

**Rural County Representatives of California
Board of Directors Meeting
Thursday, April 27, 2017 – 9:00 a.m.
Carlino’s Event Center at Rolling Hills
2655 Everett Freeman Way
Corning, CA 96021**

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor Bob Williams, Tehama County, called the meeting to order at 9:04 a.m. A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
David Griffith	Alpine
Brian Oneto	Amador
Doug Teeter	Butte
Jack Garamendi Jr.	Calaveras
Kim Dolbow Vann	Colusa
Gerry Hemmingsen	Del Norte
Michael Ranalli	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
Tina Scott	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
Geri Byrne	Modoc
Stacy Corless	Mono
Diane Dillon	Napa
Dan Miller	Nevada
Anthony Botelho	San Benito
Lynn Compton	San Luis Obispo
Mary Rickert	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Bob Williams	Tehama
Kuyler Crocker	Tulare
Randy Hanvelt	Tuolumne
Duane Chamberlain	Yolo
Andy Vasquez	Yuba

Absent

Daron McDaniel	Merced
Jim Holmes	Placer
Kevin Goss	Plumas
Larry Munger	Sutter
John Fenley	Trinity

Others in Attendance

Arthur Wylene, Tehama County Counsel
Rick Gurrola, Tehama County Agricultural Commissioner
Connie Stewart, CCRP
Gladys Palpallatoc, CETF
Robert Bendorf, Renovate America / HERO Program
Robin Rau, Ygrene Energy Fund
Mark Marshall, Golden State Risk Management Authority
Amanda Sharp, Director, Tehama County Social Services, Senior Nutritional Program
Sharon Russell, PETS President
Ronnie Casey, PETS Vice President
Nellie Barber, PETS Secretary
Ed McDonough, PETS
Clarrissa Orgner, PETS Webmaster
Colleen Johnson, PETS
Willie Smith, Corning Christian Assistance
Karen Burnette, Corning Senior Center
Dot Emerson-Linnet, Corning Senior Center
Damon Safranek, Tribal COO
Andrew Alejandro, Tribal Chairman, Paskenta Band of Nomlaki Indians
Latisha Miller, Tribal Vice Chairwoman, Paskenta Band of Nomlaki Indians
Ambrosia Rico, Tribal Treasurer, Paskenta Band of Nomlaki Indians
Natasha Magana, Tribal Member at Large, Paskenta Band of Nomlaki Indians

Staff in Attendance

Greg Norton, President & CEO
Lisa McCargar, Chief Financial Officer
Paul A. Smith, Vice President Governmental Affairs
Justin Caporusso, Vice President External Affairs
Terrance Rodgers, Economic Development Officer
Mary-Ann Warmerdam, Senior Legislative Advocate
Tracy Rhine, Legislative Advocate
Mary Pitto, Regulatory Affairs Advocate
Staci Heaton, Regulatory Affairs Advocate
Sarah Bolnik, Board Relations & Business Development
Santinia Pasquini, External Affairs Coordinator

Pledge of Allegiance

Approval of Minutes – March 15, 2017

Chair, Bob Williams, Tehama County, called for approval of the minutes from the March 15, 2017 Board of Directors Meeting.

Supervisor Rex Bohn, Humboldt County, motioned to approve the minutes from the March 15, 2017 Board of Directors Meeting. Supervisor Andy Vasquez, Yuba County, seconded the motion. Motion passes unanimously.

Abstaining:

Supervisor Kim Dolbow Vann, Colusa County; Supervisor Michael Kelley, Imperial County; Supervisor Dan Miller, Nevada County; Supervisor Lynn Compton, San Luis Obispo County

Public Comments

Amanda Sharp, Executive Director of the Tehama County Community Action Agency, provided a brief description of the Senior Nutrition Program to the RCRC Board of Directors, and explained how this non-profit service is administrated.

Sharon Russell, President of Providing Essentials in Tehama Shelters (PETS), introduced the staff from PETS to the RCRC Board of Directors. Ms. Russell provided an overview of how PETS operates with very limited funding and resources.

Willie Smith, Corning Christian Assistance, provided the RCRC Board of Directors a brief history of the Corning Food Bank.

Karen Burnette and Dot Emerson-Linnet spoke to the RCRC Board of Directors on behalf of the Corning Senior Center.

RCRC Chair's Report

Supervisor Bob Williams, Tehama County, thanked the representatives from the various Tehama County charities for attending the RCRC Board of Directors meeting. Supervisor Williams announced that a representative from the Tehama Children's Reading Program was unable to attend the meeting this morning.

Member County Concerns and Issues

Randy Hanvelt, Tuolumne County, discussed the damage that occurred in Tuolumne County as a result of repetitive winter storms. Supervisor Hanvelt reported that a representative from the Federal government recently visited Tuolumne County to evaluate the damage to forest service lands.

