Minutes For May 25, 2004

The Solano County Board of Supervisors met in regular session on this day at 8:30 a.m. Chairman Silva called the meeting to order. Present were Supervisors Forney via teleconference, Kromm, Vasquez via teleconference, and Chairman Silva; Supervisor Kondylis arrived at 8:35 a.m.

CLOSED SESSION: The Board moved into Closed Session at 8:31 a.m. to discuss Potential Litigation: two (2) cases; Public Employment: Public Defender/Conflict Public Defender. The Board moved out of Closed Session at 9:13 a.m.

The Solano County Board of Supervisors reconvened on this day at 9:19 a.m. with the Pledge of Allegiance and a moment of silence.

PRESENTATIONS

7A. RESOLUTION NO. 2004-102 RECOGNIZING THE WEEK OF MAY 23, 2004 AS VANDEN ACADEMIC DECATHLON TEAM WEEK IN SOLANO COUNTY, ADOPTED

On motion of Supervisor Kromm and seconded by Supervisor Kondylis, the Board acted to adopt Resolution No. 2004-102. So ordered by a vote of 5-0. (see Resolution Book)
On behalf of the Board, Supervisor Kromm presented the Resolution to Vanden Academic Decathlon Coach David Kenyon and one to each of the team members.
Mr. Kenyon thanked the Board, the schools, the School District, and family members for all their contributions and support.
Sarah Lynn Mindenhall, team member, encouraged others to join and discussed the benefits of being a member of this team.
Chris Hilton, team member, noted how memorable his participation has been, and what a great program this is.

7B. PROCLAMATION RECOGNIZING MAY 2004 AS MOTORCYCLE AWARENESS MONTH, APPROVED

On motion of Supervisor Kondylis and seconded by Chairman Silva, the Board acted to adopt the proclamation. So ordered by a vote of 5-0.
On behalf of the Board, Supervisor Kondylis presented the proclamation to Jean Hughes.
Ms. Hughes discussed the importance of public awareness of motorcyclists by motorists.

7C. 2003 CROP REPORT PRESENTED BY AGRICULTURAL COMMISSIONER SUSAN COHEN

Agricultural Commissioner Susan Cohen briefly reviewed the 2003 Crop Report for Solano County highlighting the differences of this report over previous years, with nursery stock continuing as the number 1 commodity in the County, and the continuing strength of agriculture even with the challenges facing farmers.
Several supervisors commended Ms. Cohen on the new brochure, and there was a brief discussion on weed management in the County.

ITEMS FROM THE FLOOR

APPEARANCE BY ELAINE RAIRDEN, SOLANO PARTNERSHIP AGAINST VIOLENCE (SPAV)

Elaine Rairden, Solano Partnership Against Violence, presented the SPAV 2003 Annual Report to the Board, incorporated herein by reference. Ms. Rairden briefly reviewed the highlights of the report.

APPROVAL OF AGENDA

On motion of Supervisor Kondylis and seconded by Chairman Silva, the Board acted to approve the submitted Agenda, incorporated herein by reference. So ordered by a vote of 5-0.

CONSENT CALENDAR

On motion of Supervisor Kondylis and seconded by Chairman Silva, the Board acted to approve the following Consent Calendar items by a vote of 5-0.

13. MINUTES OF THE BOARD OF SUPERVISORS MEETING OF APRIL 27, 2004; IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY APRIL 27, 2004, as outlined in the Agenda Submittal from the Clerk of the Board dated May 25, 2004, incorporated herein by reference, approved.

14. RESOLUTION NO. 2004-103 ESTABLISHING COUNTYWIDE APPROPRIATION LIMITS FOR FY2004-05, adopted. (see Resolution Book)

15A. ORDINANCE NO. 1644 REPEALING SECTIONS 11-110.1 THROUGH 11-116 AND ADDING SECTIONS 11-110.1 THROUGH 11-111 OF CHAPTER 11: AMENDING SECTION 4-22 OF CHAPTER 4; REPEALING SECTIONS 6.3-15 AND 6.3-16 AND ADDING SECTION 6.3-15 OF CHAPTER 6.3; REPEALING SECTION 6.5-19 AND ADDING SECTION 6.5-19 OF CHAPTER 6.5; REPEALING SECTION 19-25, SUBD.(A), ADDING SECTION 19-25, SUBD. (A) AND REPEALING ARTICLE IV AND SECTION 19-50 OF CHAPTER 19, RELATING TO SERVICE FEES FOR COUNTY DEPARTMENTS AND OFFICES, adopted. (see Ordinance Book)

