

**Rural County Representatives of California
Board of Directors Meeting
Wednesday, December 9, 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
Dave Finigan	Del Norte
John Viegas	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
John Pedrozo	Merced
Geri Byrne	Modoc
Tim Fesko	Mono
Diane Dillon	Napa
Nate Beason	Nevada
Jim Holmes	Placer
Kevin Goss	Plumas
Anthony Botelho	San Benito
Les Baugh	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
John Fenley	Trinity
Allen Ishida	Tulare
Randy Hanvelt	Tuolumne
Roger Abe	Yuba

Absent

Doug Teeter	Butte
Cliff Edson	Calaveras
Kim Dolbow Vann	Colusa
Michael Ranalli	El Dorado

Anthony Farrington Lake
Aaron Albaugh Lassen
Matt Rexroad Yolo

Others in Attendance

Supervisor Rick Farinelli, Madera County
Supervisor Karl Fisher, Trinity County
Supervisor Richard Forster, Amador County
Ed Horton, Placer County Water Agency
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
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
Terrance Rodgers, Economic Development Officer
Randall Echevarria, Legislative Analyst
Santinia Pasquini, Legislative Analyst
Maggie Chui, Governmental Affairs Assistant

Pledge of Allegiance

Approval of Minutes – September 25, 2015

Chair, Lee Adams, Sierra County, called for approval of the minutes from the September 25, 2015 Board of Directors Meeting.

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the minutes from the September 25, 2015 Board of Directors Meeting. Supervisor Roger Abe, Yuba County, seconded the motion. Motion passed unanimously.

Abstaining:

Supervisor Michael Kelley, Imperial County; Supervisor Jim Holmes, Placer County

RCRC Chair's Report

Chair, Supervisor Lee Adams, Sierra County, thanked the RCRC Board of Directors for placing their trust in him to lead the organization over the past year. Supervisor Adams wished Supervisor John Viegas, Glenn County, much success in the coming year.

Member County Concerns and Issues

Supervisor Mary Rawson, Alpine County, informed the Board of Directors that Alpine County received its Payment-in-Lieu of Taxes monies from the State Department of Fish and Wildlife.

Supervisor Les Baugh, Shasta County, discussed issues in Shasta County with the storage and manufacturing of “Honey Oil” – a marijuana by-product that is often made with large quantities of highly-flammable butane.

Supervisor John Viegas, Glenn County, informed the Board of Directors that there are a number of class action lawsuits occurring regarding inmate collect phone calls and inmate caps on long-distance phone calls

Supervisor Michael Kobseff, Siskiyou County, thanked Paul Smith for the recent medical marijuana presentation he made to the Siskiyou Board of Supervisors. After the presentation the Siskiyou Board of Supervisors voted to ban outdoor grows in the County.

Supervisor Kobseff also indicated that despite being awarded \$28 million in state jail construction funding, Siskiyou County is still facing a \$9 million shortfall to complete the project. \$3 million is due to an increase in costs in the past six months.

Supervisor Matt Kingsley, Inyo County, discussed the proposed legislation to extend the Adventure/Off-Road Trails program. In Inyo County, currently 10 miles of county maintained roads are being tested for vehicles that are for off-road use to see if this is beneficial. Supervisor Adams indicated Sierra County would be interested in joining the pilot program.

Supervisor Brian Oneto, Amador County, stated that state wildfire mitigation activity funding is still a top priority.

Public Comments

None

WIR Report

Supervisor Kevin Cann, Mariposa County, provided an overview of NACo’s Western Interstate Region (WIR) and distributed a historical packet on WIR’s efforts to lobby for public lands issues on behalf of 15 western states.

President’s Report

Greg Norton, President & CEO, reported recent county visits to Mendocino, Trinity, Siskiyou, Madera, Butte, Lake, Yuba, San Benito, Merced, Tuolumne, Sierra and Glenn counties. The majority of the visits were made by Paul Smith, Senior Legislative Advocate, who has been traveling statewide with his medical marijuana legislation presentation.

Mr. Norton reported that after a five year absence, San Luis Obispo voted unanimously to rejoin RCRC at their November 2015 Meeting. The RCRC Board of Directors will consider San Luis Obispo County's renewed membership in RCRC at the January 20, 2016 meeting.

Mr. Norton reported that for 2016, RCRC will be forming a Past Chairs Council composed of previous RCRC Chairs which are still serving on the RCRC Board of Directors. The intent of the Past Chairs Council is to tap into the wealth of existing institutional knowledge and expertise to provide insights and guidance that advance the goals of the organization. Mr. Norton informed the Board of recent letters of invitation mailed to Past RCRC Chairs who still hold a seat on the RCRC Board of Directors.

Mr. Norton reported that Legislative Advocate Kathy Mannion has announced her retirement in early 2016 and Legislative Advocate Cyndi Hillery has announced joining the Assembly Republican Caucus as Principal Consultant. Ms. Mannion and Ms. Hillery have both been with RCRC for many years and their contributions will be missed.

