 ~~annually in cost savings from its budget, and shall submit the plan~~  
7 ~~to the appropriate policy committees of the Senate and the~~  
8 ~~Assembly.~~

9 *SEC. 3. Section 14526.8 is added to the Government Code, to*  
10 *read:*

11 *14526.8. (a) On or before April 1, 2016, the department shall*  
12 *present to the commission a plan to increase department efficiency*  
13 *by up to 30 percent over the subsequent three years. The ongoing*  
14 *savings experienced through this increased efficiency shall result*  
15 *in increased capital expenditures in the department’s state highway*  
16 *operation and protection program or an increase in the*  
17 *department’s state highway maintenance program.*

18 *(b) The commission shall consider the reasonableness of the*  
19 *proposal, and may approve the entire plan or reject all or portions*  
20 *of the plan. The commission’s feedback is intended to ensure that*  
21 *the department is achieving the savings in the most responsible*  
22 *way possible.*

23 *(c) All future state highway operation and protection program*  
24 *documents shall identify the increased funding available to the*  
25 *program as a result of the efficiencies realized due to the*  
26 *implementation of the plan.*

27 *SEC. 4. Section 16321 is added to the Government Code, to*  
28 *read:*

29 *16321. (a) Notwithstanding any other law, on or before March*  
30 *1, 2016, the Department of Finance shall compute the amount of*  
31 *outstanding loans made from the State Highway Account, the*  
32 *Motor Vehicle Fuel Account, the Highway Users Tax Account,*  
33 *and the Motor Vehicle Account to the General Fund. The*  
34 *department shall prepare a loan repayment schedule, pursuant to*  
35 *which the outstanding loans shall be repaid to the accounts from*  
36 *which the loans were made, as follows:*

37 *(1) On or before June 30, 2016, 33 percent of the outstanding*  
38 *loan amounts.*

39 *(2) On or before June 30, 2017, 33 percent of the outstanding*  
40 *loan amounts.*

1 (3) *On or before June 30, 2018, 34 percent of the outstanding*  
2 *loan amounts.*

3 (b) *Notwithstanding any other provision of law, as the loans*  
4 *are repaid pursuant to this section, the repaid funds shall be*  
5 *transferred to the Road Maintenance and Rehabilitation Account*  
6 *created pursuant to Section 2031 of the Streets and Highways*  
7 *Code.*

8 (c) *Funds for loan repayments pursuant to this section shall be*  
9 *appropriated from the Budget Stabilization Account pursuant to*  
10 *subclause (II) of clause (ii) of subparagraph (B) of paragraph (1)*  
11 *of subdivision (c) of Section 20 of Article XVI of the California*  
12 *Constitution.*

13 *SEC. 5. Section 7360 of the Revenue and Taxation Code is*  
14 *amended to read:*

15 7360. (a) (1) (A) A tax of eighteen cents (\$0.18) is hereby  
16 imposed upon each gallon of fuel subject to the tax in Sections  
17 7362, 7363, and 7364.

18 (B) *In addition to the tax imposed pursuant to subparagraph*  
19 *(A), a tax of ten cents (\$0.10) is hereby imposed upon each gallon*  
20 *of fuel subject to the tax in Sections 7362, 7363, and 7364. This*  
21 *subparagraph shall be inoperative in any fiscal year in which the*  
22 *Road Maintenance and Rehabilitation Program has not been*  
23 *authorized, pursuant to subdivision (b) of Section 2030 of the*  
24 *Streets and Highways Code.*

25 (2) If the federal fuel tax is reduced below the rate of nine cents  
26 (\$0.09) per gallon and federal financial allocations to this state for  
27 highway and exclusive public mass transit guideway purposes are  
28 reduced or eliminated correspondingly, the tax rate imposed by  
29 *subparagraph (A) of paragraph (1)*, on and after the date of the  
30 reduction, shall be recalculated by an amount so that the combined  
31 state rate under *subparagraph (A) of paragraph (1)* and the federal  
32 tax rate per gallon equal twenty-seven cents (\$0.27).

33 (3) If any person or entity is exempt or partially exempt from  
34 the federal fuel tax at the time of a reduction, the person or entity  
35 shall continue to be so exempt under this section.

36 (b) (1) On and after July 1, 2010, in addition to the tax imposed  
37 by subdivision (a), a tax is hereby imposed upon each gallon of  
38 motor vehicle fuel, other than aviation gasoline, subject to the tax  
39 in Sections 7362, 7363, and 7364 in an amount equal to seventeen  
40 and three-tenths cents (\$0.173) per gallon.

