

**Rural County Representatives of California
Board of Directors Meeting
Friday, September 21, 2018 – 9:00 a.m.
The Napa Valley Marriott Hotel & Spa
3425 Solano Avenue
Napa, CA 94558**

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor Rex Bohn, Humboldt County, called the meeting to order at 9 a.m. A quorum was determined at that time. Those present:

David Griffith	Alpine
Brian Oneto	Amador
Doug Teeter	Butte
Denise Carter	Colusa
Gerry Hemmingsen	Del Norte
Michael Ranalli	El Dorado
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
Jim Steele	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
Daron McDaniel	Merced
Stacy Corless	Mono
Diane Dillon	Napa
Dan Miller	Nevada
Jim Holmes	Placer
John Peschong	San Luis Obispo
Les Baugh	Shasta
Lee Adams	Sierra
Lynda Hopkins*	Sonoma
Bob Williams	Tehama
John Fenley	Trinity
Kuyler Crocker	Tulare
Randy Hanvelt	Tuolumne
Randy Fletcher	Yuba

* Seated as part of agenda item 8.a. “Approval and Acceptance of Sonoma County Membership – Action” at this meeting

Absent

Jack Garamendi	Calaveras
John Viegas	Glenn
Geri Byrne	Modoc
Kevin Goss	Plumas
Anthony Botelho	San Benito
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Matt Rexroad	Yolo

Others in Attendance

Supervisor Terry Woodrow, Alpine County
Supervisor Shiva Frentzen, El Dorado County
Supervisor Moke Simon, Lake County
Supervisor Miles Menetrey, Mariposa County
Supervisor John Peters, Mono County
Supervisor Jennifer Halferty, Mono County
Supervisor Brad Wagenknecht, Napa County
Supervisor Bobbi Chadwick, Trinity County
Wendy Tyler, Colusa County
Chester Robertson, Modoc County
Mike Healy, Mariposa County
Marissa Montenegro, Sonoma County
Jamme Yang, Yuba County
Kim Dolbow Vann, USDA Rural Development
Jim Branham, Sierra Nevada Conservancy
Connie Stewart, California Center for Rural Policy
Ed Horton, Placer County Water Agency
Elizabeth Espinosa, Hurst Brooks Espinosa LLC
Jean Hurst, Hurst Brooks Espinosa LLC
Kelly Brooks-Lindsey, Hurst Brooks Espinosa LLC
Nick Cronenwett, California State Association of Counties
Robert Bendorf Jr., Ygrene Energy Fund
Nikki McQuaid, Ygrene Energy Fund
Gloria Hanvelt

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
Tracy Rhine, Legislative Advocate
Staci Heaton, Regulatory Affairs Advocate
Arthur Wylene, Governmental Affairs Counsel
Terrance Rodgers, Economic Development Officer

Maggie Chui, Governmental Affairs Coordinator
Santinia Pasquini, External Affairs Coordinator

Pledge of Allegiance

Approval of Minutes – August 15, 2018

Chair, Supervisor Rex Bohn, Humboldt County, called for approval of the minutes from the August 15, 2018 Board of Directors Meeting.

Supervisor Diane Dillon, Napa County, motioned to approve the minutes from the August 15, 2018 Board of Directors Meeting. Supervisor Dan Miller, Nevada County, seconded the motion. Motion passes.

Abstaining:

Supervisor Denise Carter, Colusa County; Supervisor Kevin Goss, Plumas County; Supervisor Michael Kobseff, Siskiyou County; Supervisor Matt Rexroad, Yolo County

Chair's Remarks

Chair, Supervisor Rex Bohn, Humboldt County, welcomed all of the Supervisors to the RCRC Board of Directors Meeting, and thanked them for attending the 2018 Annual Meeting in Napa County. Supervisor Bohn also thanked RCRC staff for their work on the 2018 Annual Meeting.

Supervisor Bohn introduced Napa County's Chair of the Board, Supervisor Brad Wagenknecht, and allowed him a brief moment to speak to the Supervisors.