Election of the 2016 RCRC Officers and Corporate Officers

Greg Norton explained the election process for the 2016 RCRC Officers and shared that Supervisor Rex Bohn, Humboldt County; Supervisor Tim Fesko, Mono County; Supervisor Michael Kobseff, Siskiyou County; and Supervisor Randy Hanvelt, Tuolumne County have all submitted letters of interest in the Second Vice Chair position. The Officers will be sworn in at the Annual Installation of Officers on January 20, 2016. Each of the nominees addressed the RCRC Board of Directors. RCRC Staff collected one election ballot for each member county present at the meeting. Greg Norton, Patricia Megason, and Supervisor Lee Adams counted the votes and announced the following officers

2016 Chair	Supervisor John Viegas, Glenn County
2016 First Vice Chair	Supervisor Bob Williams, Tehama County
2016 Second Vice Chair	Supervisor Rex Bohn, Humboldt County
2016 Immediate Past Chair	Supervisor Lee Adams, Sierra County

Greg Norton nominated the following individuals to serve, in addition to himself, as the 2016 RCRC Corporate Officers:

Patricia Megason	Secretary
Lisa McCargar	Treasurer
Craig Ferguson	Assistant Secretary

Chair, Supervisor Lee Adams, Sierra County, called for approval of the 2016 Slate of Officers as presented:

Supervisor David Rodgers, Madera County, called for approval of the 2016 RCRC Corporate Officers. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passes unanimously.

RCRC Investment Policy Renewal 2016

Greg Norton informed the Board of Directors that the 2016 Investment Policy Renewal was reviewed and approved by the RCRC Executive Committee at their October 21, 2015 meeting. The only revision was applicable date changes.

Staff Recommendation

Staff recommends that the RCRC Board of Directors review and approve the 2016 Investment Policy as presented.

Supervisor John Pedrozo, Merced County, motioned to approve the 2016 RCRC Investment Policy. Supervisor Tim Fesko, Mono County, seconded the motion. Motion passes unanimously.

2016 Proposed Budget for RCRC

Greg Norton summarized highlights of the proposed 2016 RCRC Operating Budget. The proposed operating budget was reviewed and approved by the RCRC Executive Committee at their November 18, 2015 meeting. Mr. Norton added that the 2016 sponsorship budget was significantly higher than previous years because RCRC is currently working with another non-profit in an effort to prevent Human Trafficking.

Staff Recommendations

Staff recommends that the RCRC Board of Directors approve the following recommendations:

1. Approve the attached proposed 2016 RCRC Operating Budget.
2. Approve the RCRC contract service fees at the following amounts:
GSFA - \$2,023,100; ESJPA - \$70,000; and NHF - \$2,413,200.
3. Approve the RCRC contract Performance Fee from GSFA based on projected GSFA housing program net revenues generated in 2016 in the amount of \$1,189,500.
4. Approve receipt of excess revenues transferred from NHF, per the NHF Bylaws, in the amount of \$3,056,000, to be transferred in equal quarterly amounts of \$764,000 beginning January 2016.
5. Approve 2016 member county dues calculation at the levels approved by the Board on June 13, 2012. (Attachment 2)
6. Approve the attached proposed 2016 pay rate schedule. (Attachment 3)
7. Approve setting aside \$100,000 of cash reserves that will be utilized for pension funding at a future date.
8. Approve setting aside \$100,000 of cash reserves that will be utilized for OPEB funding at a future date.

Supervisor Les Baugh, Shasta County, motioned to approve the staff recommendations. Supervisor Randy Hanvelt, Tuolumne County, seconded the motion. Motion passes unanimously.

Patti Mattingly Annual Award

Patricia Megason, Executive Vice President, informed the Board of Directors that the Executive Committee selected Assembly Member Brian Dahle and Senator Mike McGuire as the recipients of the 2015 Patti Mattingly Award. The Awards will be presented at the RCRC Annual Installation of Officers and Reception on January 20, 2016, which will be held at the California Chamber of Commerce California Room in Sacramento.

General Update

Patricia Megason informed the Board of Directors that if there is anyone interested in serving on any of the NACo Committees, such as the Public Lands Committee, to please let staff know so that your name can be submitted for consideration.

Ms. Megason discussed the Governor's Tree Mortality Task Force which was put in place after the Governor adopted the Emergency Declaration. RCRC Board Members, Supervisors Kevin Cann of Mariposa, Randy Hanvelt of Tuolumne, and Nate Beason of Nevada all have a seat on this Task Force, as does RCRC Regulatory Affairs Advocate, Staci Heaton. These members of the Task Force provided the RCRC Board of Directors an overview of the first meeting which was hosted by Chief Ken Pimlott, Cal Fire.

Proposed 2016 Policy Principles

Patricia Megason presented the 2016 proposed Policy Principles to the Board of Directors for review. These principles help guide staff when they review proposed legislation or regulations in order to determine the appropriate RCRC position. Board Members were requested to review the draft Principles and provide all edits, amendments and comments, in writing, to Patricia Megason no later than January 6, 2016 so they can be included in the January Board Packet and considered at the January Board meeting.