1 (2) For the 2011–12 fiscal year and each fiscal year thereafter,  
2 the board shall, on or before March 1 of the fiscal year immediately  
3 preceding the applicable fiscal year, adjust the rate in paragraph  
4 (1) in that manner as to generate an amount of revenue that will  
5 equal the amount of revenue loss attributable to the exemption  
6 provided by Section 6357.7, based on estimates made by the board,  
7 and that rate shall be effective during the state’s next fiscal year.

8 (3) In order to maintain revenue neutrality for each year,  
9 beginning with the rate adjustment on or before March 1, 2012,  
10 the adjustment under paragraph (2) shall also take into account the  
11 extent to which the actual amount of revenues derived pursuant to  
12 this subdivision and, as applicable, Section 7361.1, the revenue  
13 loss attributable to the exemption provided by Section 6357.7  
14 resulted in a net revenue gain or loss for the fiscal year ending  
15 prior to the rate adjustment date on or before March 1.

16 (4) The intent of paragraphs (2) and (3) is to ensure that the act  
17 adding this subdivision and Section 6357.7 does not produce a net  
18 revenue gain in state taxes.

19 *SEC. 6. Section 10752 of the Revenue and Taxation Code is*  
20 *amended to read:*

21 10752. (a) The annual amount of the license fee for any  
22 vehicle, other than a trailer or semitrailer, as described in  
23 subdivision (a) of Section 5014.1 of the Vehicle Code or a  
24 commercial motor vehicle described in Section 9400.1 of the  
25 Vehicle Code, or a trailer coach that is required to be moved under  
26 permit as authorized in Section 35790 of the Vehicle Code, shall  
27 be a sum equal to the following percentage of the market value of  
28 the vehicle as determined by the department:

29 (1) Sixty-five hundredths of 1 percent on and after January 1,  
30 2005, and before May 19, 2009.

31 (2) One percent for initial and renewal registrations due on and  
32 after May 19, 2009, but before July 1, 2011.

33 (3) Sixty-five hundredths of 1 percent for initial and renewal  
34 registrations due on and after July 1, 2011, *but before July 1, 2015.*

35 (4) *Seventy-two hundredths of 1 percent for initial and renewal*  
36 *registrations due on and after July 1, 2015, but before July 1, 2016.*

37 (5) *Seventy-nine hundredths of 1 percent for initial and renewal*  
38 *registrations due on and after July 1, 2016, but before July 1, 2017.*

39 (6) *Eighty-six hundredths of 1 percent for initial and renewal*  
40 *registrations due on and after July 1, 2017, but before July 1, 2018.*

1 (7) *Ninety-three hundredths of 1 percent for initial and renewal*  
2 *registrations due on and after July 1, 2018, but before July 1, 2019.*

3 (8) *One percent for initial and renewal registrations due on and*  
4 *after July 1, 2019.*

5 (b) The annual amount of the license fee for any commercial  
6 vehicle as described in Section 9400.1 of the Vehicle Code, shall  
7 be a sum equal to 0.65 percent of the market value of the vehicle  
8 as determined by the department.

9 (c) Notwithstanding Chapter 5 (commencing with Section  
10 11001) or any other law to the contrary, all revenues (including  
11 penalties), less refunds, attributable to that portion of the rate  
12 imposed pursuant to this section in excess of 0.65 percent shall be  
13 deposited into the General Fund *and shall be used for debt service*  
14 *on transportation general obligation bonds.*

15 *SEC. 7. Section 60050 of the Revenue and Taxation Code is*  
16 *amended to read:*

17 60050. (a) (1) A tax of eighteen cents (\$0.18) is hereby  
18 imposed upon each gallon of diesel fuel subject to the tax in  
19 Sections 60051, 60052, and 60058.

20 (2) If the federal fuel tax is reduced below the rate of fifteen  
21 cents (\$0.15) per gallon and federal financial allocations to this  
22 state for highway and exclusive public mass transit guideway  
23 purposes are reduced or eliminated correspondingly, the tax rate  
24 imposed by paragraph (1), including any reduction or adjustment  
25 pursuant to subdivision (b), on and after the date of the reduction,  
26 shall be increased by an amount so that the combined state rate  
27 under paragraph (1) and the federal tax rate per gallon equal what  
28 it would have been in the absence of the federal reduction.

