

**Rural County Representatives of California
Board of Directors Meeting
Friday, September 29, 2019 – 8:30 a.m.
The Lake Tahoe Resort Hotel
Emerald/Nevada Room
4130 Lake Tahoe Blvd.
South Lake Tahoe, CA 96150**

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor Matt Kingsley, Inyo County, called the meeting to order at 8:27 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	Calaveras
John Loudon	Colusa
Gerry Hemmingsen	Del Norte
Lori Parlin	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
Bruno Sabatier	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
Daron McDaniel	Merced
Geri Byrne	Modoc
Stacy Corless	Mono
Chris Lopez	Monterey
Diane Dillon	Napa
Dan Miller	Nevada
Jim Holmes	Placer
Kevin Goss	Plumas
Peter Hernandez	San Benito
John Peschong	San Luis Obispo
Les Baugh	Shasta
Michael Kobseff	Siskiyou
James Gore	Sonoma
Bob Williams	Tehama
Jeremy Brown	Trinity

Kuyler Crocker	Tulare
Sherri Brennan	Tuolumne
Randy Fletcher	Yuba

Absent

Lee Adams	Sierra
Mat Conant	Sutter
Gary Sandy	Yolo

Others in Attendance

Supervisor Terry Woodrow, Alpine County
Supervisor Richard Forster, Amador County
Supervisor Chris Howard, Del Norte County
Supervisor Shiva Frentzen, El Dorado County
Supervisor Miles Menetrey, Mariposa County
Supervisor Lloyd Pareira, Merced County
Supervisor Dennis Garton, Tehama County
Supervisor Bobbi Chadwick, Trinity County
Supervisor Dennis Townsend, Tulare County
Supervisor Robert Poythress, Madera County
Malia Cohen, Board of Equalization, 2nd District
Fiona Ma, California State Treasurer's Office
Seth Doulton, California State Treasurer's Office
Connie Stewart, California Center for Rural Policy
Connie Conway, USDA Farm Service Agency
Kim Dolbow Vann, USDA Rural Development
Wendy Tyler, Colusa County
Jeffrey Thorsby, Nevada County
Ed Horton, Placer County Water Agency
Jean Hurst, Hurst Brooks Espinosa LLC
Elizabeth Espinosa, Hurst Brooks Espinosa LLC
Nick Cronenwett, California State Association of Counties
Jill Harris, Pacific Forest Trust
Russ Gould, Gould Group
Todd Murdoch, Zerto I.T. Resilience
Crystal Crawford, Ygrene Energy Fund
Emily Goodwin, Ygrene Energy Fund
Randy Hanvelt, Associated California Loggers
Mary Pitto, Pitto and Pitto Consulting

Staff in Attendance

Greg Norton, President and CEO
Craig Ferguson, Vice President
Lisa McCargar, Chief Financial Officer
Justin Caporusso, Vice President External Affairs
Paul A. Smith, Vice President Governmental Affairs

Mary-Ann Warmerdam, Senior Legislative Advocate
John Kennedy, Legislative Advocate
Staci Heaton, Senior Regulatory Affairs Advocate
Arthur Wylene, General Counsel
Barbara Hayes, Chief Economic Development Officer
Maggie Chui, Senior Governmental Affairs Coordinator
Leigh Kammerich, Regulatory Affairs Specialist
Layne Frederickson, IT Director
Elizabeth Jensen, Assistant Controller

Pledge of Allegiance

Approval of Minutes – August 14, 2019

Chair, Supervisor Matt Kingsley, called for approval of the minutes from the August 14, 2019 Board of Directors Meeting.

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the minutes from the August 14, 2019 Board of Directors Meeting. Supervisor Dan Miller, Nevada County, seconded the motion. Motion passed with all Supervisors present voting “Aye,” except as follows:

Abstaining: Supervisor Michael Kelley, Imperial County; Supervisor Bruno Sabatier, Lake County; Supervisor Carre Brown, Mendocino County; Supervisor Kevin Goss, Plumas County; Supervisor Peter Hernandez, San Benito County

RCRC Chair’s Report

Chair, Matt Kingsley, welcomed all of the supervisors to the RCRC Board of Directors Meeting, and thanked them for attending the 2019 Annual Meeting. Supervisor Kingsley also thanked RCRC staff for their work on the 2019 Annual Meeting.

Member County Concerns and Issues

Supervisor Lori Parlin, El Dorado County, shared that El Dorado County recently approved its 2019-20 Budget, and expressed her concern with the rising cost of the California Public Employees' Retirement System (CalPERS).