RCRC 2015 Annual Report

The RCRC Governmental Affairs team presented the 2015 Year in Review, an overall summary of the most pressing issues of 2015 as they relate to RCRC member counties. The Year in Review is prepared for the RCRC Board of Directors to highlight the significant 2015 actions taken on issues impacting California's rural counties, and to outline the advocacy efforts RCRC Governmental Affairs staff engaged in on behalf of its members.

Staci Heaton, Regulatory Affairs Advocate, reviewed the status of Cap-and-Trade funding as well as the Assembly Bill 32 Scoping Plan, which will set climate change regulations and policy for the state in the near term. Ms. Heaton discussed the Forest Climate Action Team on which she holds a seat, and the continued development of the

Forest Carbon Plan. Ms. Heaton also discussed the multiple pending lawsuits occurring in regards to Waters of the United States.

Mary Pitto, Regulatory Affairs Advocate, discussed the CalRecycle solid waste funding reform efforts. Discussions have continued since the end of the legislative session. Funding reform is a priority for both the Administration and CalRecycle and will either be contained in AB 1063 or be included in the budget process.

Cyndi Hillery, Legislative Advocate, discussed the Special Session on Healthcare. Ms. Hillery discussed that MediCal Reimbursement rates and changes to the In-Home Support Services program are expected to be discussed.

Paul A. Smith gave an update on the status of the federal Secure Rural Schools program.

Kathy Mannion, Legislative Advocate, discussed the ongoing involvement of counties in the implementation of the Sustainable Groundwater Management Act, anticipated legislation seeking to integrate water supply and land use planning, and continued efforts relating to State Payment-in-Lieu of Taxes.

Assembly Bill 1548 (Wood) - Cultivation Tax

Paul A. Smith provided an overview of Assembly Bill 1548 (Wood). If passed next year, AB 1548 would impose taxes on the cultivation of medical marijuana. Mr. Smith reviewed the RCRC requested amendments and explained that RCRC's priority would explicitly preserve county taxing authority and ensure that tax proceeds can be more broadly directed to environmental activities.

Staff Recommendation

RCRC staff recommends the Board of Directors adopt a "Support if Amended" position on AB 1548. The amendments RCRC is requesting would explicitly preserve county taxing authority and ensure tax proceeds can be more broadly directed to environmental activities.

Supervisor John Viegas, Glenn County, motioned to approve the staff recommendations. Supervisor Tim Fesko, Mono County, seconded the motion. Motion passes unanimously.

Enactment of Assembly Bill 594 (Gordon) - Campaign Filing Statements

Paul A. Smith reviewed Assembly Bill 594 which was recently enacted into law and revises the campaign finance documents threshold that are required to be filed. Prior to AB 594, the threshold was \$1,000 per campaign. Under AB 594, a candidate for public office must raise a minimum of \$2,000 to trigger the filing of various filing documents.

Update on Federal Payment in Lieu of Taxes Reauthorization / Funding

Paul A. Smith provided an update on Federal Payment in Lieu of Taxes Reauthorization/Funding. Mr. Smith described advocacy efforts that resulted in a large contingency of RCRC Congressional members supporting a call-to-action to support

Federal PILT payments. The call-to-action urges Congress to utilize federal revenues to fully fund the Federal PILT program.

California Air Resources Board Cap-and-Trade Auction Proceeds Investment Plan for Fiscal years 2016-17 through 2018-19

Staci Heaton reported to the Board of Directors that in late October, the Air Resources Board released the draft Cap-and-Trade Auction Proceeds Investment Plan for fiscal years 2016-17 through 2018-19. Ms. Heaton noted that there are plans in line for Board adoption prior to the end of the year. Ms. Heaton reviewed the priorities of where the funding would be going. Three categories were developed: Sustainable Communities / Clean Transportation; Clean Energy / Energy Efficiency; and Natural Resources / Waste Diversion. Ms. Heaton noted that the RCRC Board of Directors will be updated on the progress of the Cap-and-Trade Investment Plan.

California Air Resources Board Short-Lived Climate Pollutant Reduction Strategy

Staci Heaton reported that the Air Resources Board (ARB) is completing a strategy as required by SB 605 by the end of 2015 to reduce short-lived climate pollutants. ARB released a draft strategy in late September 2015. Ms. Heaton reviewed major issues in the draft with the Board, including high costs of implementation, new organics requirements, and the complete failure to set any emission reduction targets or recommendations for wildfire mitigation. Ms. Heaton also stated that the ARB plans to release the final draft in early December, with plans for board adoption later this month.

Bay Delta Conservation Plan – California WaterFix

Kathy Mannion discussed the transition of the Bay Delta Conservation Plan (BDCP) to the California WaterFix. In early July 2015, revisions to the BDCP were released. Instead of pursuing a Habitat Conservation Plan/Natural Communities Conservation Plan approach the lead agencies are proposing to utilize the more conventional approach of seeking take authorization through the federal and State Endangered Species Acts. Ms. Mannion reviewed RCRC's comments on the California WaterFix environmental documents which were submitted in October 2015. A pre-hearing conference will be held on January 28, 2016. RCRC Staff will continue to keep the Board up to date on this issue.

Adjournment

Chair, Supervisor Lee Adams, Sierra County, adjourned the RCRC Board of Directors Meeting at 12:51 p.m.