29 (3) If any person or entity is exempt or partially exempt from  
30 the federal fuel tax at the time of a reduction, the person or entity  
31 shall continue to be exempt under this section.

32 (b) (1) On July 1, 2011, the tax rate specified in paragraph (1)  
33 of subdivision (a) shall be reduced to thirteen cents (\$0.13) and  
34 every July 1 thereafter shall be adjusted pursuant to paragraphs  
35 (2) and (3).

36 (2) For the 2012–13 fiscal year and each fiscal year thereafter,  
37 the board shall, on or before March 1 of the fiscal year immediately  
38 preceding the applicable fiscal year, adjust the rate reduction in  
39 paragraph (1) in that manner as to result in a revenue loss  
40 attributable to paragraph (1) that will equal the amount of revenue

1 gain attributable to Sections 6051.8 and 6201.8, based on estimates  
2 made by the board, and that rate shall be effective during the state’s  
3 next fiscal year.

4 (3) In order to maintain revenue neutrality for each year,  
5 beginning with the rate adjustment on or before March 1, 2013,  
6 the adjustment under paragraph (2) shall take into account the  
7 extent to which the actual amount of revenues derived pursuant to  
8 Sections 6051.8 and 6201.8 and the revenue loss attributable to  
9 this subdivision resulted in a net revenue gain or loss for the fiscal  
10 year ending prior to the rate adjustment date on or before March  
11 1.

12 (4) The intent of paragraphs (2) and (3) is to ensure that the act  
13 adding this subdivision and Sections 6051.8 and 6201.8 does not  
14 produce a net revenue gain in state taxes.

15 (c) *In addition to the tax imposed pursuant to subdivisions (a)*  
16 *and (b), an additional tax of twelve cents (\$0.12) is hereby imposed*  
17 *upon each gallon of diesel fuel subject to the tax in Sections 60051,*  
18 *60052, and 60058. This subdivision shall be inoperative in any*  
19 *fiscal year in which the Road Maintenance and Rehabilitation*  
20 *Program has not been authorized, pursuant to subdivision (b) of*  
21 *Section 2030 of the Streets and Highways Code.*

22 SEC. 8. *Chapter 2 (commencing with Section 2030) is added*  
23 *to Division 3 of the Streets and Highways Code, to read:*

24

25 *CHAPTER 2. ROAD MAINTENANCE AND REHABILITATION*  
26 *PROGRAM*

27

28 2030. (a) *The Road Maintenance and Rehabilitation Program*  
29 *is hereby created to address deferred maintenance on the state*  
30 *highway system and the local street and road system. Funds made*  
31 *available by the program shall be prioritized for expenditure on*  
32 *basic road maintenance and road rehabilitation projects, and on*  
33 *critical safety projects. The program shall be subject to*  
34 *reauthorization every five years by the Legislature. The California*  
35 *Transportation Commission shall identify the estimated funds to*  
36 *be available pursuant to this chapter for the program during any*  
37 *authorized five-year period, and shall adopt performance criteria*  
38 *to ensure efficient use of the funds.*

39 (b) *The Legislature hereby authorizes the program for the*  
40 *2015–16 to 2019–20 fiscal years, inclusive.*

1 (c) If the Legislature does not reauthorize the program beyond  
2 the 2019–20 fiscal year, the increases in excise tax rates for motor  
3 vehicle fuel and diesel fuel associated with the revenues referenced  
4 in subdivision (a) of Section 2031, and the increase in the vehicle  
5 registration fee referenced in Section 9250.3 of the Vehicle Code,  
6 shall terminate at the end of the 2019–20 fiscal year.

7 2031. The following revenues shall be deposited in the Road  
8 Maintenance and Rehabilitation Account, which is hereby created  
9 in the State Transportation Fund:

10 (a) The revenues from the increase in the motor vehicle fuel  
11 excise tax by ten cents (\$0.10) per gallon and the revenues from  
12 ten cents (\$0.10) per gallon of the increase in the diesel fuel excise  
13 tax by twelve cents (\$0.12) per gallon, as provided in Section  
14 2103.1.

15 (b) The revenues from the increase in the vehicle registration  
16 fee pursuant to Section 9250.3 of the Vehicle Code.

17 (c) The revenues from the increase in the vehicle registration  
18 fee pursuant to Section 9250.6 of the Vehicle Code, except as  
19 provided in paragraph (2) of subdivision (b) of that section.