15B. FOUR-YEAR AGREEMENT BETWEEN FIRST 5 SOLANO CHILDREN AND FAMILIES COMMISSION AND FAIRFIELD/SUISUN UNIFIED SCHOOL DISTRICT FOR ANNA KYLE ELEMENTARY SCHOOL READINESS SERVICES, as outlined in the Agenda Submittal from County Administrator's Office dated May 25, 2004, incorporated herein by reference, approved and Chairman authorized to sign said contract on behalf of Solano County.

16A. LEASE AGREEMENT WITH YARBROUGH TRUST FOR HEALTH AND SOCIAL SERVICES DEPARTMENT WAREHOUSE SPACE, as outlined in the Agenda Submittal from General Services dated May 25, 2004, incorporated herein by reference, approved and Chairman authorized to sign said contract on behalf of Solano County, and the County Administrator authorized to sign any lease extensions.

16B. LEASE AGREEMENT WITH 88/12, A CALIFORNIA LIMITED PARTNERSHIP, TO PROVIDE OFFICE SPACE FOR THE DEPARTMENT OF CHILD SUPPORT SERVICES, as outlined in the Agenda Submittal from General Services dated May 25, 2004, incorporated herein by reference, approved and County Administrator to sign lease agreement and any amendments on behalf of Solano County.

17. SIDE LETTER AGREEMENT WITH SEIU, LOCAL 1280, RE ACCOUNT CLERK III AND ACCOUNTING TECHNICIAN CLASSIFICATIONS, as outlined in the Agenda Submittal from Human Resources dated May 25, 2004, incorporated herein by reference, approved.

18A. RESOLUTION NO. 2004-104 PROVIDING FOR THE BORROWING OF FUNDS IN THE NAME OF THE FAIRFIELD-SUISUN UNIFIED SCHOOL DISTRICT FOR FISCAL YEAR 2004-2005 AND THE ISSUANCE AND SALE OF 2004 TAX AND REVENUE ANTICIPATION NOTES THEREFOR, adopted. (see Resolution Book)

18B. RESOLUTION NO. 2004-105 AND ORDER AUTHORIZING THE ISSUANCE AND SALE OF FAIRFIELD-SUISUN UNIFIED SCHOOL DISTRICT, NAPA AND SOLANO COUNTIES, GENERAL OBLIGATION BONDS, ELECTION OF 2002, SERIES 2004; PRESCRIBING THE TERMS OF THE BONDS AND THEIR SALE; APPROVING FORMS OF INDENTURE AND BOND PURCHASE AGREEMENT; APPOINTING PAYING AGENT; AND AUTHORIZING EXECUTION OF NECESSARY CERTIFICATES, adopted. (see Resolution Book)

18C. BENICIA UNIFIED SCHOOL DISTRICT, DIXON UNIFIED SCHOOL DISTRICT, TRAVIS UNIFIED SCHOOL DISTRICT, AND VACAVILLE UNIFIED SCHOOL DISTRICT TO PARTICIPATE IN THE CALIFORNIA SCHOOLS CASH RESERVE PROGRAM AUTHORITY 2004 POOL BONDS FOR THE PURPOSE IF ISSUING 2004 TAX AND REVENUE ANTICIPATION NOTES (TRANS), as outlined in the Agenda Submittal from Treasurer/Tax Collector/County Clerk dated May 25, 2004, incorporated herein by reference, approved.

19. LETTER TO THE COUNTY MEDICAL SERVICES PROGRAM (CMSP) GOVERNING BOARD RE SUPPORTING THE PARTNERSHIP HEALTHPLAN OF CALIFORNIA TO BE SELECTED AS THE STATEWIDE HEALTH PLAN ADMINISTRATOR FOR ALL CMSP COUNTIES, as outlined in the Agenda Submittal from Health and Social Services dated May 25, 2004, incorporated herein by reference, approved and Chairman authorized to sign said letter on behalf of Solano County.