Supervisor David Griffith, Alpine County, thanked RCRC staff for their continued assistance on the Hope Valley’s Lands Pass Program. Supervisor Griffith cautioned fellow supervisors of the California Department of Fish and Wildlife’s intention to implement the Lands Pass Program throughout the state.

Supervisor Gerry Hemmingsen, Del Norte County, thanked Supervisor Rex Bohn, Humboldt County, for his help on the North Coast’s electric light parade. With Supervisor Bohn’s assistance, the parade will continue to take place.

Supervisor Hemmingsen reported concerns, including: the funding status of the University of California's (U.C.) Cooperative Extension program; the unintended consequences of Assembly Bill 5 (Gonzalez) which relates to independent contractors; the rising cost of CalPERS; and, county jail operations.

Supervisor Bruno Sabatier, Lake County, spoke of the importance of agricultural programs offered by the U.C. Cooperative Extension. Supervisor Sabatier also spoke of the importance of fire safety and fire suppression strategies.

Supervisor Carre Brown, Mendocino County, conveyed her concern with the lack of funding to agricultural programs offered by the UC Cooperative Extension.

Supervisor James Gore, Sonoma County, expressed his concern regarding the availability and affordability of homeowners insurance coverage in rural areas.

Supervisor Aaron Albaugh, Lassen County, thanked RCRC staff for their work on a successful Annual Meeting.

Supervisor Kevin Cann, Mariposa County, encouraged fellow supervisors to register for the National Association of Counties' (NACo) Western Interstate Region's (WIR) 2020 Annual Meeting as soon as registration opens. The NACo WIR 2020 Annual Meeting is slated to take place May 13-15, 2020 in Mariposa County.

Supervisor Chris Lopez, Monterey County, shared his concern with access to courts due to consolidation in Monterey County.

Public Comments

Todd Murdoch, Zerto I.T. Resilience, spoke briefly about his company which provides information technology services such as infrastructure and cloud-based environments, and urged RCRC Member Counties to have disaster recovery plans in place.

Randy Hanvelt, Associated California Loggers, stated his concern of the underfunded U.C.'s Cooperative Extension program.

Connie Stewart, California Center for Rural Policy, spoke about Proposition 56 and offered her assistance should supervisors need help in strategic planning. Ms. Stewart also spoke about disaster recovery planning and cannabis equity assessment.

Jill Harris, Pacific Forest Trust, spoke briefly about her organization which advocates for sustainable forestry, and highlighted the Healthy Watersheds California program that would transform the state's approach to watershed health.

Guest Speaker – Fiona Ma, State Treasurer, California State Treasurer's Office

Supervisor Bob Williams, Tehama County, introduced Fiona Ma, State Treasurer. Treasurer Ma provided an overview of the State Treasurer's Office's recent activities and achievements, which include urging the federal government to enact legislation aimed at

encouraging more banks to accept legal cannabis businesses as customers, and issuing tax-exempt bond financing for CalPlant, LCC that will turn rice straw into medium density fiberboard. In addition, Treasurer Ma discussed efforts to protect the Williamson Act. Treasurer Ma also spoke about a recent meeting with Supervisor Daron McDaniel, Merced County, discussing the Golden State Finance Authority and the Golden State Natural Resources programs.

Treasurer Ma introduced Malia Cohen, Chair, Board of Equalization, 2nd District, and provided her the opportunity to speak. Chair Cohen encouraged supervisors to reach out to her to discuss topics related to property tax collection.

Following the presentations, supervisors and Treasurer Ma and Chair Cohen engaged in a question and answer period.

Guest Speaker – Kim Dolbow Vann, State Director, United States Department of Agriculture Rural Development

Kim Dolbow Vann, State Director, United States Department of Agriculture (USDA) Rural Development, provided a presentation on USDA's rural development programs and recent projects in RCRC Member Counties. Lastly, Ms. Vann announced a grant of \$115,000 to the Golden State Finance Authority.

President's Report

Greg Norton, President & CEO, thanked the supervisors for attending the 2019 Annual Meeting, and acknowledged the 55 sponsors that made the 2019 Annual Meeting possible. Mr. Norton also thanked RCRC staff for their work on the 2019 Annual Meeting. Mr. Norton reported that the RCRC Basket Auction raised approximately \$61,500 for several Inyo County charities, including the Southern Inyo Fire Protection District, the United Methodist Social Services, the Healthy Communities of Southern Inyo, the Southern Inyo Hospital Salvation, and the Lone Pine Future Farmers of America.