20 (d) The revenues from vehicle weight fees redirected from  
21 transportation bond debt service to the State Highway Account,  
22 pursuant to the schedule set forth in subdivision (a) of Section  
23 9400.5 of the Vehicle Code.

24 (e) The revenues from repayment of loans made from the State  
25 Highway Account, the Motor Vehicle Fuel Account, the Highway  
26 Users Tax Account, and the Motor Vehicle Account to the General  
27 Fund, pursuant to the schedule set forth in Section 16321 of the  
28 Government Code.

29 (f) Any other revenues designated for the program.

30 2032. (a) Five percent of the revenues deposited in the Road  
31 Maintenance and Rehabilitation Account for the period of fiscal  
32 years specified in subdivision (b) of Section 2030 shall be set aside  
33 for counties in which voters approve, on or after July 1, 2015, a  
34 transactions and use tax for transportation purposes, and which  
35 counties did not, prior to that approval, impose a transactions and  
36 use tax for those purposes. The funds available under this  
37 subdivision in each fiscal year are hereby continuously  
38 appropriated for allocation to each eligible county and each city  
39 in the county for road maintenance and rehabilitation purposes  
40 pursuant to Section 2035. However, funds remaining unallocated

1 *under this subdivision in any fiscal year shall be reallocated on*  
2 *the last day of the fiscal year pursuant to subdivision (b).*

3 *(b) The remaining revenues deposited in the Road Maintenance*  
4 *and Rehabilitation Account for the period of fiscal years specified*  
5 *in subdivision (b) of Section 2030, including the revenues*  
6 *reallocated for the purposes of this subdivision pursuant to*  
7 *subdivision (a), are hereby continuously appropriated for road*  
8 *maintenance and rehabilitation purposes under the program, as*  
9 *follows:*

10 *(1) Fifty percent for allocation to the department for*  
11 *maintenance of the state highway system or for purposes of the*  
12 *state highway operation and protection program.*

13 *(2) Fifty percent for apportionment to cities and counties by the*  
14 *Controller pursuant to the formula in subparagraph (C) of*  
15 *paragraph (3) of subdivision (a) of Section 2103 for the purposes*  
16 *authorized by this chapter, subject to subdivision (d) of Section*  
17 *2033 and paragraph (2) of subdivision (a) of Section 2034.*

18 *2033. (a) The commission shall annually evaluate each agency*  
19 *receiving funds pursuant to this chapter.*

20 *(b) For each fiscal year in which the department receives an*  
21 *allocation of funds pursuant to Section 2032, the department shall*  
22 *submit documentation to the commission that includes a description*  
23 *and the location of each completed project, the amount of funds*  
24 *expended on the project, the completion date, and the project's*  
25 *estimated useful life. The commission shall evaluate the*  
26 *documentation to determine the effectiveness of the department in*  
27 *reducing deferred maintenance and improving road conditions on*  
28 *the state highway system, and may withhold future funding from*  
29 *the department if it determines that program funds have not been*  
30 *appropriately spent.*

31 *(c) For each fiscal year in which an agency receives an*  
32 *apportionment of funds pursuant to subdivision (a) or paragraph*  
33 *(2) of subdivision (b) of Section 2032, the commission shall*  
34 *evaluate the documentation submitted pursuant to subdivision (b)*  
35 *of Section 2034 to determine the effectiveness of the agency in*  
36 *reducing deferred maintenance and improving road conditions*  
37 *within its jurisdiction.*

38 *(d) If the commission determines, with respect to any given*  
39 *fiscal year, that a local agency has not appropriately spent its*  
40 *apportionment of funds, the commission shall direct the Controller*

1 to make that agency ineligible to receive an apportionment during  
2 the next fiscal year. The Controller shall reapportion that agency's  
3 share of funds to all other eligible local agencies pursuant to  
4 paragraph (2) of subdivision (b) of Section 2032.

5 (e) The commission shall include a discussion of its evaluations  
6 pursuant to this section in its annual report to the Legislature  
7 pursuant to Section 14535 of the Government Code.