Member County Concerns and Issues

Supervisor Daron McDaniel, Merced County, thanked RCRC staff for their support at the rally last month at the State Capitol against the California State Water Resources Control Board's (SWRCB) proposal on the final Bay-Delta Plan. Supervisor McDaniel also thanked RCRC staff for the comment letter to SCWCB regarding the proposed revisions to Bay-Delta Plan.

Supervisor David Griffith, Alpine County, spoke about the recent signing of a Good Neighbor Authority agreement between the United States Forest Service Region 4 and the California Natural Resources Agency to facilitate funding in forest health. Supervisor Griffith thanked the Sierra Nevada Conservancy for their assistance.

Supervisor Griffith also shared that Alpine County Board of Supervisors recently took a "Support" position on Proposition 3, and an "Oppose" position on Proposition 6, both of which are slated for the November 2018 General Election ballot.

Lastly, Supervisor Griffith voiced his ongoing concern regarding the California Department of Fish and Wildlife's (CDFW) lands pass which imposes fees and permit requirements on the use and access of certain CDFW lands.

Supervisor Jim Steele, Lake County, voiced his concern regarding future wildfires. Supervisor Steele asked for RCRC to advocate on the federal level for better forest management.

Supervisor Dan Miller, Nevada County, expressed his gratitude to the RCRC Economic Development Department on their work on behalf of the counties, and meeting with Nevada County staff.

Supervisor Bob Williams, Tehama County, shared his concern regarding jail expansion and/or new construction projects. While the state awarded funds to assist in the jail expansion project, delays and construction cost keeps shrinking the value of the awarded funds. Supervisor Williams suggested that more assistance on operation is needed from the state.

Supervisor Brian Oneto, Amador County, and Supervisor Denise Carter, Colusa County, echoed the sentiments of Supervisor Williams regarding the jail expansion cost increases.

Public Comments

None

President's Report

Greg Norton, President & CEO, thanked the Supervisors for attending the 2018 Annual Meeting. Mr. Norton also thanked RCRC staff for their work on the 2018 Annual Meeting. Mr. Norton reported that the RCRC Basket Raffle and Auction raised approximately \$62,000 for several Humboldt County charities, including: Special Olympics Northern California, Ferndale Community Center, Ferndale Museum, Cancer Crushers, Mattole Valley Family Resource Center, and Families Advocating Autism Now.

Mr. Norton provided a brief update on the RCRC Governmental Affairs Department's recent advocacy accomplishments, which include advocacy work on Senate Bill 901 (Dodd) to improve the health and resilience of California's forested and wildlands to help minimize and prevent future catastrophic wildfire events.

Mr. Norton provided an update on recent county visits by RCRC staff. Counties visited in recent weeks include Butte, El Dorado, Humboldt, Sutter, Merced, Tuolumne, and others. In addition, Supervisor Randy Hanvelt, Tuolumne County, and Supervisor Kevin Cann, Mariposa County, joined Paul A. Smith, Vice President Governmental Affairs, in Washington, D.C. to advocate for continued funding of the Federal Payments in Lieu of Taxes (PILT) program.

Mr. Norton provided an update on various economic development projects, including RCRC's recent participation at the SelectUSA Foreign Direct Investment Conference (Conference), which has resulted in potential business opportunities from foreign investments. Also, the California State University at Chico's Center for Economic Development is finalizing RCRC Member Counties' economic profiles and demographics reports.

Guest Speaker

Kim Dolbow Vann, State Director, United States Department of Agriculture (USDA) Rural Development, provided a presentation to the RCRC Board of Directors on USDA's rural development programs and upcoming projects.

Ms. Vann revealed the new partnership between USDA and RCRC affiliate, Golden State Finance Authority's (GSFA) new gift program that would benefit rural homebuyers in California. Individuals or families purchasing a primary residence in California with a USDA Rural Development Single Family Loan Guarantee through the GSFA Platinum Program will be eligible for assistance of up to four percent in the form of a non-repayable gift for closing costs.

Approval and Acceptance of Sonoma County Membership

Supervisor Rex Bohn discussed the approval and acceptance process of Sonoma County per RCRC's Bylaws. If approved by the RCRC Board of Directors, Sonoma County would place RCRC's membership at thirty-six (36) of the fifty-eight (58) counties, and would begin membership effectively immediately.

