

**Rural County Representatives of California
Board of Directors Meeting
Thursday, April 18, 2013 – 9:00 a.m.
Yosemite Lodge, Garden Terrace Room
Yosemite National Park, CA**

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor Kevin Cann, Mariposa County, called the meeting to order at 9:18 a.m. A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
Mary Rawson	Alpine
Richard Forster	Amador
Doug Teeter	Butte
Merita Callaway	Calaveras
Kim Dolbow Vann	Colusa
Ray Nutting	El Dorado
John Viegas	Glenn
Linda Arcularius	Inyo
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
John Pedrozo	Merced
Geri Byrne	Modoc
Diane Dillon	Napa
Nate Beason	Nevada
Jim Holmes	Placer
Les Baugh	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
Debra Chapman	Trinity
Allen Ishida	Tulare
Randy Hanvelt	Tuolumne
Roger Abe	Yuba

Absent

David Finigan	Del Norte
Michael Kelley	Imperial
Anthony Farrington	Lake
Tim Alpers	Mono
Terry Swofford	Plumas
Anthony Botelho	San Benito
Jim Provenza	Yolo

Others in Attendance

Supervisor Merlin Jones, Mariposa County
Supervisor John Carrier, Mariposa County
Dan Jensen, Delaware North Parks & Resorts at Yosemite
Karen Smith, Delaware North Parks & Resorts at Yosemite
Ed Horton, Placer County Water Agency
James Brown, County Executive Officer, Merced County
Wanda Ishida
Miriam Jones

Staff in Attendance

Greg Norton, President and CEO
Patricia Megason, Executive Vice President
Paul A. Smith, Senior Legislative Advocate
Cyndi Hillery, Legislative Advocate
Mary Pitto, Regulatory Affairs Advocate
Sarah Bolnik, Executive Assistant

Approval of Minutes – March 20, 2013

Chair, Supervisor Kevin Cann, Mariposa County, called for approval of the minutes from the March 20, 2013 Board of Directors Meeting.

Supervisor Richard Forster, Amador County, motioned to approve the minutes from the March 20, 2013 Board of Directors Meeting. Supervisor Diane Dillon, Napa County, seconded the motion. Motion passes unanimously.

Member County Concerns and Issues

Supervisor Linda Arcularius, Inyo County, thanked Mary Pitto for her assistance with Inyo County's recycling program, and presented her with an Inyo County T-Shirt.

Supervisor Roger Abe, Yuba County, discussed with the Board the Western Area Power Administration's new easement language, which would not allow new orchard plants, such as almond, peach, prune or walnut trees near transmission lines.

Supervisor Randy Hanvelt, Tuolumne County, commented on the Merced River Plan, and urged the Board of Directors to read Mariposa County's letter in regards to the Plan. Supervisor Hanvelt asked each Board member to submit a letter on behalf of their county. Other Supervisors offered comments regarding the Plan.

Supervisor Aaron Albaugh, Lassen County, discussed "Right-to-the-Outdoors" ordinance, and suggested that such an ordinance might benefit rural counties.

Supervisor Randy Hanvelt, Tuolumne County, informed the Board of Directors that Tuolumne County recently sent a letter to the State requesting more money to fund their roads. Tuolumne County suggested that they may want to eliminate the High Speed Rail project to help find the extra money.

Supervisor John Pedrozo, Merced County, updated the Board on the State Water Resources Control Board and the negative impacts its rule-making is having on the dairy industry and farming industry in Merced County.

Supervisor Allen Ishida, Tulare County, informed that Board that the EIR regarding irrigated lands was thrown out in Tulare County, and it may take up to 18 months to review.

Supervisor Doug Teeter, Butte County, updated the Board that Senator Nielson is coming to Butte County to discuss the imposition of State Responsibility Area Fees. Currently in Butte County individual home insurance policies are being cancelled and it is becoming a huge issue.

Supervisor Michael Kobseff, Siskiyou County, announced that Siskiyou is going to have their annual meeting with their mine operators. Currently all imports in to California are not being taxed and it is hurting this industry.

Public Comments

None

President's Report

Greg Norton, President and CEO, welcomed everyone to the meeting. Mr. Norton sadly informed the Board of past President and CEO Marcia Basque's husband, Ted Basque passing.

Mr. Norton reported that the CHF Agenda will now be posted on the CHF website. The CHF Board packets will be emailed to the Board via PDF file, and mailed via hard copy as well. Mr. Norton reported that all of the housing programs are doing extremely well; to date over 63,000 families have been assisted.

Approval and Acceptance of Mendocino County

Greg Norton and Paul A. Smith, Senior Legislative Advocate, attended the Mendocino County Board of Supervisors meeting on March 26, 2013. After a presentation on the benefits of RCRC membership, the Mendocino Board unanimously voted to join RCRC. The Mendocino Board also voted 5-0 to become a full member of CHF. Mendocino County was previously an associate member of CHF. Supervisor Carre Brown will be representing Mendocino County on the RCRC Board.

Staff Recommendations:

Staff recommends that the RCRC Board of Directors approve acceptance of Mendocino County as an RCRC Member County, including:

1. Setting Mendocino County's annual membership dues at \$8,784.10; and,
2. Assigning Mendocino County to Region one pursuant to the RCRC Bylaws.

Supervisor Ray Nutting, El Dorado County, motioned to approve staff recommendations. Supervisor Jim Holmes, Placer County, seconded the motion. Motion passes unanimously.

