

**Rural County Representatives of California
Board of Directors Meeting
Wednesday, August 17, 2016 – 9:00 a.m.
1215 K Street, Suite 1650 – Board Room
Sacramento, CA 95814**

MINUTES

Call to Order, Determination of Quorum and Self Introductions

Chair, Supervisor John Viegas, Glenn County, called the meeting to order at 9:05 a.m. A quorum was determined at that time. Those present:

| <u>Supervisor</u> | <u>County</u> |
|--------------------------|----------------------|
| Mary Rawson | Alpine |
| Brian Oneto | Amador |
| Doug Teeter | Butte |
| Cliff Edson | Calaveras |
| Dave Finigan | Del Norte |
| Michael Ranalli | El Dorado |
| John Viegas | Glenn |
| Matt Kingsley | Inyo |
| David Rogers | Madera |
| Kevin Cann | Mariposa |
| Carre Brown | Mendocino |
| John Pedrozo | Merced |
| Geri Byrne | Modoc |
| Tim Alpers | Mono |
| Diane Dillon | Napa |
| Nate Beason | Nevada |
| Jim Holmes | Placer |
| Anthony Botelho | San Benito |
| Les Baugh | Shasta |
| Lee Adams | Sierra |
| Michael Kobseff | Siskiyou |
| Bob Williams | Tehama |
| John Fenley | Trinity |
| Allen Ishida | Tulare |
| Randy Hanvelt | Tuolumne |

Absent

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|--------------------|----------|
| Kim Dolbow Vann | Colusa |
| Rex Bohn | Humboldt |
| Michael Kelley | Imperial |
| Anthony Farrington | Lake |
| Aaron Albaugh | Lassen |

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|--------------|-----------------|
| Kevin Goss | Plumas |
| Lynn Compton | San Luis Obispo |
| Larry Munger | Sutter |
| Matt Rexroad | Yolo |
| Roger Abe | Yuba |

Others in Attendance

Supervisor Richard Forster, Amador County
Ed Horton, Placer County Water Agency
Frank DeLima, CA Building Industry Association
Kyle Griffith, Bicker, Castillo & Fairbanks Public Affairs
Kurt Oneto, Nielsen, Merksamer, Parrinello, Gross & Leoni LLP
Robert Bendorf, Renovate America
Graham Knaus, CSAC
Dorothy Holzem, CSAC
Wanda Ishida

Staff in Attendance

Greg Norton, President & CEO
Patricia Megason, Executive Vice President
Craig Ferguson, Vice President
Lisa McCargar, Chief Financial Officer
Paul A. Smith, Senior Legislative Advocate
Tracy Rhine, Legislative Advocate
Mary-Ann Warmerdam, Legislative Advocate
Mary Pitto, Regulatory Affairs Advocate
Staci Heaton, Regulatory Affairs Advocate
Justin Caporusso, Director of Public Affairs
Sarah Bolnik, Office Manager
Terrance Rodgers, Economic Development Officer
Randall Echevarria, Legislative Analyst
Santinia Pasquini, Legislative Analyst
Maggie Chui, Governmental Affairs Assistant
Nick Konovaloff, Legislative Analyst

Pledge of Allegiance

Approval of Minutes – June 22, 2016

Chair, John Viegas, Glenn County, called for approval of the minutes from the June 22, 2016 Board of Directors Meeting.

Supervisor Brian Oneto, Amador County, motioned to approve the minutes from the June 22, 2016 Board of Directors Meeting. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passes unanimously.

Abstaining:

Supervisor Cliff Edson, Calaveras County; Supervisor Nate Beason, Nevada County; Supervisor Jim Holmes, Placer County; Supervisor Les Baugh, Shasta County; Supervisor Allen Ishida, Tulare County.

Member County Concerns and Issues

Supervisor Randy Hanvelt, Tuolumne County, discussed the issue of a delay by the Judicial Council of a number of courthouse construction projects. Due to a lack of funding, a number of courthouse construction projects have been postponed indefinitely, including the project in Tuolumne County.