20A. RESOLUTION NO. 2004-106 AMENDING THE LIST OF NUMBERS AND CLASSIFICATIONS OF POSITIONS (DELETE 3.0 FTE SENIOR DEPUTY PROBATION OFFICER POSITIONS), adopted. (see Resolution Book)

20B. RESOLUTION NO. 2004-107 AUTHORIZING THE SUBMITTAL OF AN APPLICATION AND THE EXECUTION OF THE AGREEMENT RELATED TO THE CONSOLIDATED APPROPRIATIONS ACT OF 2004, adopted. (see Resolution Book)

RESOLUTION NO. 2004-108 AMENDING THE LIST OF NUMBERS AND CLASSIFICATIONS (DEPUTY PROBATION OFFICER -LIMITED TERM TO SEPTEMBER 30, 2005), adopted. (see Resolution Book)

21. RESOLUTION NO. 2004-109 AMENDING THE LIST OF NUMBERS AND CLASSIFICATIONS OF POSITIONS (DISTRICT ATTORNEY-LIMITED TERM), adopted. (see Resolution Book)

22. NOTICE OF COMPLETION RE NUT TREE AIRPORT UTILITY PROJECT, COMPLETED BY STEINY AND COMPANY, as outlined in the Agenda Submittal from Transportation Department dated May 25, 2004, incorporated herein by reference, approved and Chairman authorized to sign said notice on behalf of Solano County.

ORDERS

24. PENSION OBLIGATION BOND DOCUMENTS, BOND STRUCTURE, ESTABLISHMENT OF A PENSION FUNDING ADVISORY COMMITTEE; AND ESTABLISHMENT OF A PENSION FUNDING STABILIZATION FUND AND PARAMETERS, APPROVED

Assistant County Administrator Darby Hayes gave a brief introduction to the information contained in the Agenda Submittal from his department dated May 25, 2004, incorporated herein by reference, regarding a Pension Obligation Bond program. Mr. Hayes noted the documents will continue to change until signing and the report has the latest version available. Mr. Hayes discussed separating the liability for the Court employees and working with the Administrative Office of the Courts (AOC) for long-term repayment of that liability.

Chairman Silva posed questions of paying the costs for the Court employees; Mr. Hayes noted responsibilities of the County since the Court employees are still under the County retirement system, disputes on PERS regulations on responsibility of paying for the Court employees, responsibility for payment for Court employees prior to 2001 when they became State employees, and staff believes a long-term agreement with the AOC for repayment would be the best alternative.

Responding to a request by Supervisor Kondylis to outline a brief history of the situation, Mr. Hayes outlined a history of the PERS Program, investment losses, and the need to repay the unfunded accrued actuarial liability to PERS. PERS would charge 8 ¼% interest rate and the County will be able to borrow the money at a better rate.

Mr. Hayes discussed seeking ways to increase County revenues and/or decrease County liabilities, saving approximately $2 million annually with the Pension Obligation Bonds (POB), and with setting up the management mechanisms that may allow repayment of the bonds much faster than if we finance the payback through PERS, and noted how the next item on the Agenda is tied to that repayment plan.

Supervisor Vasquez briefly discussed the management plan of looking forward for a few years farther ahead than PERS to ensure we do not get into this type of situation again. Mr. Hayes noted the actuarial would be reviewed on an annual basis and out for about 5 years, and how this would stabilize the program over the long term.

Rob Larkins, Lehman Brothers, reviewed a presentation titled Pension Funding Recommendation dated May 25, 2004, incorporated herein by reference, beginning with the Overview of Plan of Finance.

There was a brief discussion regarding the reception by the bond market, and the upgrade by Standard and Pores from a single A three rating to AA minus rating.

Mr. Larkins continued with the Overview of Plan of Finance.