Secure Rural Schools Sequestration and Update

Paul A. Smith updated the Board of Directors that on March 19th Chief Thomas Tidwell of the United States Forest Service announced that under the Secure Rural Schools program, payments to the states were now being subject to sequestration. This meant that all 2012 payments that were released in early February 2013, are now subjected to a 5.1% reduction under the Budget Control Act. Mr. Smith explained that roughly \$1.6 million will be sequestered from Title I and Title III monies and roughly \$164,000 would be sequestered from Title II monies. RCRC, CSAC and various education groups have joined forces to voice our opposition to proposed sequestration.

In addition, RCRC staff discussed current efforts to reauthorize the SRS program, including a detailed discussion of Representative Doc Hastings (R-Washington) proposed to increase forest management activities to produce revenue for counties that have specified U.S. Forest Service lands.

Possessory Interest Taxes on Indian Lands

Paul A. Smith thanked Supervisor Bob Williams, Tehama County, for addressing the issue of Possessory Interest Taxes on Indian Lands, and bringing it to the attention of RCRC Staff. Currently, federal law prevents state and local taxes from being placed on Indian tribes, lands and enterprises. Mr. Smith explained a new federal rule that would prohibit County Assessors from applying possessory interest taxes to third party entities that conduct business on Indian Lands. Mr. Smith noted that this would be a revenue loss in those counties where the tribes utilize these third party arrangements. The regulation is now the subject of litigation in federal court – Desert Water Agency v. Department of Interior.

AB 97 Medi-Cal Reimbursement Rate Cut Implementation

Cyndi Hillery, Legislative Advocate, updated the Board of Directors on the status of ongoing legislative efforts which attempt to lessen the harm of the implementation of the Medi-Cal Reimbursement Rate Cuts. Ms. Hillery gave a brief history of AB 97, which was adopted in 2011 as a Budget Trailer Bill. Ms. Hillery then described Assembly Bill 900 (Alejo), Senate Bill 646 (Nielsen), and Senate Bill 640 (Lara), all of which RCRC has taken a “Support” position on as they all roll back cuts to the reimbursement rates for different Medi-Cal fee-for-service activities. Ms. Hillery explained that staff will remain active with a broad coalition effort focused on rolling back AB 97 implementation because these rate cuts dramatically affect rural counties.

SRA Fees Update

Cyndi Hillery updated the Board of Directors on recent legislative activity surrounding State Responsibility Area Fees. Ms. Hillery reminded the Board that the Howard Jarvis Taxpayers Association lawsuit is strictly based upon a “fee vs. tax” claim, and does not speak to anything else including equity or appropriateness from a policy perspective. RCRC staff is working very hard to avoid a “conversion” bill, which would convert the SRA “fee” to a “tax”. Ms. Hillery noted that while the ultimate goal is to have the fee repealed, this will not be obtained unless there is a revenue offset. SRA fees fund Cal Fire activities, and Cal Fire responds to all natural disasters, from fires, to earthquakes, to floods. Assembly Bill 468 (Chesbro) is a “repeal and replace” bill. This would repeal

the SRA fee and replace it with a insurance surcharge. Ms. Hillery informed the Board that thus far no counties have received an SRA Fee bill for the 2012-2013 cycle.

State Legislation Update

Paul Smith discussed specific bills under State Legislation. Mr. Smith informed the Board that a dedication ceremony for the memorial interchange to honor the late Senator Dave Cox will take place on May 3rd.

Cyndi Hillery reported on Assembly Bill 151 (Olsen) regarding assisting disabled veterans by waiving service related fees. RCRC supports this bill. Ms. Hillery also reported on Assembly Bill 416 regarding the direction of cap-and-trade revenue to local governments. RCRC supports this bill.

Mary Pitto, Regulatory Affairs Advocate, highlighted several CEQA bills RCRC opposes. Ms. Pitto indicated that many of the bills have a long list of supporters and few in opposition. Kathy Mannion will be featuring bills in the Barbed Wire, seeking our Board members to engage. Assembly Bill 52 (Gatto) – Native Americans; Assembly Bill 380 (Dickinson) – Notices; Assembly Bill 515 (Dickinson) – Judicial Review; Assembly Bill 543 (Campos) - Translation; Assembly Bill 823 (Eggman) - Farmland Protection Act; Assembly Bill 953 (Ammiano) – overturn Ballona Wetlands decision; Senate Bill 123 (Corbett) – Judicial Review; and Senate Bill 617 (Evans) – includes many of the above. Ms. Pitto also noted Senate Bill 731 (Steinberg) has not been developed and is expected to be amended next week. RCRC has not taken a position on this bill.

Department of Fish and Wildlife Payment In Lieu of Taxes

Patricia Megason, Executive Vice President, reported to the Board of Directors that RCRC as well as CSAC are working together to educate members of the Legislature on the issue of State Payment in Lieu of Taxes and to secure payment of the monies owed. Currently twenty-five of the counties impacted are members of RCRC. The total amount of State PILT payments owed is roughly \$23 million. Staff requested that member counties affected send letters and call their state representative.

Department of Water Resources Draft California's Flood Future

Mary Pitto informed the Board of Directors that the Department of Water Resources released the public review draft of California's Flood Future: Recommendations for Managing the State's Flood Risk. It is currently a draft document and they are taking comments until May 20, 2013. All of the RCRC Member counties have declared a flood disaster in the past 20 years, so the findings and recommendations in the report are relevant to all counties. Each county received a map depicting a summary of their available flood types, flood history, flood hazard exposure and flood infrastructure information. These should be reviewed for content and accuracy.

Adjournment

Chair, Supervisor Kevin Cann, Mariposa County, adjourned the RCRC Board of Directors Meeting at 12:06 p.m.