Supervisor Michael Kobseff, Siskiyou County, also commented on his frustration with courthouse construction delay for Siskiyou County's ten-year project. Siskiyou County's current construction bid is reaching the deadline and will expire Friday August 19, 2016. This will leave the County no other option but to start the bid process over.

Supervisor Kobseff also reported that the Siskiyou voters upheld the marijuana outdoor growing ban.

Supervisor Kobseff raised the issue of an abuse of the land transfer recordings process whereby illegal marijuana cultivators utilize this process to avoid sanction.

Supervisor John Fenley, Trinity County, discussed Assembly Bill 2691 (Holden). Supervisor Fenley explained that AB 2691 would authorize counties to adopt a program which allows qualified senior citizens to pay their property taxes on a monthly basis. Supervisor Fenley raised the issue of the cost of implementing such a program, and informed the RCRC Board of Directors that Trinity County has submitted a letter in opposition.

Supervisor Matt Kingsley, Inyo County, first expressed his appreciation of Paul Smith's marijuana presentation to the Inyo Board of Supervisors. He announced that the Inyo county Board of Supervisors has placed a marijuana tax measure on the November 2016 ballot. Supervisor Kingsley then discussed the financial issues Inyo County is having with their emergency medical services providers and local fire districts.

Supervisor Carre Brown, Mendocino County, reported that Mendocino County Board of Supervisors recently passed a policy statement on marijuana and youth.

Supervisor Allen Ishida, Tulare County, reported that Tulare County has been infested with the bark beetle. Supervisor Ishida warned that the drought is making trees unhealthy and even more susceptible to the bark beetle.

Supervisor Doug Teeter, Butte County, discussed State Parks' Off-Highway Vehicles (OHV) division. Supervisor Teeter requested that RCRC submit of letter of support in the reorganization of the OHV division.

Supervisor Bob Williams, Tehama County, requested assistance from any other county who has recently re-negotiated compacts with tribes to conduct gaming activities. Tehama County has a compact expiring in the coming months, and would appreciate hearing how these re-negotiations have been handled in other counties.

Public Comments

Mr. Frank De Lima, Senior Vice President at the California Building Industry Association, addressed the Board of Directors in regards to Proposition 51. Proposition 51 is a K-14 statewide school bond which would fund the repair, upgrade and new construction of California public schools. Mr. De Lima formally asked for the Board of Directors to adopt a “support” position on this measure.

Mr. Kurt Oneto, Partner at Nielsen, Merk, Samer, Parrinello, Gross, & Leoni, LLP, addressed the RCRC Board of Directors in regards to Proposition 53. Proposition 53 would require voter approval before the state could issue more than \$2 billion in public infrastructure bonds (commonly referred to as revenue bonds). Mr. Oneto formally asked for the Board of Directors to adopt a “neutral” position on this initiative.

Mr. Kyle Griffith, Account Executive at Bicker, Castillo, and Fairbanks Public Affairs, addressed the Board of Directors on Proposition 53. Mr. Griffith gave an outline on why the Board of Directors should adopt an “oppose” position for this initiative.

President’s Report

Greg Norton, President & CEO, reported recent county visits to Amador and Inyo Counties. Mr. Norton informed the Board of Directors of a trip taken to Washington D.C. earlier this month with Mr. Terrance Rodgers, RCRC Economic Development Officer. This trip’s focus was on Economic Development efforts in rural California.

Terrance Rodgers provided an update on RCRC’s Rural Economic Development activities.

Mr. Rodgers reported on the USDA Water and Waste Water Disposal Loan and Grant Program. Recently they had a meeting with Secretary Vilsack’s Senior Advisor to discuss how the agencies could partner to help rural communities obtain funding sources for water, wastewater, storm water and solid waste disposal facility construction or rehabilitation. In order to assist in this effort, Mr. Rodgers explained how RCRC will develop and disseminate a survey for counties, cities, municipalities, districts and other entities responsible for managing these programs. Staff will work with local, state and the federal government, and other private and nonprofit entities to facilitate this effort.