Supervisor Kromm posed questions regarding creating a Pension Funding Advisory Committee, the makeup of the Debt Advisory Committee, and recommended including some public citizen members that have an investment background, responding Treasurer/Tax Collector/County Clerk Charles Lomeli noted the Debt Advisory Committee currently is comprised of the County Administrator's Office, the Treasurer and the Auditor-Controller's Office. Mr. Lomeli feels the Pension Funding Advisory Committee could be tied with the County Oversight Committee, which does include two public members.

Mr. Larkins reviewed the last point for the Plan of Finance that is to create a Pension Funding Stabilization Fund within the Indenture, noted that within the Indenture the points could be written for a Pension Reserve Fund where any future surpluses could be captured and used to pay down the pension bonds early, to pay debt service or to smooth any short term spikes in the amount of employer contributions.

Responding to questions posed by Supervisor Kondylis regarding if a separate Pension Reserve Fund would have to be part of the General Reserve Fund, and voiced concern about the ability to set up a separate reserve fund, Mr. Larkins noted the proposal is for the pension Reserve Fund to be in the Bond Indenture and outlined how that would work.

Responding to concerns expressed by Supervisor Kondylis regarding not binding future Boards of Supervisors, and if there are ways to ensure these funds are spent for the pension obligation, responding Peter Miller, Public Financial Management, noted the money will be held by the bank trustee and identified that it can only be spent for these specific reasons only. Supervisor Vasquez noted the intent is to get the County out of debt with PERS and to have an account where funds can be set aside to anticipate any future glitches in the system. It is important that we pass this along as policy so future Boards are aware that this is not free money to be used just anywhere, it is to address pension issues with PERS. The Pension Funding Advisory Board will need to ensure the funds are being used as intended.

Mr. Larkins noted that the Pension Obligation Stabilization Funds would be held by the Indenture Trustee, and noted the points for the recommended policies as listed on page 5 of the presentation, noting ways to set the policy and institutionalize it.

Supervisor Kromm discussed the use of an Indenture document that will do 80% of what the Board wants, and he would like to review the document when it is ready. Supervisor Kromm discussed the building of reserves over the last six years; the need to create a committee with some public ownership to help ensure the Indenture reserve process is maintained.

Mr. Larkins continued the presentation with Issue $60 million Auction Rate Securities and Bank Savings, Overview of Plan of Finance, the Anticipated Budget Benefits of POB's, noted the importance of the upgrade by Standard and Poors, the aggressive response that has been received, and that the financing should be completed by mid June.

Supervisor Forney feels the language needs to be very clear for future Boards to understand the intention of how the funds are to be spent and what they are to be used for.

Responding to comments by Mr. Hayes regarding the availability of the Indenture document, a short discussion followed regarding review of the final document, and Chairman Silva noted consensus for Supervisor Kromm to review the document on behalf of the Board.

There was a short discussion regarding including public members on the Pension Funding Advisory Committee, and to require the public members have a financial background.

On motion of Supervisor Vasquez and seconded by Supervisor Kromm, the Board acted to approve all Pension Obligation Bond documents, bond structure, the establishment of a Pension Funding Advisory Committee that is to include the two public members from the Debt Advisory Committee; and the establishment of a Pension Funding Stabilization Fund and parameters for the use of the fund. So ordered by a vote of 5-0.

25. RESOLUTION NO. 2004-110 AUTHORIZING AND APPROVING THE BORROWING OF FUNDS FOR FISCAL YEAR 2004-2005; THE ISSUANCE AND SALE OF A 2004-2005 TAX AND REVENUE ANTICIPATION NOTE THEREFOR AND PARTICIPATION IN THE CALIFORNIA COMMUNITIES CASH FLOW FINANCING PROGRAM, ADOPTED

The Board was provided with an Agenda Submittal from the Treasurer/Tax Collector/County Clerk dated May 25, 2004, incorporated herein by reference, regarding the issuance of up to $25 million for Fiscal Year 2004/2005 Taxable Tax and Revenue Anticipation Notes.

Responding to questions posed by Supervisor Forney regarding where the savings of approximately $400,000 will go, Assistant County Administrator Darby Hayes noted the savings would go into the General Fund.