8 2034. (a) (1) Prior to receiving an apportionment of funds  
9 under the program pursuant to paragraph (2) of subdivision (b)  
10 of Section 2032 from the Controller in a fiscal year, an eligible  
11 local agency shall submit to the commission a list of projects  
12 proposed to be funded with these funds pursuant to an adopted  
13 city, county, or city and county budget. All projects proposed to  
14 receive funding shall be included in a city, county, or city and  
15 county budget that is adopted by the applicable city council or  
16 board of supervisors at a regular public meeting. The list of  
17 projects proposed to be funded with these funds shall include a  
18 description and the location of each proposed project, a proposed  
19 schedule for the project's completion, and the estimated useful life  
20 of the improvement. The project list shall not limit the flexibility  
21 of an eligible local agency to fund projects in accordance with  
22 local needs and priorities so long as the projects are consistent  
23 with subdivision (d).

24 (2) The commission shall report to the Controller the local  
25 agencies that have submitted a list of projects as described in this  
26 subdivision and that are therefore eligible to receive an  
27 apportionment of funds under the program for the applicable fiscal  
28 year. The Controller, upon receipt of the report, shall apportion  
29 funds to eligible local agencies.

30 (b) For each fiscal year, each local agency receiving an  
31 apportionment of funds shall, upon expending program funds,  
32 submit documentation to the commission that includes a description  
33 and location of each completed project, the amount of funds  
34 expended on the project, the completion date, and the project's  
35 estimated useful life. The documentation shall also include a  
36 comparison of the projects the local agency would have completed  
37 without receiving funds under the program compared with the  
38 projects completed with these funds.

39 (c) The documentation provided pursuant to subdivision (b)  
40 shall be forwarded by the commission to the department, in a

1 manner and form approved by the department, at the end of each  
2 fiscal year as long as program funds remain available for  
3 expenditure. The department may post the information contained  
4 in the documentation on its Internet Web site.

5 (d) Funds made available to a local agency under the program  
6 shall be used for improvements to transportation facilities that  
7 will assist in reducing further deterioration of the existing road  
8 system. These improvements may include, but need not be limited  
9 to, pavement maintenance, rehabilitation, installation, construction,  
10 and reconstruction of necessary associated facilities such as  
11 drainage and traffic control devices, or safety projects to reduce  
12 fatalities. Funds made available under the program may also be  
13 used to satisfy the local match requirement in order to obtain state  
14 or federal transportation funds for similar purposes.

15 2035. (a) On or before July 1, 2016, the commission, in  
16 cooperation with the department, transportation planning agencies,  
17 county transportation commissions, and other local agencies, shall  
18 develop guidelines for the allocation of funds pursuant to  
19 subdivision (a) of Section 2032.

20 (b) The guidelines shall be the complete and full statement of  
21 the policy, standards, and criteria that the commission intends to  
22 use to determine how these funds will be allocated.

23 (c) The commission may amend the adopted guidelines after  
24 conducting at least one public hearing.

25 2036. (a) Cities and counties shall maintain their existing  
26 commitment of local funds for street, road, and highway purposes  
27 in order to remain eligible for an allocation or apportionment of  
28 funds pursuant to Section 2032.

29 (b) In order to receive an allocation or apportionment pursuant  
30 to Section 2032, the city or county shall annually expend from its  
31 general fund for street, road, and highway purposes an amount  
32 not less than the annual average of its expenditures from its general  
33 fund during the 2009–10, 2010–11, and 2011–12 fiscal years, as  
34 reported to the Controller pursuant to Section 2151. For purposes  
35 of this subdivision, in calculating a city’s or county’s annual  
36 general fund expenditures and its average general fund  
37 expenditures for the 2009–10, 2010–11, and 2011–12 fiscal years,  
38 any unrestricted funds that the city or county may expend at its  
39 discretion, including vehicle in-lieu tax revenues and revenues  
40 from fines and forfeitures, expended for street, road, and highway

1 *purposes shall be considered expenditures from the general fund.*  
2 *One-time allocations that have been expended for street and*  
3 *highway purposes, but which may not be available on an ongoing*  
4 *basis, including revenue provided under the Teeter Plan Bond*  
5 *Law of 1994 (Chapter 6.6 (commencing with Section 54773) of*  
6 *Part 1 of Division 2 of Title 5 of the Government Code), may not*  
7 *be considered when calculating a city's or county's annual general*  
8 *fund expenditures.*

9 *(c) For any city incorporated after July 1, 2009, the Controller*  
10 *shall calculate an annual average of expenditure for the period*  
11 *between July 1, 2009, and December 31, 2015, inclusive, that the*  
12 *city was incorporated.*