Supervisor David Rogers, Madera County, discussed how Madera County is preparing for the snow melt flooding that is sure to occur in the coming months. Supervisor Rogers reported that the snowfall was over 200 percent of what it has been in previous years.

Supervisor Gerry Hemmingsen, Del Norte County, reported that over \$40 million in renovations have been made to the Del Norte Airport. The County is concerned about the potential loss of funding for the Federal Essential Air Service program as it is crucial to the local airport.

Supervisor Andy Vasquez, Yuba County, expressed concern with the lack of rural representation in the Capitol. Supervisor Vasquez suggested RCRC place important issues on their agenda for an upcoming meeting.

Supervisor Dan Miller, Nevada County, raised the issues behind Assembly Bill 199 (Chu) regarding prevailing wage, as well as H.R. 800 regarding rural financing for broadband deployment.

Supervisor Kevin Cann, Mariposa County, announced that due to injuries and deaths on the job, PG&E has voluntarily shut down their tree removal services for a short time. Supervisor Cann informed the Board of Directors that PG&E is responsible for the removal of more dead/dying trees than any other entity in the state, and having them out of operation for an extended time period would be bad for the tree mortality counties.

Supervisor Brian Oneto, Amador County, requested that RCRC take a position on the shut-down of PG&E tree removal services, in the hope of getting everything back up and running as soon as possible.

Supervisor Michael Kelley, Imperial County, raised the importance of fighting for a smaller, more sustainable Salton Sea, and the multi-year effort being undertaken by the Natural Resources Agency working with local governments from Riverside and Imperial Counties.

Supervisor Doug Teeter, Butte County, reported on the various budget issues facing Butte County.

President's Report

Greg Norton, President & CEO, informed the Board of Directors that Governor Brown recently announced the appointment of Supervisor Lee Adams, Sierra County, to the Commission on State Mandates. Mr. Norton congratulated Supervisor Adams on this appointment.

Mr. Norton also announced that Arthur Wylene, current Tehama County Counsel, will be joining the RCRC Governmental Affairs team beginning May 15, 2017. Mr. Wylene will serve as the Governmental Affairs Counsel.

Mr. Norton reported recent county visits to Colusa, Calaveras, Butte, Tuolumne, Nevada, and Alpine Counties. Upcoming visits are scheduled for Sutter and Mendocino Counties.

Mr. Norton also reported that Carolyn Holmes, Marketing Director, and Danh Nguyen, Program Associate, have been traveling across the state providing program trainings on the Golden State Finance Authority programs.

Mr. Norton announced the first RCRC Trade Forum set for June 7, 2017 in Tuolumne County. Staff have been working with Go-Biz as well as the Center for International Trade and Development. On a similar note, Mr. Norton was invited to participate as a member of the California Delegation of the 2017 Select USA Investment Summit. The Summit will bring together more than 2,500 attendees including senior executives, investors, and foreign dignitaries from over 70 international markets.

Updated RCRC 2017 Investment Policy – ACTION

Lisa McCargar, Chief Financial Officer, informed the RCRC Board of Directors that in light of recent organizational changes, the RCRC Investment Policy (Policy) needs updating. Ms. McCargar stated that the Policy was recently adopted by the RCRC Board in December 2016, and reminded the Board of the role of the Investment Committee who are listed by title in the Policy. The Investment Committee formerly consisted of the RCRC President, RCRC Executive Vice President, and the RCRC Chief Financial Officer. With the retirement of the Executive Vice President, the Policy requires amending to reflect the new three members. The proposed members of the Investment Committee are the RCRC President, Greg Norton, RCRC Vice President, Craig Ferguson, and RCRC Chief Financial Officer, Lisa McCargar.

Staff Recommendation

Staff recommends that the RCRC Board of Directors review, approve, and adopt the attached 2017 RCRC Investment Policy.

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the Updated RCRC 2017 Investment Policy. Supervisor David Griffith, Alpine County, seconded the motion. Motion passes unanimously.

In-Home Support Services MOE Update

Tracy Rhine, Legislative Advocate, provided a detailed update on the Governor's action to eliminate In-Home Support Services (IHSS) Maintenance of Effort (MOE) that is estimated to cost counties an additional \$623 million in the upcoming fiscal year. Conversations are occurring between the Department of Finance, representatives from the California State Association of Counties and select County Administrators on specific language to establish a new MOE in the 2017-18 State Budget. The Administration is aiming to release a revised IHSS MOE in the Governor's May Revision.

California Forest Watershed Alliance (CAFWA) Update

Justin Caporusso, Vice President External Affairs, and Staci Heaton, Regulatory Affairs Advocate, provided an update on the actions of the California Forest Watershed Alliance (CAFWA), of which RCRC is a Charter Member.

