

**Rural County Representatives of California
Special Board of Directors Meeting
Wednesday, February 10, 2021 – 9:00 a.m.
1215 K Street, Suite 1650 – Board Room
Sacramento, CA 95814**

In accordance with Executive Orders N-25-20 and N-29-20, the February 10, 2021
RCRC Special Board of Directors meeting was held virtually.

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor Stacy Corless, Mono County, called the meeting to order at 9:10 a.m.
A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
David Griffith	Alpine
Doug Teeter	Butte
Denise Carter	Colusa
Gerry Hemmingsen	Del Norte
Lori Parlin	El Dorado
Paul Barr	Glenn
Michael Kelley	Imperial
Matt Kingsley	Inyo
EJ Crandell	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Miles Menetrey	Mariposa
Glenn McGourty	Mendocino
Lloyd Pareira	Merced
Geri Byrne	Modoc
Stacy Corless	Mono
Chris Lopez	Monterey
Diane Dillon	Napa
Dan Miller	Nevada
John Peschong	San Luis Obispo
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Bob Williams	Tehama
Dennis Townsend	Tulare
Kathleen Haff	Tuolumne
Angel Barajas	Yolo
Randy Fletcher	Yuba

Absent

Brian Oneto	Amador
John Garamendi	Calaveras
Rex Bohn	Humboldt
Jim Holmes	Placer
Kevin Goss	Plumas
Bob Tiffany	San Benito
Les Baugh	Shasta
James Gore	Sonoma
Mat Conant	Sutter
Jeremy Brown	Trinity

Others in Attendance

Supervisor Gary Bridges, Lassen County
Supervisor Marshall Long, Mariposa County
Supervisor John Peters, Mono County
Supervisor Sue Hoek, Nevada County
Supervisor Larry Micari, Tulare County
Randy Hanvelt, Associated California Loggers
Ed Horton, Placer County Water Agency
Patrick Blacklock
Carrie Scarlata

Staff in Attendance

Greg Norton, President and CEO
Lisa McCargar, Chief Operating Officer/Chief Financial Officer
Craig Ferguson, Senior Vice President
Paul A. Smith, Senior Vice President Governmental Affairs
Barbara Hayes, Chief Economic Development Officer
Arthur Wylene, General Counsel
Tracy Rhine, Senior Legislative Advocate
Staci Heaton, Senior Regulatory Affairs Advocate
Sarah Dukett, Legislative Advocate
Sidd Nag, Legislative Advocate
John Kennedy, Legislative Advocate
Maggie Chui, Senior Governmental Affairs Coordinator/Clerk of the Board
Leigh Kammerich, Regulatory Affairs Specialist
Dorothy Poole, External Affairs Coordinator
Layne Frederickson, IT Director
Milena De Melo, Controller
Elizabeth Jensen, Assistant Controller
Sanjay Lee, Financial Analyst
Sarah Bolnik, Economic Development Officer
Terrance Rodgers, Economic Development Officer

Pledge of Allegiance

Public Comments

Supervisor Kathleen Haff, Tuolumne County, shared her concern regarding the state's coronavirus vaccine distribution system with a third-party administrator.

RCRC Resolution 21-03: Appointing Patrick S. Blacklock as RCRC President/CEO and Establishing the Initial Salary and Benefits Therefor

Retiree Health Benefits for the RCRC President/CEO and Executive Vice President Positions

- a. RCRC Resolution 21-04: Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act**
- b. RCRC Resolution 21-05: Establishing a Health Reimbursement Arrangement for Retired Incumbents of the RCRC President and Executive Vice President Positions**

Chair, Supervisor Stacy Corless, Mono County, discussed the RCRC Executive Committee's recommendation to appoint Patrick S. Blacklock as the next RCRC President/CEO. Arthur J. Wylene, General Counsel, provided an oral report of the recommended compensation and benefits package as outlined in the memo. The RCRC Executive Committee/Search Committee and the RCRC Board of Directors were given an opportunity to speak.

Upon approval of the RCRC Board of Directors, RCRC Resolution 21-03 would take effect as follows:

1. Patrick S. Blacklock is hereby appointed as President/CEO of RCRC, effective April 5, 2021.
2. The initial salary for Blacklock shall be \$370,000 annually, which may hereafter be adjusted by action of the Board of Directors at a duly noticed meeting.
3. Blacklock's benefit package shall be the same as all other exempt positions at RCRC, except as otherwise provided herein, or as modified by the Board.
4. Blacklock will receive eighty (80) hours of vacation leave upon commencement of employment. He will accrue additional vacation hours at a rate of four (4) weeks annually, as if beginning on the accrual schedule at five years of employment with RCRC.
5. After Blacklock has completed five (5) full years of employment with RCRC, staff shall take appropriate actions to include Blacklock within the Retiree Health Reimbursement Arrangement established by RCRC on the same terms as former incumbents of the President and Executive Vice President positions, without further action of this Board. Provided, however, that nothing in this paragraph shall be construed to create any vested right to retiree health benefits under the Retiree Health Reimbursement Arrangement or otherwise. The RCRC Board of Directors reserves the absolute right to modify or terminate health benefits for any or all

retirees, including but not limited to Blacklock, before or after retirement, without compensation or provision of any substitute benefits.