Supervisor Bohn introduced Supervisor Lynda Hopkins, Sonoma County, to the Supervisors, and allowed her a brief moment to speak to the RCRC Board of Directors.

Recommendations:

It was recommended that the RCRC Board of Directors approve the following:

1. Accept Sonoma County as an RCRC member county;
2. Set Sonoma County's annual membership dues at \$16,000, prorated to \$12,000 for the remainder of 2018-2019 fiscal year; and,
3. Assign Sonoma County to Region 3 pursuant to the RCRC Bylaws.

Supervisor Carre Brown, Mendocino County, motioned to approve the recommendations. Supervisor Lee Adams, Sierra County, seconded the motion. Motion passes with all Supervisors present voting "Aye."

Adoption of the 2019 RCRC Meeting Schedule

Paul A. Smith, Vice President Governmental Affairs, presented the RCRC Board of Directors with the 2019 Board Meeting schedule.

Staff Recommendation:

Staff recommended that the RCRC Board of Directors approve the 2019 RCRC Meeting schedule as proposed.

Supervisor Dan Miller, Nevada County, motioned to approve the 2019 RCRC Meeting Schedule. Supervisor Brian Oneto, Amador County, seconded the motion. Motion passes with all Supervisors present voting "Aye."

Upcoming November 2018 Ballot Measures Update

Paul A. Smith provided an updated timeline on a number of proposed state ballot measures slated to appear on the November 2018 General Election ballot that could impact RCRC Member Counties. Eleven proposed statewide measures will appear on the ballot.

Proposition 2 – “No Place Like Home Act of 2018”

Tracy Rhine, Legislative Advocate, provided an analysis of Proposition 2, the “No Place Like Home Act of 2018,” which declares that the No Place Like Home (NPLH) program is consistent with the intent of the Mental Health Services Act (MHSA), and expressly authorizes the expenditure of MHSA funds for the purposes of the NPLH program, including debt service on the issuance of \$2 billion in bonds. Proposition 2 will appear on the November 2018 General Election ballot for consideration.

Ms. Rhine noted that while RCRC did not take a formal position on previous NPLH measures, RCRC, along with other local government partners, voiced strong concerns regarding the diversion of MHSA funds and advocated for a funding structure that would minimize impacts to rural counties. RCRC has continued to engage with the California Department of Housing & Community Development on NPLH guidelines to address the unique challenges and impacts to rural counties.

Staff Recommendation

RCRC staff recommended the RCRC Board of Directors adopt a “Neutral” position on Proposition 2 – “No Place Like Home Act of 2018.”

Supervisor Bob Williams, Tehama County, motioned to adopt a “Neutral” position on Proposition 2 – “No Place Like Home Act of 2018.” Supervisor Gerry Hemmingsen, Del Norte County, seconded the motion. Motion passes with Supervisor John Peschong, San Luis Obispo County, recusing himself.

Proposition 4 – “Children’s Hospital Bond Act of 2018”

Tracy Rhine provided an analysis of Proposition 4, the “Children’s Hospital Bond Act of 2018,” which authorizes the issuance of \$1.5 billion in general obligation (GO) bonds for the construction, expansion, renovation, and equipping of children’s hospitals. Proposition 4 will appear on the November 2018 General Election ballot for consideration.

Ms. Rhine noted that while this measure provides funding for facilities primarily located in urban areas, children’s hospital services are provided to those that cannot afford, or do not have access to, advanced technologies specializing in pediatric care, which includes residents from RCRC Member Counties.

Staff Recommendation

RCRC staff recommended the RCRC Board of Directors adopt a “No Position” position on Proposition 4 – “Children’s Hospital Bond Act of 2018.”

Supervisor Bob Williams, Tehama County, motioned to adopt a “No Position” position on Proposition 4 – “Children’s Hospital Bond Act of 2018.”

Supervisor John Fenley, Trinity County, seconded the motion. Motion passes with Supervisor John Peschong, San Luis Obispo County, recusing himself, and Supervisor Brian Oneto, Amador County, voting “No.”

