

**Rural County Representatives of California
Board of Directors Meeting
Wednesday, August 19, 2015 – 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 Lee Adams, Sierra County, called the meeting to order at 9:09 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
Dave Finigan	Del Norte
Michael Ranalli	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Matt Kingsley	Inyo
Anthony Farrington	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
John Pedrozo	Merced
Geri Byrne	Modoc
Diane Dillon	Napa
Jim Holmes	Placer
Kevin Goss	Plumas
Les Baugh	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
John Fenley	Trinity
Allen Ishida	Tulare
Randy Hanvelt	Tuolumne

Absent

Cliff Edson	Calaveras
Kim Dolbow Vann	Colusa
Michael Kelley	Imperial
Tim Fesko	Mono
Nate Beason	Nevada

Anthony Botelho San Benito
Matt Rexroad Yolo
Roger Abe Yuba

Others in Attendance

Ed Horton, Placer County Water Agency
Ken Pimlott, Cal FIRE
Duane Shintaku, Cal FIRE
Janet Upton, Cal FIRE
Janet Barentson, Cal FIRE
Rick Farinelli, Madera County
Wanda Ishida
Cara Martinson, CSAC

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
Kathy Mannion, Legislative Advocate
Mary Pitto, Regulatory Affairs Advocate
Staci Heaton, Regulatory Affairs Advocate
Cyndi Hillery, Legislative Advocate
Justin Caporusso, Director of Public Affairs
Sarah Bolnik, Office Manager
Randall Echevarria, Legislative Analyst
Santinia Pasquini, Legislative Analyst
Terrance Rodgers, Economic Development Officer
Layne Frederiksen, IT Manager
Nick Konovaloff, Legislative Analyst
Maggie Chui, Governmental Affairs Assistant

Pledge of Allegiance

Approval of Minutes – June 18, 2015

Chair, Lee Adams, Sierra County, called for approval of the minutes from the June 18, 2015 Board of Directors Meeting.

Supervisor Carre Brown, Mendocino County, motioned to approve the minutes from the June 18, 2015 Board of Directors Meeting. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passes unanimously.

Abstaining:

Supervisor John Pedrozo, Merced County; Supervisor Les Baugh, Shasta County

Member County Concerns and Issues

Supervisor Carre Brown, Mendocino County, informed the RCRC Board of Directors that while Mendocino County did settle their previous lawsuit related to U.S. Fish and Wildlife Trapping Services, the County has been sued again, this time by twice as many environmental and animal rights groups.

Supervisor Brown also raised the issue of last minute comments by federal and state agencies on significant issues regarding projects up for hearing and approval. This issue continually happens in Mendocino County where documents arrive in the county office the day prior to or the day of the Board of Supervisors meeting and the Supervisors are expected to take action on the issue. This causes frustrating delays in the process.

Supervisor Allen Ishida, Tulare County, spoke about recently being evacuated from the Tulare Cabin Fire. Supervisor Ishida noted that this wildfire was started by a lightning strike that occurred 30 days prior to the wildfire burning out of control. To date, 6,000 acres have burned in Tulare County.

Supervisor Kevin Cann, Mariposa County, discussed the formation of a tree mortality task force in neighboring counties. The task force reported up to a 54% mortality rate in the region and would like a disaster declaration by the Governor. Supervisor Cann requested RCRC to provide advice on this process and organize a disaster declaration.

Supervisor Randy Hanvelt, Tuolumne County, informed the RCRC Board of Directors that on September 21 there will be a Natural Resource Tour of the Rim Fire in Tuolumne County. The tour will address the linkage between forests and water management. Tuolumne is hoping to spread awareness of the linkage between forest fires and water issues to urban counties.

Supervisor Michael Kobseff, Siskiyou County, stated that on August 20th Siskiyou County will be at the center of yet another press release. Details will be provided at that time.

Supervisor Geri Byrne, Modoc County, invited the RCRC Board of Directors to the opening of the new Modoc County Courthouse on September 18th at 1p.m.