13 *(d) For purposes of subdivision (b), the Controller may request*  
14 *fiscal data from cities and counties in addition to data provided*  
15 *pursuant to Section 2151, for the 2009–10, 2010–11, and 2011–12*  
16 *fiscal years. Each city and county shall furnish the data to the*  
17 *Controller not later than 120 days after receiving the request. The*  
18 *Controller may withhold payment to cities and counties that do*  
19 *not comply with the request for information or that provide*  
20 *incomplete data.*

21 *(e) The Controller may perform audits to ensure compliance*  
22 *with subdivision (b) when deemed necessary. Any city or county*  
23 *that has not complied with subdivision (b) shall reimburse the*  
24 *state for the funds it received during that fiscal year. Any funds*  
25 *withheld or returned as a result of a failure to comply with*  
26 *subdivision (b) shall be reapportioned to the other counties and*  
27 *cities whose expenditures are in compliance.*

28 *(f) If a city or county fails to comply with the requirements of*  
29 *subdivision (b) in a particular fiscal year, the city or county may*  
30 *expend during that fiscal year and the following fiscal year a total*  
31 *amount that is not less than the total amount required to be*  
32 *expended for those fiscal years for purposes of complying with*  
33 *subdivision (b).*

34 *SEC. 9. Section 2103.1 is added to the Streets and Highways*  
35 *Code, to read:*

36 *2103.1. Notwithstanding subdivision (b) of Section 2103, the*  
37 *portion of the revenues in the Highway Users Tax Account*  
38 *attributable to the increase in the tax rate on motor vehicle fuel*  
39 *by ten cents (\$0.10) per gallon pursuant to subdivision (a) of*  
40 *Section 7360 of the Revenue and Taxation Code and the increase*

1 *in the tax rate by twelve cents (\$0.12) per gallon on diesel fuel*  
2 *pursuant to subdivision (c) of Section 60050 of the Revenue and*  
3 *Taxation Code, as amended by the act adding this section, shall*  
4 *be deposited in the Road Maintenance and Rehabilitation Account*  
5 *created pursuant to Section 2031, except that the portion of the*  
6 *revenues attributable to two cents (\$0.02) of the increase in the*  
7 *tax rate on diesel fuel shall be deposited in the Trade Corridors*  
8 *Improvement Fund for expenditure pursuant to Section 2192.*

9 *SEC. 10. Section 9250.3 is added to the Vehicle Code, to read:*

10 *9250.3. (a) In addition to any other fees specified in this code*  
11 *or the Revenue and Taxation Code, a registration fee of thirty-five*  
12 *dollars (\$35) shall be paid to the department for registration or*  
13 *renewal of registration of every vehicle subject to registration*  
14 *under this code, except those vehicles that are expressly exempted*  
15 *under this code from payment of registration fees.*

16 *(b) (1) For any year in which the Road Maintenance and*  
17 *Rehabilitation Program is authorized pursuant to subdivision (b)*  
18 *of Section 2030 of the Streets and Highways Code, revenues from*  
19 *the fee shall be deposited in the Road Maintenance and*  
20 *Rehabilitation Account created pursuant to Section 2031 of the*  
21 *Streets and Highways Code.*

22 *(2) For any year in which the Legislature does not reauthorize*  
23 *the Road Maintenance and Rehabilitation Program, this section*  
24 *shall be inoperative.*

25 *SEC. 11. Section 9250.6 is added to the Vehicle Code, to read:*

26 *9250.6. (a) In addition to any other fees specified in this code*  
27 *or in the Revenue and Taxation Code, a registration fee of one*  
28 *hundred dollars (\$100) shall be paid to the department for*  
29 *registration or renewal of registration of every zero-emission*  
30 *motor vehicle subject to registration under this code, except those*  
31 *motor vehicles that are expressly exempted under this code from*  
32 *payment of registration fees.*

33 *(b) (1) For any year in which the Road Maintenance and*  
34 *Rehabilitation Program is authorized pursuant to subdivision (b)*  
35 *of Section 2030 of the Streets and Highways Code, revenues from*  
36 *the fee shall be deposited in the Road Maintenance and*  
37 *Rehabilitation Account created pursuant to Section 2031 of the*  
38 *Streets and Highways Code.*

39 *(2) For any year in which the Legislature does not reauthorize*  
40 *the Road Maintenance and Rehabilitation Program, revenues from*

1 *the fee shall be deposited in the State Highway Account to be used*  
2 *for purposes of maintaining the state highway system or the state*  
3 *highway operation and protection program.*