Mr. Norton shared that RCRC will be sponsoring the Center for Economic Development, California State University, Chico's 2020 Winter, Spring, and Fall Economic Summits. In addition, RCRC will again partner with California Forward in hosting the Elevate Rural California segment at the 2019 California Economic Summit which is slated to take place November 6-8, 2019 in Fresno. Mr. Norton provided a brief update on the Golden State Natural Resources.

Mr. Norton provided a brief Economic Development Department update, which included recent visits to RCRC Member Counties, including Nevada, Tuolumne, and Yolo Counties.

Mr. Norton allowed Paul A. Smith, Vice President Governmental Affairs, to speak on the Governmental Affairs Department's activities. Mr. Smith noted that the Legislature adjourned the 2019 Legislative Session on September 13, 2019. RCRC staff continues to work on issues related to the Public Safety Power Shutoff, land use planning, and state budget issues. At the federal level, RCRC leadership recently participated at the National Association of Counties' annual Payments In-Lieu of Taxes (PILT) Fly-In in Washington,

D.C. which allowed county officials to voice the importance of Federal PILT and Secure Rural Schools and Community Self-Determination Act of 2000 program payments to counties.

Adoption of the 2020 RCRC Meeting Schedule

Paul A. Smith presented the RCRC Board of Directors with the 2020 Board Meeting schedule. Mr. Smith acknowledged that the RCRC Executive Committee meeting scheduled for November 11, 2020 is slated to take place on Veterans Day, and subject to change.

Supervisor Kuyler Crocker, Tulare County, inquired about the possibility of holding future Annual Meetings at new locations and increasing the overall budget for potential Annual Meeting speakers.

Staff Recommendation:

Staff recommended that the RCRC Board of Directors approve the 2020 RCRC Meeting schedule as proposed.

Supervisor Les Baugh, Shasta County, motioned to approve the 2020 RCRC Meeting Schedule. Supervisor Bruno Sabatier, Lake County, seconded the motion. Motion passed with all Supervisors present voting “Aye.”

Forest Management and Wildfire Update

Staci Heaton, Senior Regulatory Affairs Advocate, provided an update on several efforts to address California's persistent wildfire events, including: homeowners insurance availability and affordability; wildfire victim recovery bond legislation; and, the Wildfire Innovation Sprint.

In discussing the topic of homeowners insurance, Ms. Heaton highlighted the new data from the California Department of Insurance (DOI) on the impacts of the 2015 and 2017 wildfires on homeowners insurance non-renewals and availability. The RCRC Homeowner's Insurance Ad Hoc Committee continues to review issues surrounding the availability and affordability of homeowners insurance coverage in rural areas. Ms. Heaton stressed the importance of implementing defensible space, community-wide models, and ordinances to fire-proof communities.

Ms. Heaton discussed Assembly Bill 1816 (Daly), the RCRC-supported bill that is currently awaiting the Governor's consideration, which would extend the notification period of a non-renewal or expiration of an insurance policy from 30 to 75 days. Ms. Heaton also discussed Assembly Bill 235 (Mayes), which would have allowed the California Public Utilities Commission to issue financing orders to support the issuance of bonds by a utility at any one-time to help reimburse victims in the event of a wildfire event caused by the utility. While AB 235 stalled in the 2019 Legislative Session, it is expected to resurface.

Ms. Heaton discussed the first two projects selected by the Governor as part of the Wildfire Innovation Sprint. The Governor's ultimate goal is to select projects aimed at wildfire prevention and response.

In conclusion of Ms. Heaton's presentation, Supervisor Diane Dillon, Napa County, requested RCRC to prepare a letter regarding the problematic data provided by DOI.

California Public Utilities Commission Wildfire Proceedings Update

Staci Heaton provided an update on two California Public Utilities Commission (CPUC) proceedings that impact how investor-owned utilities engage with the public and local agencies on wildfire hazard mitigation and the de-energization of power lines to prevent high-severity wildfires.

In August 2019, the CPUC released a Phase 2 scoping memo for the De-Energization Proceeding that examined Public Safety Power Shutoff (PSPS) guidelines in a more comprehensive manner. RCRC has filed comments to CPUC on Phase 2 that examined the recent PSPS that Butte County experienced on June 7-9, 2019, whereby the Pacific Gas and Electric Company (PG&E) did not use consistent notification protocol. The CPUC is not expected to make a subsequent decision in this proceeding until the first quarter of 2020. Leigh Kammerich, Regulatory Affairs Advocate, noted that RCRC staff will continue to reach out to RCRC Member Counties for PSPS anecdotes.