On motion of Supervisor Kondylis and seconded by Chairman Silva, the Board acted to adopt Resolution No. 2004-110 authorizing and providing for the issuance of up to $25 million for F/Y 2004/2005 Taxable Tax and Revenue Anticipation Notes, and to authorize the County Administrator to execute the necessary documents. So ordered by a vote of 4-0; Supervisor Vasquez excused.

26. ORDINANCE REGARDING TRANSFERRING THE RESPONSIBILITY OF ISSUING BUSINESS LICENSES TO THE DEPARTMENT OF RESOURCES MANAGEMENT ADOPTED ON FIRST READING; SECOND READING SET FOR JUNE 8, 2004

On motion of Supervisor Kondylis and seconded by Supervisor Kromm, the Board directed that the proposed ordinance be read by title only. So ordered by a vote of 4-0; Supervisor Vasquez excused.
The Board was provided with an Agenda Submittal from County Counsel dated May 25, 2004, incorporated herein by reference, outlining the changes in the responsibilities of issuing business licenses to the Department of Resources Management and further clarifying the business license regulations.
Donald Tipton, Vallejo, noted support for the changes, but feels there needs to be more input from the residents that are concerned about improving the area, and questioned who do residents call with complaints and if those complaints would be confidential.
Responding to these questions Deputy County Counsel Kim Alexander noted complaints regarding business licenses will now go to the Department of Resources Management and a complaint regarding a massage parlor permit would go to the Sheriff's Office, and discussed the requirements under the Public Records Act and how the complainants name would be redacted from the document.
On motion of Supervisor Kondylis and seconded by Supervisor Kromm, the Board acted to adopted the proposed Ordinance. So ordered by a vote of 4-0; Supervisor Vasquez excused.

27. ORDINANCE NO. 1645 AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE SOLANO COUNTY BOARD OF SUPERVISORS AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO PROVIDE 3% @ 50 FOR DEPUTY SHERIFFS, ADOPTED

On motion of Supervisor Kondylis and seconded by Supervisor Forney, the Board acted to waive reading of the proposed ordinance. So ordered by a vote of 4-0; Supervisor Vasquez excused.
The Board was provided with an Agenda Submittal from Human Resources dated May 25, 2004, incorporated herein by reference, regarding providing the enhanced retirement benefit of 3% at 50 for deputy sheriffs.
On motion of Supervisor Kondylis and seconded by Chairman Silva, the Board acted to adopt Ordinance No. 1645. So ordered by a vote of 3-1; Supervisor Kromm voted no and Supervisor Vasquez was excused.

28. COUNTY TO CONTRACT WITH ELECTION SYSTEMS AND SOFTWARE (ES&S) FOR A REPLACEMENT VOTING SYSTEM

Chief Information Officer/Registrar of Voters Ira Rosenthal reviewed the information contained in the Agenda Submittal from his department dated May 25, 2004, incorporated herein by reference, regarding voting system options. Mr. Rosenthal feels the Sequoia hardware and software are superior.
Responding to questions posed by Supervisor Kromm regarding Proposition 41 funds, what funds had been expended, vendor options, and ADA compliance, Mr. Rosenthal noted the County has not received any Prop 41 funds, the County has received 935,000 from the Federal Help America Vote Act Funds, the funds are to be used to get the County off the punch cards and on to something else, and that no checks have be issued to anyone for equipment. Mr. Rosenthal reviewed the options proposed by Diebold, discussed the HAVA deadline requirements for January 2006 and that it may become an issue that some Touchscreen units be available to meet ADA requirements.
Assistant County Counsel Wendy Getty noted pending litigation relative to meeting the HAVA and ADA requirements.
There was a brief discussion regarding scheduled elections, and critical requirement dates for the 2006 elections.
Responding to questions posed by Supervisor Kromm regarding the recommendation to go with Sequoia if the County does not continue with Diebold, costs, and the use of the Prop 41 funds, Mr. Rosenthal noted Sequoia uses current hardware where ES&S uses an older generation hardware, and further described the advantages and disadvantages of both. The Sequoia cost of $550,000 is for