Supervisor Doug Teeter, Butte County, informed the RCRC Board of Directors of a meeting of the Sierra Nevada Conservancy happening in Paradise on September 2-3, 2015.

Public Comments

None

President's Report

Greg Norton, President & CEO, introduced to the Board of Directors Mr. Terrance Rodgers, RCRC's new Economic Development Officer, and Mr. Layne Frederiksen, RCRC's new IT Manager. Mr. Norton gave a brief history on both new employees.

Mr. Norton reported that recent county visits to Glenn, Mariposa, Shasta, El Dorado, and Placer counties have taken place in the past two months by members of the RCRC staff.

Mr. Norton reported on the success of the Annual Meeting sponsorship for 2015. To date, the Annual Meeting has eighteen sponsors and there are inquiries from a number of additional sponsors pending.

RCRC Annual Meeting

Patricia Megason, Executive Vice President, gave a summary of the 2015 Annual Meeting which will be held September 23-25 at the Lake Tahoe Resort Hotel in El Dorado County. Panel topics include the Environmental Impacts of Marijuana Cultivation, the Future of Federal Land Payments, the Upcoming Political Season, Human Trafficking, and Water in California. Ms. Megason also reminded the RCRC Board of Directors about the Basket Raffle and the Sierra County charities that will benefit from the proceeds.

RCRC President /CEO Annual Compensation

Chairman, Supervisor Lee Adams, Sierra County, and First Vice Chair, Supervisor John Viegas, Glenn 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 Executive Committee (EC) voted unanimously to make the following recommendation 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 5% to \$310,841, effective June 2, 2015.

Supervisor Les Baugh, Shasta County, motioned to approve the Executive Committee recommendations. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passes unanimously.

CalFIRE Presentation: Expansion of Insect and Disease Area Designations

Ken Pimlott, CalFIRE Director, and Duane Shintaku, CalFIRE Deputy Director, presented to the RCRC Board of Directors on *The California Drought, Bark Beetles and Tree Mortality*.

NACo Annual Conference Update

The RCRC Officers recently attended the NACo Annual Conference in Charlotte, North Carolina. Chairman, Supervisor Lee Adams; First Vice Chair, Supervisor John Viegas; Second Vice Chair, Supervisor Bob Williams; and WIR Representative, Supervisor Kevin Cann, gave an update on their visit and meetings they attended.

State and Federal Transportation Funding Update

Paul A. Smith, Senior Legislative Advocate, provided an update on state and federal transportation funding efforts. Mr. Smith discussed Senate Bill 16, which the RCRC Board of Directors voted to support, which would provide a 50/50 split of new funding between state and local governments. During the special session, however, Senate Bill 1X was introduced and this measure no longer contains a sunset provision that is part of SB 16. By doing so, SB 1X proposes a permanent revenue increase.

Mr. Smith also reviewed the Senate Republican measure SCA 1X, which would amend the State Constitution to guarantee that all new transportation taxes are used for transportation purposes only.

Mr. Smith also noted the placement of truck weight fees within the transportation funding system.

Mr. Smith also discussed the recent activities in the U.S. Congress to secure a new federal transportation funding program. Prior to the adjournment of Congress before the August Recess, the Congress approved and President Obama signed into law a short-term continuation of the current federal authorization program.

Expansion of Insect and Disease Designations

Cyndi Hillery, Legislative Advocate, gave a background on the forest insect and disease area designations as well as a possible approach to expand the designations to additional regions. Ms. Hillery also discussed a letter of support sent on August 6, 2015 from the California Natural Resources Agency to Chief Tidwell at the U.S. Forest Service. The letter requests an additional 5.3 million acres of national forest lands be designated as eligible under the Insect and Disease Designation in USFS. Region 5.

Assembly Bill 1063 (Williams): Solid Waste Charges

Paul A. Smith provided an update on Assembly Bill 1063 (Williams), which seeks to increase the State's solid waste disposal fee, and provide an alternative financing scheme for solid waste regulatory activities. Mr. Smith explained that as the State moves towards a policy of dramatically reducing the amount of waste disposed, the existing solid waste management financing scheme becomes questionable. In discussions with key Administration and Department of Resources Recycling and Recovery (CalRecycle) staff, RCRC staff has made it clear that in order to support a tipping fee increase it would need to cover the State Water Resources Control Board Waste Discharge Requirement Fees charged to landfills.