Mr. Rodgers reported on the upcoming Export Trade Forum Series. Mr. Rodgers is currently working with the Center for International Trade Development to develop an Export Trade Forum Workshop series designed for emerging small to medium-sized businesses in rural California. The series will provide an opportunity for rural businesses to learn about the available resources and entities that may assist small to medium-sized business begin or enhance their exporting capacity. The series will be progressive, starting with the basics and moving into more complex topics and provide attendees with

the opportunity to meet one-on-one with exports specialists to help develop their exporting plan. The first session will occur in late October to early November.

Mr. Rodgers reported on a recent agreement that RCRC has signed with Solix, Inc. Solix provides administrative support for the Federal Rural Healthcare Program which was created to help rural healthcare facilities reduce their telecommunications and broadband service costs. The net savings for approved rural healthcare facilities exceeds 50 percent for eligible telecommunication services and equipment.

RCRC 2015 Annual Audit and Financial Statements

Lisa McCargar, Chief Financial Officer, presented the 2015 audited financial statements and information letter for RCRC. Moss Adams LLP, RCRC's independent auditing firm, provided the RCRC financial statements with an unqualified "clean" opinion and there were no significant matters identified and no audit adjustments were proposed. Staff presented the financial statements and letter to the RCRC Executive Committee in their capacity as the Audit Committee on July 13, 2016.

Staff Recommendation:

Staff recommends that the Board of Directors review and approve the 2015 audited financial statements and communication letter as presented.

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the staff recommendations. Supervisor Doug Teeter, Butte County, seconded the motion. Motion passes unanimously.

RCRC Annual Meeting

Patricia Megason, Executive Vice President, gave a summary of the 2016 Annual Meeting which will be held September 28-30 at the Resort at Squaw Creek in Placer County. Panel topics include An Insider's Perspective on the U.S. Supreme Court; Criminal Justice Reform; Regulating the Medical Marijuana Industry; The Changing Focus of Housing Needs; the Current Political Landscape; and more. Ms. Megason also reminded the RCRC Board of Directors about the Basket Raffle and the Glenn County charities that will benefit from the proceeds. Supervisor Viegas has selected three Glenn County charities including the Willows Food Bank, the Orland Pantry, and the Westside Domestic Violence Shelter.

RCRC President & CEO Annual Compensation

RCRC Chairman, Supervisor John Viegas, Glenn County, and RCRC First Vice Chair, Supervisor Bob Williams, Tehama County, addressed the RCRC Board of Directors in regards to the Executive Committee's unanimous decision to approve the President and CEO's annual compensation.

Recommendations

Following completion of the President/CEO's annual performance evaluation, the EC voted unanimously to make the following recommendations for approval by the RCRC Board of Directors. The EC recommends that the RCRC Board of Directors approve:

- An increase to the President/CEO base compensation of 7% to \$332,600, effective June 2, 2016; and
- A one-time bonus of 10% of prior year base compensation of \$31,084.

Supervisor Tim Alpers, Mono County, motioned to approve the Executive Committee recommendations. Supervisor Doug Teeter, Butte County, seconded the motion. Motion passes unanimously with a roll call vote.

Aye: Alpine, Amador, Butte, Calaveras, Del Norte, El Dorado, Glenn, Inyo, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, San Benito, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tulare, Tuolumne

Nay: 0

Absent: Colusa, Humboldt, Imperial, Lake, Lassen, Plumas, Sutter, Yolo, Yuba

NACo Annual Conference Update

The RCRC Officers recently attended the NACo Annual Conference in Long Beach California. RCRC Chairman, Supervisor John Viegas; RCRC First Vice Chair, Supervisor Bob Williams; RCRC Second Vice Chair, Supervisor Rex Bohn; RCRC Immediate Past Chair, Supervisor Lee Adams; and WIR Representative, Supervisor Kevin Cann, gave an update on their visit and meetings they attended.

