



Agenda – Roads Working Group

May 11, 2010

9:30 AM

1. Call to Order
2. Approval of 4-13-10 Meeting Minutes
3. Primitive Road Statute Modifications Status
4. Discussion/Possible Action on Draft White Paper presented by Paul Hathaway
5. Delinquent Property Taxes – Potential Revenue Source for Roads
6. Public Comment
7. New Agenda Items
8. Adjournment

ITEM 2

MINUTES OF APRIL 13, 2010 – ROADS WORKING GROUP

Packets from the meeting of March 10, 2010 were given to Frank Vasquez and Mike Bader (absent)

Members present: Frank Vasquez, Paul Hathaway, Nancy Pottinger, Mike Bader, and Jake Brown

Scott Altherr called the meeting to order.

Minutes from March 10th were unanimously approved with a small change “identified an option” instead of suggest....

Nancy Pottinger asked Scott to reiterate the statute description of Primitive Roads

Original criteria is the road must have been opened before 1975.

New legislation (if approved) moves the date to 1985

The Primitive Roads have to be adopted by Resolution approved by the Board of Supervisors

Paul - What does MAG standards apply to?

New Subdivisions

New roads

Old roads?

Frank – What is the “relationship” (difference) if any between, McDot and MAG Standards

Scott briefly explained the - MAG (Maricopa Association of Governments) is the assemblage of Mcdot and all construction specifications and details.

Paul commented on last meeting packet and his draft of white paper

MAINTENANCE COSTS

Mike Bader – County should adopt more affordable new standards

External – Internal maintenance of 299 miles of dirt roads

Find criteria as to what could be outsourced

FUNDING MECHANISMS

Study funded by ADOT

Overview of all funding sources, local federal..

Recommend revenue approaches

1) Payment in Lieu of taxes

a. Department of Interior - \$1 million dollars last year zero for roads –

Scott checked with other county engineers and they are not getting any of this money either.

2) Forest Services is similar - \$767 thousand dollars a year , \$7,500 designated to roads
Coconino County is getting 50% Santa Cruz County is getting less than 10%

These two funding could be used for roads.

Santa Cruz County 3.4 million dollars road budget

Federal Revised Statute 2477 allows Counties to exert easements on roads that existed prior to existence of the National Forest designation. In many cases the roads in the east county were created prior to Statehood.

Game and Fish study says that hunting, fishing, and recreation brings \$16 million to SCC annually contending that reduced access to public lands by abandoning roads will reduce the revenue generated by this activity.

----- what about our maintenance standards - Are we over doing it?

DESIGN STANDARDS

Jake - How does the county disburse its general fund?

Scott – 75% Schools and fire districts

25% Recorders, Assessors, Treasurer, etc

The Public Works Department does not get any money from it

Nancy – Scott

In the past the standard practice was “ build your house on a road not maintained – the county will maintain the road.

In the last two years if there is a request to open new roads, the request is denied.

When mileage is added to a County’s maintenance system the state distributes that money via a formula. If Santa Cruz County gets more roads but Maricopa adds 10 times as many – than a very small apportionment will actually make it to Santa Cruz.

In Rio Rico there are drainage issues and no resources for fix them.

Frank Vasquez praised Casey Hughes work

OPEN GROUP DISCUSSION

Nancy - time to put things in place

The majority of people think that property taxes pay for the roads

Paul, Mike, Jake, We have to re-think the way we do business and think outside the box

The Committee has the ability to make a recommendation

Focus on efficiency - We should use what we have but more efficiently instead of outsourcing

Public Works and the Flood Department are in the black –

Could management take some of the money of the PW and Flood?
Yes..

Part of the property taxes should go to roads

Mike - in regards to Forest money to county - a bigger percentage than 7,500 should go to the Roads.

Jake – change of criteria of HURF - green vehicles are killing the funding especially for small counties like Santa Cruz County

County's land –

Land - Percentage of property taxes 92% paid and 8% not collected
Need to have dollars and cents of what these percentages mean,
Funding Mechanisms - anatomy of the property tax

Vatere lots and what to do with them?