4 *(c) This section does not apply to a commercial motor vehicle*  
5 *subject to Section 9400.1.*

6 *(d) For purposes of this section, “zero-emission motor vehicle”*  
7 *means a motor vehicle as described in subdivisions (c) and (d) of*  
8 *Section 44258 of the Health and Safety Code, or any other motor*  
9 *vehicle that is able to operate on any fuel other than gasoline or*  
10 *diesel fuel.*

11 *SEC. 12. Section 9400.5 is added to the Vehicle Code, to read:*

12 *9400.5. (a) Notwithstanding Sections 9400.1, 9400.4, and*  
13 *42205 of this code, Sections 16773 and 16965 of the Government*  
14 *Code, Section 2103 of the Streets and Highways Code, or any*  
15 *other law, the amount of weight fee revenues otherwise to be*  
16 *transferred from the State Highway Account to the Transportation*  
17 *Debt Service Fund, the Transportation Bond Direct Payment*  
18 *Account, or any other fund or account for the purpose of payment*  
19 *of the debt service on transportation general obligation bonds, or*  
20 *for the purpose of being loaned to the General Fund, shall be*  
21 *reduced pursuant to the following schedule, with the applicable*  
22 *revenues thereby retained in the State Highway Account to be*  
23 *transferred to the Road Maintenance and Rehabilitation Account*  
24 *created pursuant to Section 2031 of the Streets and Highways*  
25 *Code:*

26 *(1) For the 2015–16 fiscal year, by 20 percent.*

27 *(2) For the 2016–17 fiscal year, by 40 percent.*

28 *(3) For the 2017–18 fiscal year, by 60 percent.*

29 *(4) For the 2018–19 fiscal year, by 80 percent.*

30 *(5) For the 2019–20 fiscal year and in each subsequent fiscal*  
31 *year thereafter, by 100 percent.*

32 *(b) For any year in which the Legislature does not reauthorize*  
33 *the Road Maintenance and Rehabilitation Program, pursuant to*  
34 *subdivision (b) of Section 2030 of the Streets and Highways Code,*  
35 *the revenues described in subdivision (a) shall be retained in the*  
36 *State Highway Account to be used for purposes of maintaining the*  
37 *state highway system or the state highway operation and protection*  
38 *program.*

39 *SEC. 13. This act is an urgency statute necessary for the*  
40 *immediate preservation of the public peace, health, or safety within*

1 *the meaning of Article IV of the Constitution and shall go into*  
2 *immediate effect. The facts constituting the necessity are:*  
3 *In order to provide additional funding for road maintenance*  
4 *and rehabilitation purposes as quickly as possible, it is necessary*  
5 *for this act to take effect immediately.*

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May 21, 2015

Senator Jim Beall  
Senate District 15  
State Capitol, Room 5066  
Sacramento, CA 95814

Dear Senator Beall:

The Council of San Benito County Governments supports SB 16, which would provide much needed funding to the state and local roadway system over a period of five years to address the overwhelming backlog of preservation and maintenance.

Our local streets and roads we all rely on are literally crumbling beneath our feet. The conditions are getting so bad that if California doesn't commit to prioritizing funding to fix them, we could be facing a catastrophe. Without this additional funding, 25% of local streets and roads will be in failed condition in a very short 10 years.

If regular maintenance is neglected, the costs of repairs increase exponentially. Senate Bill 16 would expressly address the backlog of maintenance needs, and is estimated to generate between \$2.8 and \$3.6 billion annually. In addition, five percent of the revenues would be set aside to incentivize counties currently without a local transportation funding measure to approve such a measure.

San Benito County's pavement condition is rated as failing in the most recent California Local Streets and Roads needs assessment. Our County and City roads are literally crumbling in some areas. We serve a number of commuters traveling to the Silicon Valley for work, needing reliable transportation networks. Our roads also support goods movement for a \$298 million agricultural industry.

We cannot stress enough the importance of acting on the transportation funding shortfall. Thank you for your leadership on this critical issue. For these reasons, the Council of San Benito County Governments supports SB 16 (Beall).