RCRC Board Members engaged in a lengthy discussion on how to address PSPS and PG&E. Supervisor Diane Dillon, Napa County, stressed the importance of providing specific examples and hard data to CPUC. Supervisor Bruno Sabatier, Lake County, voiced his concern regarding incomplete information from PG&E.

Federal Legislative Update

Paul A. Smith provided a brief update on issues at the federal level that are of importance to RCRC Member Counties.

Mr. Smith shared that the House recently passed the Safe Banking Act (Act), a cannabis banking legislation. The Act now awaits action by the Senate.

Mr. Smith provided a brief update on the Fiscal 2020 appropriations and pending negotiations before October 1, 2019. The House passed a short-term continuing resolutions (CR) that would extend government funding until November 21, 2019. The Senate is expected to pass a similar short-term CR.

Mr. Smith noted the positive position of the Federal Payment in Lieu of Taxes to be fully-funded; however, voiced uncertainty of the Secure Rural Schools and Community Self-Determination Act of 2000 program payments.

Mr. Smith encouraged supervisors to review the Federal Legislative Update memo for update on other issues such as the state and local tax deduction, the Waters of the United States repeal status, telecommunications, and forestry and wildfire.

State Legislative Update

The Legislature adjourned the 2019 Legislative Session on September 13, 2019. The Governor has until October 13, 2019 to address and consider bills that reached his desk. Bills enacted take effect January 1, 2020, unless specified for another date.

Paul A. Smith reported on the following:

- Assembly Bill 1810 (Assembly Transportation Committee), which allows proceeds derived from a state motor fuel taxes to be spent, at the discretion of a county Board of Supervisors, on the maintenance of cattle guards on the public right-of-way. AB 1810 passed the Legislature and awaits the consideration of the Governor. RCRC has been in strong support of AB 1810 throughout the legislative process.
- Senate Bill 153 (Wilk), would construct a state regulatory structure for the cultivation and testing of industrial hemp to align with the 2018 Federal Farm Bill. SB 153 protects local land use control. The RCRC-supported bill passed the Legislature and awaits the consideration of the Governor. If enacted, RCRC staff will work with the author to address technical issues associated in light of further changes in federal standards and other regulations.

John Kennedy, Legislative Advocate, reported on the following:

- Senate Bill 167 (Dodd), which requires electric utility de-energization protocols to mitigate impacts on those who rely on life-support equipment. The RCRC-supported bill passed the Legislature and awaits the consideration of the Governor.
- Senate Bill 560 (McGuire), seeks to improve local resiliency to utility-deenergization events through improved planning and coordination with mobile telecommunication providers. The RCRC-supported bill passed the Legislature and awaits the consideration of the Governor.
- Assembly Bill 1144 (Friedman), requires the California Public Utilities Commission (CPUC) to facilitate the deployment of energy storage and distributed energy systems to critical infrastructure in high-fire threat districts to support resiliency during de-energizing events. The RCRC-supported bill passed the Legislature and awaits the consideration of the Governor.

In light of interest by the RCRC Board of Directors, Mr. Kennedy shared that the conversation of de-energization will continue to be a leading topic during the 2020 Legislative Session as well as micro-grids and building resilience in communities. Mr. Kennedy spoke about CPUC's \$100 million Self-Generation Incentive Program fund that will begin taking applications April 1, 2020 to boost de-energization resiliency. Mr. Kennedy also encouraged RCRC Member Counties to provide narratives on their individual county de-energization experience.

Mary-Ann Warmerdam, Senior Legislative Advocate, reported on the following:

- Senate Bill 1 (Atkins), which would enact the California Environmental, Public Health, and Workers Defense Act of 2019 and protects California under federal environmental and labor laws and regulations. While RCRC staff has worked behind the scenes on SB 1, no official position was taken during the legislative

process. SB 1 passed the Legislature and awaits the consideration of the Governor. SB 1 is likely to be vetoed by the Governor.

- Senate Bill 45 (Allen), would which enact the Wildfire, Drought, and Flood Protection Bond Act of 2020, which, if approved by voters, authorizes the issuance of bonds to finance a number of resource-related projects. If enacted, SB 45 will likely be scheduled for the March 2020 Primary Election.

Adjournment

Chair, Supervisor Matt Kingsley, adjourned the RCRC Board of Directors Meeting at 11:00 a.m.