Mr. Smith reported that the draft language included in the packet has been proposed to be amended again. The new proposal has reduced the tipping fee increase to \$3.50. However, there still is not consensus by all the stakeholders on all issues. The new fee will allow RCRC to have a "Support in Concept" position at the committee hearing this afternoon.

Mary Pitto, Regulatory Affairs Advocate, explained the \$3.50 represents the existing \$1.40/ton, a \$0.50 increase for the WDR fee, \$1.50 for organics incentives, and only

\$0.10 for CalRecycle. Ms. Pitto stated that the solid waste industry wants a guaranteed pass through, however there is not consensus on the appropriate language.

RCRC staff will continue to work with both the Administration and other stakeholders in order to achieve a reasonable tipping fee increase and a mechanism to impose fees to other solid waste facilities in the future.

Groundwater Adjudication Legislation

Kathy Mannion, Legislative Advocate, discussed Senate Bill 226 (Pavley), Assembly Bill 1390 (Alejo), as well as the Brown Administration's draft legislative proposal for groundwater adjudication. Ms. Mannion noted that currently there are a lot of moving targets, and as of this morning the two bills have been amended. Assembly Bill 1390, sponsored by the Farm Bureau, is a measure that RCRC has a position of "Oppose Unless Amended". Ms. Mannion stated that the biggest issue remaining with AB 1390 as it relates to counties is the use of county property tax bills as the means to serve notice to landowners of the commencement of a groundwater basin adjudication. Senate Bill 266 does not specifically impact counties; therefore RCRC has not taken a position on the bill, but will continue to watch the bill closely.

Update on Medical Marijuana Legislation and Adult-Use Ballot Measure

Paul A. Smith provided an update on the status of legislation to provide a medical marijuana regulatory framework as well as the status of proposed ballot measures seeking to legalize the recreational use of marijuana. Mr. Smith informed the RCRC Board of Directors that the Legislature is considering two medical marijuana licensing bills – Assembly Bill 266 (Bonta) and Senate Bill 643 (McGuire). Both measures have secured passage in their house of origin, and are awaiting review in an assigned Appropriations Committee.

Mr. Smith stated that while there have been several ballot measures submitted to the Attorney General to permit the adult use or recreational use of marijuana, none are likely to qualify or pass due to the significant resources needed to qualify the measure and secure its passage. However, RCRC expects there to be a well-funded, well-organized effort to submit a ballot measure soon, which will provide for a comprehensive approach to addressing both the parameters of the use of medical marijuana as well as recreational use. RCRC and the Urban Counties Caucus (UCC) recently reviewed draft ballot language and provided a number of comments in the effort.

State Legislation

Cyndi Hillery reported on Senate Bill 209 (Pavley) and Assembly Bill 1142 (Gray) regarding mining. Ms. Hillery noted that Senator Pavley accepted all of RCRC's requested amendments and as of today joined with CSAC in support of SB 209, which makes various changes to the Surface Mining and Reclamation Act (SMARA).

Assembly Bill 1142 is another bill regarding Surface Mining and Reclamation Act which RCRC has supported since the beginning of session. SMARA reform has been an issue for an Administration working group on which RCRC has participated. The final

language of SB 209 and AB 1142 is the culmination of that working group. Ms. Hillery will distribute letters of support to the RCRC Board of Directors via email.