Sincerely,

Jerry Meunzer  
Chairperson



## Staff Report

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To: Council of San Benito County Governments  
 From: Mary Gilbert, Interim Executive Director Phone Number: (831) 637-7665 x.207  
 Date: May 21, 2015  
**Subject: Transportation Sales Tax Measure**

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### Recommendation:

**DISCUSS** Potential for Transportation Sales Tax Measure in the 2016 Election Cycle

### Summary:

COG Staff has been researching the potential for a transportation sales tax in San Benito County for the 2016 election cycle. This effort has been coordinated with the City of Hollister, City of San Juan Bautista, and the San Benito County Board of Supervisors regarding the potential for a special tax. The local jurisdictions may still be considering their own general sales tax initiative. The proposed election for the initiative would be June or November 2016.

### Financial Impact:

COG does not currently have a budget for administration of a sales tax initiative effort. Local, private funding would be needed for a campaign. A ½ cent sales tax could raise as much as \$120 million over twenty years, based on projections of taxable sales in the County. In addition, sales tax revenues may be used for leverage to obtain additional state funding for projects.

### Background:

The Council of Governments previously administered the Measure A Sales Tax, which was passed with a great majority in 1988. Measure A funds were used for several projects, including the San Benito Street Extension, Westside Boulevard Extension, Highway 156 Bypass, and Highway 25 Bypass.

### Staff Analysis:

COG's work plan for a sales tax measure began as a part of the Highway 25 work plan and concern for placing the Highway 25 4-Lane Widening project on the constrained list of project in COG's 2014 Regional Transportation Plan. It was determined that a new revenue source in addition to traditional state and local funding would be needed to finance a project the size of Highway 25. In addition, sales tax funding could fund local street and road repair needs and other projects across the County.

Currently, the City of Hollister and San Benito County have also been jointly discussing the potential for a countywide general sales tax of up to 1%. At the May 7, 2015 Intergovernmental Committee meeting the matter was discussed at length. There was consensus among the Intergovernmental Committee members to bring forward to their respective Boards and Councils a proposal to pursue the one percent tax increase countywide in the June 2016 election. This would still allow for COG to potentially look at a ½% tax in November, and election that will likely have a high voter turnout. More research would be needed to ensure that both taxes have great potential for success.

More information will be available at the May 21 COG Board meeting, following meetings of the Board of Supervisors and City Councils where the matter is scheduled for discussion.

Executive Director Review: \_\_\_\_\_

Counsel Review:       N/A



## Staff Report

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To: Council of San Benito County Governments  
 From: Mary Gilbert, Interim Executive Director Phone Number: (831) 637-7665 x.207  
 Date: May 21, 2015  
**Subject: Highway 25 Planning**

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### Recommendation:

**Receive** Update on COG Staff Work Plan for Highway 25 Development

### Summary:

At its April Board meeting, the Board of directors directed staff to seek consultant engineering services to identify alternative design scenarios for the Highway 25 4-Lane Widening. Staff is anticipating a contract for Board approval in June. Staff continues to implement the previously approved COG work program for the project.

### Financial Impact:

Staff is estimating the cost of services for the alternatives will be between \$150,000 and \$250,000 depending on the full scope of services provided, including project planning documents and preliminary design drawings. There is currently a balance of approximately \$433,000 in funding in the Highway 25 Safety Project account budget. Funding from this account balance will be used for the Highway 25 alternatives analysis.

### Background:

The Council of Governments has reaffirmed its commitment to Highway 25 on several occasions by way of resolutions. The Highway 25 Widening project has been on the list of projects in the Regional Transportation Plan for many years and is included in the most recently adopted 2014 Regional Transportation Plan. At its August meeting, the COG Board of Directors discussed the project extensively and directed staff to return with options for moving forward with long term planning for improvements to the corridor.

### Staff Analysis:

COG's work plan for the project includes tasks that are being approached concurrently. The tasks cover four major areas:

- Finalizing the Tier 1 Environmental Impact Statement
- Updating Financial Assumptions, including the Traffic Impact Mitigation Fee contributions to the project

- Public Involvement
- Regional & Local Coordination

Staff is completing ongoing work to complete the work plan objectives, including regular meetings with stakeholders and coordination with local and regional entities.

Caltrans updated staff on the project environmental document at a meeting on May 13. The document is moving forward on schedule. Staff is also working on the Traffic Impact Mitigation Fee program update, and held a meeting with the County/City/COG staff working group on May 11.

As directed at the April meeting, staff is developing an RFP for consultant services for an alternatives analysis for the project and anticipates contract award and project kickoff in June or July.

Executive Director Review: \_\_\_\_\_

Counsel Review:       N/A