Proposition 7 – “Daylight Saving Time”

Paul A. Smith provided an analysis of Proposition 7, the “Daylight Saving Time,” which addresses California’s observance of Daylight Saving Time (DST). If successful, Proposition 7 will replace existing statutes established by Proposition 12 in 1949, and authorizes by a two-thirds vote of the Legislature to make changes to California’s observance of DST, specifically to adopt a permanent DST year-round in California. Proposition 7 will appear on the November 2018 General Election ballot for consideration.

Mr. Smith noted that while Proposition 7 has sparked a robust public policy conversation on the status and application of DST, RCRC staff suggests these efforts do not warrant the need to adopt a position on Proposition 7.

Staff Recommendation

RCRC staff recommended the RCRC Board of Directors adopt a “No Position” position on Proposition 7 – “Daylight Saving Time.”

Supervisor Randy Fletcher, Yuba County, motioned to adopt a “No Position” position on Proposition 7 – “Daylight Saving Time.” Supervisor Jim Holmes, Placer County, seconded the motion. Motion passes with Supervisor John Peschong, San Luis Obispo County, recusing himself.

Proposition 11 - “Emergency Ambulance Employee Safety and Preparedness Act”

Paul A. Smith provided an analysis of Proposition 11, the “Emergency Ambulance Employee Safety and Preparedness Act,” which makes various changes to state law that affect private-sector ambulance crews. Proposition 11 will appear on the November 2018 General Election ballot for consideration.

Mr. Smith outlined Proposition 11’s provision which would authorize on-call meal and rest breaks for ambulance crews, limits legal costs for the past practice of on-call meal and rest breaks, and requires employer-paid training and mental health services. Mr. Smith noted the fiscal benefits to local governments, potentially in the tens of millions of dollars each year. If Proposition 11 fails passage, it would be costly and burdensome for ambulance franchisees.

Staff Recommendation

RCRC staff recommended the RCRC Board of Directors adopt a “Support” position on Proposition 11 - “Emergency Ambulance Employee Safety and Preparedness Act.”

Supervisor Gerry Hemmingsen, Del Norte County, motioned to adopt a “Support” position on Proposition 11 - “Emergency Ambulance Employee Safety and Preparedness Act.” Supervisor David Griffith, Alpine County, seconded the motion. Motion passes with Supervisor John Peschong, San

Luis Obispo County, recusing himself, and Supervisor David Rogers, Madera County, absent.

Forest Management and Wildfire Update

Staci Heaton, Regulatory Affairs Advocate, provided an update on the Forest Management Task Force (FMTF) and recent wildfire events. The FMTF is in the process of forming working groups to address forest management issues such as wood products utilization, regulatory barriers, education and outreach to landowners, forest restoration and prescribed fire, and tree mortality. Regional working groups are also being established. Ms. Heaton asked the Supervisors to elect individuals to ensure rural county representation at these working groups.

Ms. Heaton outlined Senate Bill 901 (Dodd), which the Legislature passed, and Governor Brown signed the bill into law. Ms. Heaton thanked Assembly Member Jim Wood and Assembly Member Brian Dahle for their work on the bill. SB 901 addresses the concerns of investor-owned utilities (IOUs) and establishes an audit by the California Public Utilities Commission of all of the IOUs' finances. SB 901 also includes vital components that are essential to begin the process of returning California's forests to a natural, more resilient, fire-resistant state, including:

- A five-year investment of \$200 million annually from the Greenhouse Gas Reduction Fund for forest health programs, totaling \$1 billion;
- Five-year extensions of contracts for biomass facilities in specified air quality attainment areas to allow for expedited removal of dead and dying trees as well as agricultural biomass;
- Exemptions allowing commercial sale of small-diameter materials removed as part of a vegetation management or fuels reduction project funded by state grant dollars;
- An expansion of the Small Timberland Owner exemption allowing for more effective management of flammable materials from timberlands;
- Regulatory streamlining for prescribed fire, forest management and fuels treatment projects on federal lands undertaken by a state or local agency under federal Good Neighbor Authority, a federal stewardship agreement or where the State or local agency is providing funding or staffing for those projects;
- Significantly enhanced requirements for investor-owned utilities for fire hardening protocols and wildfire risk assessment around utility lines;
- Funding for mutual aid pre-positioning during the most severe wildfire events;
- Establishment of system for quantifying GHG emissions and decay from fuel reduction activities and a five-year reporting cycle to assess GHG emissions associated with wildfire and forest management activities beginning in 2020; and,
- Creation of a technical assistance program to aid nonindustrial timberland owners with wildfire resilience efforts, including help with navigating the permitting process.