Mr. Caporusso reviewed activities taken by the CAFWA Communications Committee, which includes the production of new marketing materials as well as an updated website. The new materials will include messaging the destruction from the bark beetle as well as overall forest health maintenance information, in addition to the overall drought.

Ms. Heaton provided an update on the actions of the CAFWA State Working Group, which recently issued a letter urging the State to continue to allocate the Emergency Drought Response Funds to the California Department of Forestry and Fire Protection for tree mortality mitigation and other fire prevention activities, rather than shifting those funds elsewhere.

Water Issues Update

Mary-Ann Warmerdam, Senior Legislative Advocate, summarized the multi-year, multi-pronged water policy efforts currently being pursued by the State. Ms. Warmerdam stated that there are sure to be a host of water policy discussions in the coming months, relating to the Sustainable Groundwater Management Act (SGMA), the Bay-Delta Water Quality Plan, the California WaterFix, and the Water and Park Bonds. Ms. Warmerdam noted that despite near record rainfall this year, four of California's counties are still considered in a drought. The counties impacted are Tuolumne, Tulare, Fresno and Kings. This designation will allow these four counties to continue to access emergency funding for drought relief, particularly as it relates to maintenance of drinking water supplies and groundwater remediation efforts.

California Tree Mortality Task Force

Staci Heaton reported on the activities of the California Tree Mortality Task Force (Task Force), which meets monthly. Ms. Heaton noted that while the Governor recently declared the drought officially over, the Task Force is now exploring how to craft external messaging to both the public and elected officials to stress that the tree mortality emergency is still impacting the state in dramatic ways. Ms. Heaton noted that despite the work of the Task Force and the increased precipitation, it is still expected that the tree die-off will continue through 2017, all caused by years of dry conditions.

Assembly Bill 84 (Mullin)/Senate Bill 568 (Lara) – Presidential Primary Dates – ACTION

Paul A. Smith, Vice President Governmental Affairs, reported that Assembly Bill 84 (Mullin)/Senate Bill 568 (Lara), would permanently change the date for the Presidential Primary Election to the month of March. Mr. Smith offered pros and cons of these measures and discussed them with the Board of Directors. Mr. Smith stressed the primary concern in these proposals would continue to make those who lost a supervisorial race for re-election, would still remain an elected official and important decisions from March until early January (10 months).

Staff Recommendation

RCRC staff recommends the Board of Directors adopt an "Oppose" position for both AB 84 and SB 568.

Supervisor Dan Miller, Nevada County, motioned to approve adopt an “Oppose” position on Assembly Bill 84 and on Senate Bill 568. Supervisor Lee Adams, Sierra County, seconded the motion. Motion passes.

Senate Bill 691 (Lara) and Senate Constitutional Amendment 11 (Lara) – Partisan Local Offices – ACTION

Paul A. Smith reported that Senate Bill 691 (Lara) and Senate Constitutional Amendment 11 (Lara) would require candidates for a local office to disclose or decline to disclose their party affiliation. Mr. Smith informed the Board that SB 691 is no longer being pursued for the 2017 calendar year; however, it is likely to be resurrected in 2018. Mr. Smith explained that SCA 11 would propose to the voters a change pursuant to SB 691 and it could appear on the ballot as early as June 2018.

Staff Recommendation

RCRC staff is recommending that the Board of Directors adopt an “Oppose” position on both SB 691 and SCA 11. These measures would fundamentally change the tone of County Boards of Supervisors as it changes the designations of these offices from non-partisan to partisan.

Supervisor Kim Dolbow Vann, Colusa County, motioned to approve adopt an “Oppose” position on Senate Bill 691 and on SCA 11. Supervisor Stacy Corless, Mono County, seconded the motion. Motion passes.

Update on Senate Bill 1 (Beall) – Transportation Funding

Paul A. Smith provided an update on the recent enactment of Senate Bill 1 (Beall), which addresses funding for improving our state and local transportation needs. The RCRC Board of Directors formally supported Senate Bill 1, and shortly after the endorsement, an amendment was made to reflect an agreement with the Governor. Mr. Smith noted that the Governor’s agreement retained the language that was supported by the RCRC Board of Directors. Mr. Smith informed the Board that on April 6, 2017, SB 1 was signed into law providing over \$52 billion in new transportation revenues. Mr. Smith reviewed the areas addressed by SB 1, including: repayments of transportation loans, a \$0.12 gas tax increase, a \$0.20 diesel tax increase, a 4 percent diesel sales tax increase, a \$100 fee on zero emission vehicles, and an increase in the vehicle registration fee, based on the value of the vehicle.

