

**Rural County Representatives of California
Board of Directors Meeting
Wednesday, June 22, 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
Dave Finigan	Del Norte
Michael Ranalli	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
Aaron Albaugh	Lassen
Rick Farinelli	Madera County
Kevin Cann	Mariposa
Carre Brown	Mendocino
John Pedrozo	Merced
Geri Byrne	Modoc
Tim Alpers	Mono
Diane Dillon	Napa
Anthony Botelho	San Benito
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
John Fenley	Trinity
Randy Hanvelt	Tuolumne
Matt Rexroad	Yolo

Absent

Cliff Edson	Calaveras
Kim Dolbow Vann	Colusa
Anthony Farrington	Lake
Nate Beason	Nevada
Jim Holmes	Placer
Kevin Goss	Plumas

Lynn Compton
Les Baugh
Allen Ishida

San Luis Obispo
Shasta
Tulare

Others in Attendance

Supervisor Greg Cox, San Diego County
Supervisor Andy Vasquez, Yuba County
Supervisor Chris Howard, Del Norte County
Mike Lemyre, Ygrene Energy Fund
Mark Colby, Ygrene Energy Fund
Graham Knauss, CSAC
Cara Martinson, CSAC
Karen Keene, CSAC
Robert Bendorf, Hero/Renovate America
Ed Horton, Placer County Water Agency
Laura Morgan-Kessler, Van Scoyoc Associates
Steve Palmer, Van Scoyoc Associates
Cody Naylor, Public Utilities Commission

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 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
Nick Konovaloff, Legislative Analyst
Maggie Chui, Governmental Affairs Assistant

Pledge of Allegiance

Approval of Minutes – April 21, 2016

Chair, John Viegas, Glenn County, called for approval of the minutes from the April 21, 2016 Board of Directors Meeting.

Supervisor Rex Bohn, Humboldt County, motioned to approve the minutes from the April 21, 2016 Board of Directors Meeting. Supervisor Geri Byrne, Modoc County, seconded the motion. Motion passes unanimously.

Abstaining:

Supervisor Brian Oneto, Amador County; Supervisor Dave Finigan, Del Norte County; Supervisor Michael Kelley, Imperial County; Supervisor Rick Farinelli, Madera County; Supervisor John Pedrozo, Merced County; Supervisor Tim Alpers, Mono County; Supervisor Michael Kobseff, Siskiyou County; Supervisor Matt Rexroad, Yolo County

Member County Concerns and Issues

Supervisor Mary Rawson, Alpine County, discussed the difficulty in obtaining fire insurance in the county. Supervisor Rawson believes this is an issue all rural counties are facing and asked for feedback and advice on resolving the issue.

Supervisor Rawson also discussed Assembly Bill 403. Alpine County is working to encourage families to bring children into foster homes instead of keeping them in group homes.

Supervisor Kevin Cann, Mariposa County, noted that as a member of the Governor's Tree Mortality Task Force, obtaining fire insurance is a topic of discussion as well as concern.

Supervisor Randy Hanvelt, Tuolumne County, recently attended a meeting in regards to high county grazing allotments. Supervisor Hanvelt noted that plans are being issued in urban areas but not in rural ones. Supervisor Hanvelt also mentioned the early adoption of forest plan updates for the Inyo, Sierra, and Sequoia National Forests, and he urged impacted counties to participate in upcoming public meetings and public comment periods.

Supervisor Carre Brown, Mendocino County, updated the Board of Directors of the Wildlife Service's lawsuit filed against Mendocino County for lack of a CEQA document. The county ultimately settled the case stating that a CEQA document would be prepared and certified. Supervisor Brown added that Mendocino County has returned to court for the adequacy of the CEQA document. Supervisor Brown believes that Monterey County is facing a similar issue, and reminded the Board of Directors that they should contact the Mendocino Agricultural Commissioner if they have any questions.

Supervisor Diane Dillon, Napa County, informed the Board of Directors that the Executive Director of the Napa County Farm Bureau has accepted a new position as the Executive Director of the Agricultural Commissioners Association. Supervisor Dillon believes that this move will enhance Agricultural Commissioners communications between counties.

Supervisor Dave Finigan introduced Del Norte County Supervisor Chris Howard. Supervisor Howard discussed the implementation of Senate Bill 88 in Del Norte County. Supervisor Howard informed the RCRC Board of Directors that SB 88 increases the measurement of water diversion and the time frame in which it is to be reported. Farmers and ranchers alike are extremely concerned with the cost of this new measurement and reporting requirement, and are looking to change the requirement.

Supervisor John Viegas, Glenn County, inquired among members of the RCRC Board of Directors on what their respective county's policies are dealing with unclaimed cremains. Supervisor Viegas added that Glenn County is currently having an issue, and does not currently have a policy in place.

Supervisor Viegas also raised the issue of Senate Bill 1146 (Lara) which deals with religious exemption. Glenn County has taken an "oppose" position on this bill.