California Tree Mortality Task Force

Staci Heaton, Regulatory Affairs Advocate, provided an update to the RCRC Board of Directors on the activities of the California Tree Mortality Task Force. The Task Force continues to meet monthly, and has established sub-committees which meet more frequently. Currently, 10 California counties have been formally identified as high hazard counties – Amador, Calaveras, El Dorado, Madera, Mariposa, Placer, Tuolumne, Tulare, Fresno, and Kern. CAL FIRE continues to work directly with these counties to help deploy equipment, identify potential log deck storage, and provide technical assistance whenever possible. The Task Force also added an additional working group following the July 2016 meeting specifically to address the issue of funding assistance for private landowners in the high hazard areas.

Ms. Heaton reviewed a recently-proposed amendment to Assembly Bill 1613 which would allocate only \$20 million (of the overall proposed \$50 million) of Cap-and-Trade funding to tree removal and mitigation efforts in rural areas.

Proposition 51 – “Statewide Bond for School Facilities”

Paul A. Smith, Senior Legislative Advocate, provided an overview of Proposition 51. Mr. Smith reminded the Board that in the past, RCRC has not taken a position on school bonds. However, many rural communities have no means of funding school maintenance and repairs without the statewide assistance that Proposition 51 would offer. The Board of Directors discussed this proposition at length, and Mr. Smith reviewed the pros and cons of this initiative.

Staff Recommendation

RCRC staff recommends the Board of Directors adopt a “Support” position on Proposition 51.

Supervisor Jim Holmes, Placer County, motioned to approve the staff recommendation. Supervisor Kevin Cann, Mariposa County, seconded the motion. Motion passes with a roll call vote.

Aye: Alpine, Butte, Del Norte, Glenn, Inyo, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, San Benito, Shasta, Sierra, Siskiyou, Tehama, Trinity

Nay: Amador, Calaveras, El Dorado, Tulare, Tuolumne

Absent: Colusa, Humboldt, Imperial, Lake, Lassen, Plumas, Sutter, Yolo, Yuba

Proposition 53 – “No Blank Checks Initiative”

Mary-Ann Warmerdam, Legislative Advocate, gave an overview of Proposition 53. If passed, Proposition 53 would require voter approval to use revenue bonds for public infrastructure projects funded, owned, or operated by the state, if the bond amount exceeds \$2 billion. Ms. Warmerdam noted that, while this excludes UC/CSU and local government projects, this would also apply to previously-approved projects if the remaining bond amount exceeded \$2 billion and those projects (including those sponsored by local government) where the state is a “partner.” Ms. Warmerdam reviewed various concerns with the language of Proposition 53.

Staff Recommendation

RCRC staff recommends the RCRC Board of Directors adopt an “Oppose” position on the “No Blank Checks Initiative” measure.

Supervisor Tim Alpers, Mono County, motioned to approve the staff recommendation. Supervisor Lee Adams, Sierra County, seconded the motion. Motion passes with a roll call vote.

Aye: Alpine, Butte, Calaveras, Del Norte, El Dorado, Glenn, Inyo, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, San Benito, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tulare, Tuolumne

Nay: Amador

Absent: Colusa, Humboldt, Imperial, Lake, Lassen, Plumas, Sutter, Yolo, Yuba

Proposition 54 – “Legislative Transparency Act”

Paul A. Smith provided an overview of Proposition 54, known as the “Legislative Transparency Act.” Mr. Smith explained that if Proposition 54 is passed, it would require that every bill be in-print and online at least 72 hours before each house of the legislature can consider it. Proposition 54 would also require that the Legislature make audiovisual recordings of its public proceedings and publish the recordings online within 24 hours. The measure would also authorize the recording of any open legislative proceedings either through audio or visual means and the use of these recordings for any legitimate purpose.