S. 1879 – Federal Fee-To-Trust Reform

Cyndi Hillery addressed the issue of S. 1879, Federal Fee-to-Trust Reform with the Board of Directors. S. 1879 introduced by Senator John Barrasso (R-WY) seeks to overturn the Supreme Court decision in *Carcieri* and purports to make reforms to the existing fee-to-trust system. Ms. Hillery noted that RCRC has urged Congress to create a fee-to-trust system that creates a practical process by which counties have a seat at the decision-making table, and has argued that any new system should ensure that counties are not substantially disadvantaged by trust lands. RCRC staff and our federal advocates are committed to continuing to work with other stakeholders to develop a workable approach which would allow for a transparent, fair fee-to-trust process that leaves local governments whole. Supervisor Dillon discussed with the RCRC Board of Directors another major issue not addressed by S. 1879 that is highlighted by RCRC's "Support if Amended" letter, that of Change in Use. RCRC staff recommended, and the Board adopted, a "Support if Amended" position on S. 1879.

Staff Recommendation

RCRC staff recommends that RCRC take a "Support if Amended" position on S. 1879. RCRC staff and federal advocates will continue to work with Supervisor Dillon and other stakeholders to develop a workable approach which would allow for a transparent, fair fee-to-trust process that leaves local governments whole.

Supervisor Jim Holmes, Placer County, motioned to approve the Staff recommendation of Support if Amended on S. 1879. Supervisor Bob Williams, Tehama County, seconded the motion. Motion passes unanimously.

Federal Drought Legislation

Kathy Mannion reviewed key federal legislation in response to the drought, S. 1894 (Boxer & Feinstein) and HR 2898 (Valadao). Ms. Mannion explained in detail key provisions of both bills. Ms. Mannion also noted that S. 1894 is expected to be heard in the Senate Energy and Natural Resources Committee in September 2015.

Assembly Bill 32: Cap and Trade Investment Plan and Draft Funding Guidelines

Staci Heaton, Regulatory Affairs Advocate, reported on the cap and trade investment plan and draft funding guidelines. Ms. Heaton gave a history of the interim guidelines approved by the Air Resources Board in 2012 to the RCRC Board of Directors. Ms. Heaton stated that on July 28th a draft concept paper was released for the investment plan. The investment plan will prioritize the 40% of cap and trade funds not continuously appropriated by the Legislature. Ms. Heaton noted that RCRC will be filing a letter supporting a concept in the paper for more funding opportunities in rural communities.

Environmental Services Joint Powers Authority Update

Mary Pitto gave an update on the Environmental Services Joint Powers Authority. There will be a meeting of the ESJPA Board of Directors taking place in Sacramento on August 20. Ms. Pitto announced that there is a new director at Cal Recycle, Mr. Scott Smithline, and he will be addressing the members at the meeting on August 20th. Ms. Pitto also announced the various other speakers and issues to be discussed and invited all to attend.

Water System Consolidation

Kathy Mannion discussed Senate Bill 88, the Brown Administration “Drought” budget trailer bill that passed in June 2015 and was signed by the Governor. The law now authorizes the State Water Board to require consolidation (physical or operational) of water systems in disadvantaged communities in unincorporated areas. Ms. Mannion stated that the Administration is seeking to “clean-up” certain provisions contained in SB 88 in Senator Wolk’s SB 552. Ms. Mannion noted that SB 552 does very little to fix the flaws in SB 88, a key flaw being that state financial assistance does not include operations and maintenance.

SGMA Groundwater Sustainability Plan Regulations

Kathy Mannion described the process that the Department of Water Resources (DWR) intends to follow to develop the Sustainable Groundwater Management Act (SGMA) Groundwater Sustainability Plan (GSP) regulations. Ms. Mannion stated that emergency regulations will be adopted by June 1, 2016. DWR identified ten topics to discuss with stakeholders and the public. Ms. Mannion stated that the RCRC/CSAC SGMA County Working Group continues to meet with DWR to provide input on the development of the regulations.

SGMA Basin Boundary Regulations

Kathy Mannion reviewed the SGMA draft emergency basin boundary regulations as well as the timeline for the adoption of these regulations. DWR is required to adopt these emergency basin boundary regulations by January 1, 2016. Ms. Mannion reviewed what the local agencies will be required to address. Ms. Mannion urged member counties with high and medium priority basins to review the regulations and submit their comments to both DWR and RCRC.

Adjournment

Chair, Supervisor Lee Adams, Sierra County, adjourned the RCRC Board of Directors Meeting at 1:44 p.m.