central count scanning only, and noted precinct scanning should meet the HABA requirements and will give voters feedback on their ballot. If the County chooses to scan at the precinct level the costs would go to the $1 to $2 million level, and add the Touchscreen units for ADA compliance the cost will be approximate $2.3 to $3.2 million. The level of service will determine the cost. The County needs to determine the level of service so we can submit a consolidated plan to get reimbursed with the Prop 41 funds.
Responding to questions posed by Supervisor Kondylis regarding punch cards, Charlene Ping, County Administrator's Office discussed the decertification of the Vote-O-Matic Punch Card System and other counties using other punch card systems that are still legal to use.
Responding to questions posed by Supervisor Kondylis regarding consolidation of local elections to the even number years, a brief discussion occurred about consolidating of elections, and also responding County Counsel Dennis Bunting discussed the limitations of the number of items that could be on a ballot when the County was using the punch card system.
Donald Tipton, Vallejo, voiced concern that there were not demonstrations of the other vendors products when Diebold was selected, small problems that occurred with the Diebold equipment during the March election, feels Diebold's reputation is tainted, discussed the need for a simple low cost system, and voiced concern with vacant positions in the Registrar of Voters office.
Chairman Silva discussed comparisons on page five of the Agenda Submittal, and is unsure on the use of Touchscreen equipment in the next 2 to 3 years with the current problems.
Supervisor Kromm noted strong opposition to selection ES&S, and voiced concern for the added $1 million cost that we do not have to spend if the county would stay with Diebold, feels the key to any election is really good Registrar of Voters management staff, and noted the successful March election with the use of the Diebold equipment.
On motion of Chairman Silva and seconded by Supervisor Kondylis, the Board acted to move to not continue the contract between Diebold and the County and to direct County Counsel to take all actions necessary to resolve the present contractual relationship, including but not limited to terminating the contract. So ordered by a vote of 3-1; Supervisor Kromm voted no and Supervisor Vasquez was excused.

Supervisor Forney noted the fuller proposal by ES&S, feels the decision on the vendor should not be based on the hardware, and is comfortable with the ES&S system.
Supervisor Kromm noted the recommendation by staff for Sequoia as the backup option, and posed questions regarding the cost differences, responding Mr. Rosenthal noted the cost differences is in the amount of equipment being considered, and the cost will be determined on how the County wants to deploy that equipment and the equipment that will be used to need ADA requirements.
Supervisor Kromm noted the reasons for his support for Sequoia.
There was a brief discussion regarding the staff members that reviewed the software and hardware from Sequoia and ES&S.
Supervisor Kondylis feels more comparable information is needed, but noted the counties that are using ES&S have had no significant problems with the equipment and have gotten good customer support, the urgency to addresses the equipment problem, and the need to fill positions in the Registrar of Voters Office.
On motion of Chairman Silva and seconded by Supervisor Forney, the Board acted to direct staff to obtain an optical scanning system for the purpose of conducting elections; to select Elections Systems & Software as the vendor for such system; and to direct staff to take such necessary action to effectuate this direction, including negotiating contracts for final approval and execution by the County Administrator. So ordered by a vote of 3-1; Supervisor Kromm voted no, and Supervisor Vasquez excused.

APPOINTMENTS TO BOARDS AND COMMISSIONS

29. BARBARA KONDYLIS APPOINTED AS THE REPRESENTATIVE AND CHAIRMAN SILVA APPOINTED AS THE ALTERNATE TO THE ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG) EXECUTIVE BOARD

The Board was provided with an Agenda Submittal from the County Administrator's Office dated May 25, 2004, incorporated herein by reference, regarding the appointment of representatives to ABAG's Executive Board for the year beginning July 1, 2004 and ending June 30, 2006.
On motion of Chairman Silva and seconded by Supervisor Forney, the Board acted to appoint Barbara Kondylis as the Representative and Chairman Silva as the Alternate to the Association of

Bay Area Governments (ABAG) Executive Board. So ordered by a vote of 4-0; Supervisor Vasquez excused.

ADJOURN - This meeting of the Board of Supervisors adjourned in memory of Grady Marsh and Bert McLaughlin at 11:50 a.m.

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John F. Silva, Chair

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Maggie Jimenez
Clerk to the Board of Supervisors