Mr. Smith reminded the Board that members of county boards of supervisors are responsible for complying with the state’s open meeting laws, commonly referred to as the Brown Act. A support position on Proposition 54 would impose the same requirement upon the Legislature.

Staff Recommendation

RCRC staff recommends the RCRC Board of Directors adopt a “Support” position on Proposition 54.

Supervisor Nate Beason, Nevada County, motioned to approve the staff recommendation. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passes unanimously with a roll call vote.

Aye: *Alpine, Amador, Butte, Calaveras, Del Norte, El Dorado, Glenn, Inyo, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, San Benito, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tulare, Tuolumne*

Nay: 0

Absent: *Colusa, Humboldt, Imperial, Lake, Lassen, Plumas, Sutter, Yolo, Yuba*

State Legislative Update

Paul A. Smith reminded the Board of Directors that there are only fourteen days until the legislature will adjourn.

Mr. Smith provided an overview of the following bills:

- Assembly Bill 779 (Cristina Garcia), relating to the local government financial disclosure.

Mary-Ann Warmerdam provided an overview of the following bills:

- Senate Bill 1188 (McGuire), relating to wildlife management areas, and the payment in lieu of taxes (PILT). Senate Bill 1317 (Wolk), relating to ground water extraction permits.

Ms. Tracy Rhine, Legislative Advocate, provided an overview of the following bills:

- Assembly Bill 1625 (Committee on Budget), relating to reporting requirements for incidents of child abuse and neglect that result in a near fatality.
- Assembly Bill 1628 (Committee on Budget), relating to the “No Place Like Home” measure.

Federal Legislative Update

Paul A. Smith reminded the Board of Directors that Congress returns the day after Labor Day with a lot to accomplish prior to the scheduled adjournment in early October.

Mr. Smith along with Supervisor Kevin Cann, Mariposa County, will be attending the Federal PILT Fly-in the second week in September.

Mr. Smith discussed the status of Water Resources Development Act of 2016 (WRDA). Mr. Smith stated that while the Senate seems eager to pass this, the House is showing little interest. With only four weeks remaining the future is unclear.

Environmental Services Joint Powers Authority Update

Mary Pitto, Regulatory Affairs Advocate, provided an update on the activities of the Rural Counties’ Environmental Services Joint Powers Authority (ESJPA). Ms. Pitto reminded the Board that they are all welcome to attend the ESJPA meeting taking place on Thursday August 18th. Ms. Pitto then discussed the status of the Short-Lived Climate Pollutants (SLCP) legislation and how it relates to organics diversion from landfills. She also discussed the Administration’s plan for Beverage Container Recycling Program (Bottle Bill) reform as part of next year’s state budget process.

Assembly Bill 32: 2030 Target Scoping Plan Update

Staci Heaton provided an update on the Assembly Bill 32 2030 Target Scoping Plan Update, which is currently in progress at the California Air Resources Board. AB 32 created a comprehensive, multi-year program to reduce greenhouse gas emissions in California. AB 32 required the California Air Resources Board to develop a Scoping Plan describing the approach to reduce emissions to 1990 levels by 2020. Ms. Heaton informed the RCRC Board of Directors that Governor Brown has now issued an executive order setting greenhouse gas emissions reductions targets for the year 2030. ARB is moving forward with a second update to the Scoping Plan to meet the 2030 targets.

State Water Boards Wetlands Policy

Mary-Ann Warmerdam discussed the State Water Board’s Wetland Policy. The State Water Board recently released their most recent iteration regarding procedures for Discharges of Dredged or Fill Material to Waters of the State. Originally comments on the new policy were due by August 4th; however after receiving comments from multiple coalitions, the due date has been extended until August 18th. Ms. Warmerdam provided an overview of the three areas of concern.

Adjournment

Chair, Supervisor John Viegas, Glenn County, adjourned the RCRC Board of Directors Meeting at 1:50 p.m.