Paul presented a “white paper” draft - it was agreed that WP draft needed to be looked at the next meeting in May.

Agenda items for next month

White paper

Property taxes – delinquent taxes

Vehicular taxes (less gas is used – green cars and their impact on HURF) (Frank)

Primitive Road Statute update

Need a real draft in May

ITEM 3

Arizona State Legislature

Bill Number Search: 

Forty-ninth Legislature - Second Regular Session

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House Engrossed
-----State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010
-----CHAPTER 192
-----HOUSE BILL 2422
-----**AN ACT****AMENDING SECTION 28-6706, ARIZONA REVISED STATUTES; RELATING TO PUBLIC ROADS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 28-6706, Arizona Revised Statutes, is amended to read:

28-6706. Primitive roads

A. The board of supervisors or the governing body of a city or town may designate a public road within its jurisdiction as a primitive road as prescribed in this section.

B. Neither a county, city or town nor its employees are liable for damages or injuries resulting from the use of a primitive road designated under this section except for intentional injuries or gross negligence caused by an employee acting within the scope of the employee's employment.

C. **EXCEPT AS PROVIDED IN SUBSECTION D**, the board of supervisors or the governing body of a city or town shall not designate a road as a primitive road unless it was opened before June 13, 1975 and was not constructed in accordance with county standards.**D. THE BOARD OF SUPERVISORS OR THE GOVERNING BODY OF A CITY OR TOWN MAY DESIGNATE A ROAD AS A PRIMITIVE ROAD IF ALL OF THE FOLLOWING APPLY:****1. THE ROAD WAS OPENED AFTER JUNE 13, 1975.****2. THE ROAD WAS ACCEPTED FOR MAINTENANCE BY THE BOARD OF SUPERVISORS OR THE GOVERNING BODY OF A CITY OR TOWN BEFORE JUNE 13, 1985.****3. THE ROAD WAS NOT CONSTRUCTED IN ACCORDANCE WITH COUNTY STANDARDS.**~~B~~ E. The county, city or town shall place signs on every road designated as a primitive road in locations adequate to warn the public. These signs shall state "Primitive road, caution, use at your own risk. This surface is not regularly maintained."~~E~~ F. A board of supervisors or the governing body of a city or town shall not designate a state or county highway as a primitive road.

APPROVED BY THE GOVERNOR APRIL 28, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 28, 2010.

ITEM 4

WHITE PAPER (draft – 12 Apr 10)

SUBJECT: Santa Cruz County Road Committee Report

STATEMENT OF THE PROBLEM:

Santa Cruz County Board of Supervisors appointed a committee to recommend improvements in dealing with county road maintenance and funding.

BACKGROUND:

1. Issues arose at SCCBOS meetings in the ___January 2010 regarding county road maintenance and costs. The initial focus was those unimproved dirt roads in Rio Rico undeveloped subdivisions which alone could consume much of the current county road maintenance budget and resources. To help analyze the situation, the SCCBOS appointed a committee to analyze and recommend county road maintenance and funding options which could be considered for the county.
2. The committee members were: Bill Cox, committee chairman; Jake Brown, member; Dr. Simon Escalada, member; Nancy Pottinger, member; Victor Fontes, member; Mike Bader, member; Lyle Miller, member; Frank. Vasquez, member; Paul Hathaway, member; and county representatives: Scott J. Altherr , SCC Public Works Director; ~~NORMA DORTCH~~ Public Works. Monthly committee meetings were held from February to July 2010.

APPROACH TO THE TASK:

1. Define the task.

The approach taken by the committee was to collect the information contained in Appendix A which shows all the county maintained roads in Santa Cruz and their classification; the standards to which they are to maintained; the current county budget assigned to the task; the cost per mile as currently being maintained; the cost per mile to bring the roads up to the current MAG standards; the cost per mile to maintain the roads to the MAG standards; and to do the same to a new and less stringent standard.

2. Define the related issues.

Appendix B contains issues the committee considered being relevant to the task. These were considered when solution options were prepared.

