PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION MEETING HELD ON
Tuesday, February 25, 2014

A Work Session of the Cochise County Board of Supervisors was held on Tuesday, February 25, 2014 at 11:00 a.m. in the Executive Conference Room, at 1415 Melody Lane, Building G, Bisbee, Arizona.

Present:	Ann English, Chairman; Richard R. Searle, Vice-Chairman; Patrick G. Call, Supervisor
Staff Present:	Michael J. Ortega, County Administrator; Jim Vlahovich, Deputy County Administrator; Britt W. Hanson, Chief Civil Deputy County Attorney; Karen Riggs, Highway & Floodplain Director; Gussie Motter, Deputy Clerk of the Board;

Chairman Ann English called the meeting to order at 11:05 a.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

INTRODUCTIONS

ITEMS FOR DISCUSSION

Community Development

1. Discussion and possible direction on the Fiscal Year 13/14 and 14/15 Highway Annual Work Plan, projects and opportunities for additional projects.

   County Administrator, Mr. Michael Ortega, reminded the Supervisors that last fiscal year the Highway Department received one million dollars from 1/2 cent sales tax to shore up their budget. Even with the money from 1/2 cent sales tax, the department had a shortfall that was covered by cash carry forward. The Highway budget assumes a $2 million cash carry forward for emergencies and catastrophic events. As using the cash carry forward to cover shortfalls is not a permanent solution, the department is faced with scaling back efforts or infusing more money into the budget, or most likely, a combination of the two. We expect a shortfall this year of about $730,000.

   We had planned to chip seal 137 miles of road this year but may have to reduce that by 20 miles in FY 14/15 and another 20 miles in FY 15/16, bringing our total road miles to 97 in the following years. We also expect the reduction of one full time employee per year through attrition in the road yard. That would take the number of frozen positions in the road yard to seven by FY 14/15. There was a question regarding the restoration of HURF funds. Mr. Ortega allowed that we expect some small amount of growth, indicating that only 1% per year had been built into the projected budgets.

   Ms. Karen Riggs, Highway Department Director, presented the draft plan of work for FY 14/15. They intend to do maintenance chip seal with pavement patches on 58.49 miles of road and reshape 12.93 miles of dirt road. Tentative projects include the Ramsey Canyon Road multi-use path, and .5 miles on Ft. Grant Road. No improvement projects or dirt to chip seal projects or plastic seal projects are planned. Mr. Ortega added that to keep the system in tact, the county should be chip sealing 180 miles per year and we are doing half of that amount. He warned that road deterioration will be accelerated and some currently chip sealed roads may be turned back into dirt roads.

Vice-Chairman Searle wondered if we were able to get another million dollars in HURF funds, how would the funds be spent? Mr. Ortega pointed out that we would have to hire more crew (an ongoing cost) and spend the rest in materials (a fluctuating cost). Mr. Ron Ellis, Highway Operations Manager, indicated that an extra half million dollars would allow the County to start on Fort Grant Road. Vice-Chairman Searle indicated that Euro Fresh is interested in partnering with the County to upgrade Fort Grant Road. They do not have any money to give to the project but they may have some clout at the state level that could lead to increased HURF funds. There was general discussion regarding which roads were most in need of repair.

Mr. Ortega explained that the budget has been build with the assumption that the $1 million from the 1/2 cent sales tax will continue. Equipment replacement has been taken out of the budget for the time being. We own our equipment and are not leasing right now. Perhaps the $2 million for a catastrophic event is no longer needed. This can be evaluated in six months. Vice-Chairman Searle asked why Highways needed their own reserve when the County has other money in reserve. Mr. Ortega noted that the biggest budget issue is the sustainability in revenue from the State. Should more state money become available, perhaps the County should scale back on intergovernmental agreement work and switch focus to County projects.

Supervisor Call questioned the wisdom of drawing down the cash carry forward as there is no good reason to hope that the County will have HURF money restored. He cautioned that the County needs to make plans to live with the situation we have today. He likened the idea of drawing down the cash carry forward as robbing Peter to pay Paul. He also cautioned that people in the County need to realize that the County cannot afford to do today what it did yesterday. Citizens need to pressure their state representatives for the return of HURF funds as there is no way the county can keep up.

Chairman English added that the blame needs to go back to the state where it belongs. People need to realize that we all want better roads and the roads must be taken care of. We need a revenue source to sustain our roads.

All agreed that the County has fallen behind where it was 14 years ago. Doing more with less has stretched the County very thin.

Chairman English adjourned the meeting at 11:49 a.m.

APPROVED:

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Ann English, Chairman

ATTEST:

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Gussie Motter, Deputy Clerk of the Board