Update on Beverage Container Recycling Program

Mary Pitto, Regulatory Affairs Advocate, provided an update on the reform of the California Beverage Container Recycling Program, also known as the “Bottle Bill.” The Bottle Bill has been operating in a structural deficit for quite some time. Ms. Pitto explained the payments to consumers, city/county programs, handling fees, curbside payments, and educational programs currently exceeds the beverage container deposits collected. The California Department of Resources Recycling and Recovery (CalRecycle) had anticipated that funds would become insufficient for the extra programs and would need to impose “proportionate reductions” beginning July 2017. However, in the most recent CalRecycle Quarterly Report on the status of the Beverage Container Recycling Fund, forecasted proportional reductions are now not expected

within the forecasted period, FY 2016-19, which has many stakeholders believing that Bottle Bill reform will not remain a priority in the budget process, and will instead be pursued in separate legislation. On that front, Senate Bill 168 (Wieckowski) is a lengthy, recently-amended Bottle Bill that proposes to significantly reform the current administration of the State operated deposit scheme into an Extended Producer Responsibility program. Staff finds it difficult to believe this bill will progress in the legislative process this year, but expects it to have a significant review in 2018.

In addition, due to the crippling decline in scrap values, the fifteen month lag time in calculating “processing payments,” and increases in the minimum wage, the low-volume centers cannot operate at a profit. Over the past year and a half approximately a fifth of all Bottle Bill recyclers have closed, with the greatest impact felt in rural counties. Staff will be working with other stakeholders in pursuing a “short-term fix” to encourage the reopening of recycling centers in rural areas.

State Legislation Update

Paul A. Smith reported on the following legislation:

- Assembly Bill 199 (Chu), regarding prevailing wage on certain housing projects. This bill currently awaits final consideration in the Assembly Appropriations Committee.
- Senate Bill 447 (Nielsen), which would allow for the creation of the multi-county assessment appeals board, secured passage in the State Senate and now awaits consideration in the Assembly. Mr. Smith thanked Supervisor Adams, Sierra County, and Supervisor Ron Hames, Alpine County, for testifying in support of SB 447, an RCRC-supported measure.
- Senate Bill 148 (Wiener), regarding cannabis-related cash payments. This RCRC-supported bill awaits final consideration in the Senate Appropriations Committee.
- Assembly Bill 653 (Ridley-Thomas), an RCRC-opposed bill which provides a property tax exemption for Native Americans Tribes that hold land in fee. This bill is slated for consideration in the Assembly Revenue & Taxation Committee on May 8, 2017.

Staci Heaton reported on the following legislation:

- Senate Bill 249 (Allen), regarding off-highway motor vehicle recreation. This RCRC-opposed bill would reauthorize and make numerous changes to the Off-Highway Vehicle Program, which could impact funding to local communities and assistance to local law enforcement agencies.
- Assembly Bill 1077 (O'Donnell), regarding off-highway vehicles. This is a companion bill to SB 249 which would extend the current program if the negotiating parties cannot come to agreement on SB 249.
- Assembly Bill 1066 (Aguiar-Curry), an RCRC-opposed bill, would require prevailing wage for any tree removal activities funded by State funds. This would apply broadly to projects funded from the State Responsibility Area, the California Forest Improvement Program, the Greenhouse Gas Reduction Fund or tree mortality grant funding programs.

Tracy Rhine reported on the following legislation:

- Senate Bill 435 (Dodd), regarding the Williamson Act and payments to local governments. This bill would amend the land conservation act, reducing the amount of subventions per acre paid to a city or a county.
- Assembly Bill 925 (Frazier) and Assembly Bill 1564 (Arambula), regarding the Williamson Act and farmland security zones. Both bills appear to be shells and works in progress.
- Assembly Bill 1665 (Eduardo Garcia), regarding Telecommunications and advanced services funding. This bill, also known as the Internet for All Act, approves funding for infrastructure projects for broadband access. RCRC does not currently have a position on this bill.
- Senate Bill 649 (Hueso), regarding wireless telecommunications facilities. This RCRC opposed bill is sponsored by Verizon and AT&T, and will require counties to lease public property at rates set in statute for small cell facilities.

Mary-Ann Warmerdam reported on the following legislation:

- Senate Bill 58 (McGuire), regarding State Payment in Lieu of Taxes. This RCRC supported bill is currently on the Suspense File. RCRC is the sponsor of the measure.
- Assembly Bill 975 (Freedman), regarding wild and scenic rivers. This measure awaits action in the Assembly 3rd reading file. RCRC opposes AB 975.

Federal Legislation

Paul A. Smith noted that Mr. Chris Marklund is no longer with the National Association of Counties, and has recently accepted a position with the House Natural Resources Committee.

Mr. Smith provided an update on RCRC lobbying efforts in Washington D.C.

Mr. Smith called attention to an upcoming event that RCRC, CSAC, and UCC will be hosting. The Counties Cannabis Summit will be held on July 19, 2017 in Sacramento. More information will be sent in the coming weeks.

Adjournment

Chair, Supervisor Bob Williams, adjourned the RCRC Board of Directors Meeting at 12:21 p.m.