3. Define the costs and funding considerations.

Appendix C provides the costs and budget funding considerations related to each solution option.

4. Analyze the data and prepare solution options.

Appendix D provides this analysis. Also it discusses the pros and cons of each option so that the decision maker can properly consider the factors and merits of each option.

CONCLUSIONS:

Four solution options were prepared by the committee for consideration. They are identified in detail in Appendix D. They are also briefly summarized below.

Option #1: Status Quo : Pro/Con

Option #2: Contract Out: Pro/Con

Option#3:

Option #4:

RECOMMENDATIONS:

The committee recommends solution Option #3. Also the committee recommends that the SCCBOS considers the following points when reviewing this option:

- 1.
- 2.
- 3.

APPENDIXES:

APPENDIX A: SCC ROAD INFORMATION

APPENDIX B: ISSUES

APPENDIX C: COST & BUDGET INFORMATION

APPENDIX D: DATA ANALYSIS & SOLUTION OPTIONS

POWER POINT PRESENTATION

APPENDIX A: SANTA CRUZ COUNTY ROAD INFORMATION

1. Santa Cruz County Road System Map(s)
2. Santa Cruz County Road System Classifications and Standards
3. Santa Cruz County Road System Budget
4. Estimated percent to standards SCC road system is currently being maintained.
5. Spreadsheet on yearly maintenance cost per mile on SCC road system.
 - a. Primitive roads
 - b. County maintained dirt roads
 - c. County paved roads
6. Spreadsheet on costs to bring SCC Road System up to MAG Standards
 - a. Primitive roads
 - b. County maintained dirt roads
 - c. County paved roads
7. Spreadsheet on costs to maintain SCC Road System to MAG Standards
 - a. Primitive roads
 - b. County maintained dirt roads
 - c. County paved roads
8. Spreadsheet on costs to bring SCC Road System up to new (different) standard.
 - a. Primitive roads
 - b. County maintained dirt roads
 - c. County paved roads
9. Data showing how SCC relates to other Arizona counties regarding road construction, improvement and maintenance.
10. (Others?)
- 11.
- 12.

Note: Spreadsheets should be designed so that they can also be used to evaluate bids to contract-out portions of the county road improvement or maintenance operations.

APPENDIX B: ISSUES

1. Rio Rico undeveloped subdivisions road maintenance.

Many miles of Rio Rico undeveloped subdivision roads exist which if maintained to the county standard, would consume a major portion of the county's road improvement and maintenance budget. Additionally, not having them properly maintained to the current roads standards presents a liability to the county.

Committee Consensus:

It is not fair for property owners to pay county property taxes for years and have the county abandon the roads and totally drop maintenance to their access roads. A preferred solution is to reclassify the road to a primitive or Class C dirt road and provide periodic minimum maintenance of the roads. When improvements are made to the lots, then an associated improvement district and fees could be considered for road improvement and maintenance whereby the property owners help pick up road costs. A related problem is the legal liability problem. The county should consider adopting a standard whereby primitive roads can be designated and appropriately maintain and not subject itself to capricious litigation actions.

2. Subdivision costs.

The county must take care not to quickly assume long term new sub-division road and infrastructure costs.

Committee Consensus: Concur.

3. County Road Standards

4. Road Liability Issues

APPENDIX C: COST & BUDGET INFORMATION

APPENDIX D: DATA ANALYSIS & SOLUTION OPTIONS

ITEM 5

MEMORANDUM

TO: Roads Working Group

FROM: Scott J. Altherr, P.E., CFM; Public Works Director

DATE: May 10, 2010

REFERENCE: Property Tax Collection

Pursuant to inquiry by the Roads Working Group we investigated the quantity of potentially lost revenue due to delinquent taxes. According to a conversation with Jennifer St. John, the County's property tax levy is about \$11.2 million and we will collect around \$10.2 million. This amounts to a \$1 million loss in revenue each year.

Request for information on Vatore, LLC and their total amount of delinquency was not ready by the time this memo was written – yet research shows that in the fall of 2007 they owed \$4 million in back taxes to Santa Cruz County.