RCRC staff were engaged throughout the discussion process, with primary focus on forest health, vegetation management, fuels treatment, and wildfire prevention. Supervisor Jack Garamendi, Calaveras County, and Supervisor Bob Williams, Tehama County, joined RCRC staff in meetings with the Wildfire Preparedness and Response Legislative Conference Committee members, other select members of the Legislature and their staff.

The RCRC Board of Directors discussed at length on recent wildfire events as it pertains to RCRC Member Counties.

CalPERS Hardship Policy Update

Lisa McCargar, Chief Financial Officer, provided an update on recent developments regarding the California Public Employment Retirement System's (CalPERS) Hardship Policy.

Earlier this month, CalPERS staff met with local agency members, including RCRC staff, and shared a proposed draft of the Hardship Policy. Accompanying the draft were proposed guidelines which may be utilized in evaluating a public agency that requests an extension in the length of time to meet their unfunded liability payment to CalPERS. The drafts will be shared with a broader group of stakeholders prior to consideration by the CalPERS Board of Directors, which would allow stakeholders to review and offer comments prior to adoption.

CalPERS' will be holding a meeting on September 25, 2018 to discuss the Hardship Policy. Ms. McCargar distributed a packet regarding the proposed revision to the Hardship Policy, calling attention to the discussion of amortization extension due to financial necessity. Ms. McCargar encouraged the Supervisors to share the information with their respective county staff. RCRC staff will make available the draft guidelines and draft revised policy as soon as it is formally provided by CalPERS.

In October 2018, RCRC staff and select RCRC Member Counties' staff will be participating in an invitation-only session with CalPERS senior leadership to be held during the CalPERS Annual Education Forum.

Update on 2018 Farm Bill

Paul A. Smith provided an update on the status of the 2018 Farm Bill. RCRC's focus as it relates to the 2018 Farm Bill includes rural development investments, largely contained in the Rural Development Title, broadband, water infrastructure, energy efficiency, and housing. The Forestry Title, including those provisions that relate to fire-borrowing and forest health, as well as the Conservation Title are also of interest to RCRC.

A majority of the programs authorized in the 2014 Farm Bill were reauthorized in the Senate's version of the 2018 Farm Bill, S. 3042. While the House of Representatives adopted their version of the 2018 Farm Bill, it has been quite challenging. The House version contained significant differences from the Senate, thereby setting the stage for a Conference Committee to iron out differences.

Mr. Smith noted that the greatest challenge for the Conference Committee continues to be the reconciliation of each house's different approaches to the Supplemental Nutrition Assistance Program. Negotiations are ongoing as Congress faces a deadline to reauthorize a Farm Bill by September 30, 2018.

Other Federal Issues

Paul A. Smith provided an update on the status of the Federal Payments in Lieu of Taxes (PILT) program and the Secure Rural Schools & Community Self Determination Act (SRS) program.

Paul A. Smith shared that RCRC First Vice Chair Randy Hanvelt (Tuolumne County) and RCRC Board Member and National Association of Counties (NACo) Western Interstate Region (WIR) First Vice President Kevin Cann (Mariposa County) joined him and supervisors and commissioners from around the United States to advocate for continuing the Federal PILT program. NACo's PILT Fly-In allowed county officials time to inform members of Congress and key staff of the importance of Federal PILT payments to counties.

Mr. Smith noted that there has been conversations about renewal of SRS; however, he cautioned supervisors to not include SRS in their respective county budgets until the deal is completed. A more robust conversation regarding SRS is expected to take place at the December RCRC Board of Directors meeting.

State Legislative Update

Paul A. Smith provided a brief review on the final weeks of the 2017-18 Legislative Session, and requested the Supervisors to review the status of bills of importance as outlined in the Board Packet.

Adjournment

Chair, Supervisor Rex Bohn, adjourned the RCRC Board of Directors Meeting at 11:13 a.m.