6. Blacklock shall have a mid year assessment by the Executive Committee after six months and an annual assessment after twelve months, plus perform an annual evaluation at least annually thereafter.
7. Blacklock’s appointment is an “at will employment,” and either he or the RCRC Board may terminate employment at any point for any reason, with or without cause.

Chair Corless and Mr. Wylene also discussed the RCRC Executive Committee’s recommendation to implement health benefit changes for the RCRC President/CEO and Executive Vice President positions.

Resolution 21-04 relates to fixing the employer contribution under the Public Employees’ Medical and Hospital Care Act (PEMHCA). The resolution would adjust the PEMHCA contributions for the President and Executive Vice President employee groups to the statutory minimum. Upon approval of the RCRC Board of Directors, RCRC Resolution 21-04 would take effect as follows:

1. That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

Medical Group	Monthly Employer Health Contribution		
	Self	Self+1	Self+ Family
001 President	PEMHCA Minimum	PEMHCA Minimum	PEMHCA Minimum
002 Executive Vice President	PEMHCA Minimum	PEMHCA Minimum	PEMHCA Minimum
003 Miscellaneous Employee’s	PEMHCA Minimum	PEMHCA Minimum	PEMHCA Minimum

plus administrative fees and Contingency Reserve Fund assessments; and be it further

2. Rural County Representatives of California has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
3. That the participation of the employees and annuitants of Rural County Representatives of California shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Rural County Representatives of California would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves

the right to terminate the health coverage of all participants of the employer; and be it further

4. That the executive body appoint and direct, and it does hereby appoint and direct, RCRC President Greg Norton to file with the Board a verified copy of this resolution, and to perform on behalf of Rural County Representatives of California all functions required of it under the Act; and be it further
5. That coverage under the Act be effective on April 1, 2021.

Resolution 21-05 relates to establishing a health reimbursement arrangement for retired incumbents of the RCRC President and Executive Vice President positions. The resolution would establish the proposed Health Reimbursement Arrangement and sets forth the eligibility criteria. Upon approval of the RCRC Board of Directors, RCRC Resolution 21-05 would take effect as follows:

1. That the Rural County Representatives of California Retiree Health Premium Reimbursement Plan ("Plan") is hereby adopted effective as of January 1, 2021.
2. That the RCRC President/CEO, or his or her designee, is hereby authorized to automatically update Schedule "A" to the Plan as changes to the contribution rate referenced therein are approved by the Board of Directors.
3. The RCRC President/CEO, or his or her designee, is hereby authorized to duly execute the Plan on behalf of RCRC, along with any future amendments that contain only non-substantive and/or administrative changes or are otherwise directed by Resolution of the Board of Directors.
4. Nothing in this Resolution shall be construed to create any vested right to retiree health benefits under the Plan or otherwise. The RCRC Board of Directors reserves the absolute right to modify or terminate health benefits, reimbursements, or contributions for any or all retirees, before or after retirement, without compensation or provision of any substitute benefits.

Recommendation

It was recommended that the RCRC Board of Directors approve the proposed appointment and compensation for Mr. Blacklock as set forth in Resolution 21-03. In addition, it was recommended that the RCRC Board of Directors approve Resolution 21-04 and Resolution 21-05 revising the retiree health benefit arrangements for the RCRC President/CEO and Executive Vice President Positions.

Supervisor Bob Williams, Tehama County, motioned to approve Resolution 21-03, Resolution 21-04, and Resolution 21-05. Supervisor Denise Carter, Colusa County, seconded the motion. Motion passed by the following roll call vote taken:

"Aye": Alpine County; Butte County; Colusa County; Del Norte County; El Dorado County; Glenn County; Inyo County; Lake County; Madera County; Mariposa County; Mendocino County; Merced County; Modoc County; Mono County; Monterey County; Napa County; Nevada County; San Luis Obispo

**County; Sierra County; Siskiyou County; Tehama County; Tulare County;
Tuolumne County; Yolo County; Yuba County**

“No”: None

Abstaining: None

Not Voting: Imperial County; Lassen County

Adjournment

Chair, Supervisor Stacy Corless, Mono County, adjourned the RCRC Board of Directors Meeting at 9:32 a.m.