Public Comments

Mr. Cody Naylor, California Public Utilities Commission, informed the RCRC Board of Directors on what exactly the Public Utilities Commission (PUC) regulates. Mr. Naylor informed the Board that the PUC is aware of the issues regarding emergency assistance in rural communities, and in the coming weeks, there will be hearings where public comments will be welcome. On July 15, 2016 there will be a public hearing in Ukiah; July 16, 2016 there will be a public hearing in Happy Camp; and July 21, 2016 there will be a public hearing in Nevada City. Mr. Naylor added that he would be happy to meet with County Supervisors individually to hear their concerns.

President's Report

Greg Norton, President & CEO, officially introduced Tracy Rhine to the RCRC Board of Directors. Ms. Rhine serves as a Legislative Advocate covering land use, health and human services, and economic development. Ms. Rhine comes from the Department of Consumer Affairs where she served as Chief Deputy Director.

Mr. Norton reported that staff has made recent visits to Butte, Placer, Humboldt and Yolo Counties, as well as visits with Board Members to Wyoming for the Western Interstate Region (WIR) Annual Conference, and Colorado for a Secure Rural Schools meeting.

2016-2017 State Budget Update

Paul A. Smith, Senior Legislative Advocate, provided an update on the 2016-17 State Budget Package. Mr. Smith stated that the final State Budget Package remains incomplete as the Legislature waits to act on several trailer bills, most notably that the "No Place like Home" trailer bill is still pending. Mr. Smith provided a review of the changes that will affect RCRC member counties, including:

- The State's Payment in Lieu of Taxes program for 2016-17 will provide \$644,000 state wide;
- \$270 million for local jail construction;
- \$2 million of funds for the operations and capital improvements of fairs; and,
- \$2.5 million of funds available to the Department of Conservation from Williamson Act contract cancellations for agricultural land preservation programs.

Staci Heaton, Regulatory Affairs Advocate, provided a review of key resource components in the State Budget Package affecting rural counties. Ms. Heaton noted that in the State Budget, \$11 million of General Fund monies was delegated for tree mortality mitigation activities. An additional \$10 million from State Responsibility Area fees will likely be added to this, along with \$30 million to the California Disaster Assistance Act

fund which can be accessed by counties for tree removal activities. Ms. Heaton discussed the creation of a new California's Endangered Species Act permit fee. Based on the size of the project, fees will range from \$6,000 - \$30,000. Ms. Heaton discussed the Cap-and-Trade auction proceeds, informing the Board that the Legislature has postponed allocating the funds until later in the legislative session.

Tracy Rhine, Legislative Advocate, provided an update on aspects of the State Budget impacting health and human services, including the repeal of the CalWORKs Maximum Family Grant rule. CalWORKS grants will increase by 1.4 percent at the end of this year increasing the maximum grant to \$714 per month. Ms. Rhine informed the Board of Directors of \$4 million from the State Budget set aside for County Medical Services Programs, which is a loan repayment program for medical professionals working in rural and underserved areas. Additionally, the budget suspends the 7 percent cut of In-Home Support Services hours on condition that the Managed Care Organization Tax remains operative.

Ms. Rhine provided a detailed overview of the "No Place like Home" effort, which the Governor supports. Ms. Rhine explained the proposed bond measure where \$2 billion would be divided into two different funding categories. Under this measure, counties would have to compete with like sized counties for the funding.

Speaker: The Honorable Greg Cox

The Honorable Greg Cox, San Diego County Supervisor and potential NACo 2nd Vice President, addressed the RCRC Board of Directors. Supervisor Cox provided an overview of his upcoming NACo election race and discussed the voting and election process. The election/voting opportunities will take place during the upcoming NACo Annual Conference in Long Beach, CA on July 21-25, 2016. Supervisor Cox encouraged every county to attend this informative conference.

Supervisor Dave Finigan, Del Norte County, motioned to endorse Supervisor Greg Cox for Second Vice Chair of NACo. Supervisor Carre Brown, Mendocino County, seconded the motion. Motion passes unanimously.

California Tree Mortality Task Force

Staci Heaton provided an update on the California Tree Mortality Task Force (Task Force). Led by the Governor's Office, the California Department of Forestry and Fire Protection (CAL FIRE), and the Governor's Office of Emergency Services (CAL OES), the Task Force includes a wide range of stakeholders brought together to tackle the urgent issue of tree die-off due to invasive pests in California. The Task Force continues to facilitate tree removal in the original six counties identified by the State as "high hazard" including Madera, Mariposa, Tuolumne, Tulare, Fresno, and Kern. Ms. Heaton announced effective the last Task Force meeting, the State has now officially added four more counties to the Task Force – Amador, Calaveras, El Dorado, and Placer. All of these counties have been identified by the State as "high hazard." The RCRC Board of Directors discussed this growing issue at length.

Ms. Heaton was informed that during the meeting, the U.S. Forest Service announced updated tree mortality numbers derived from recent aerial surveys. It is now estimated that an additional 26 million trees have died in California since October 2015. These figures bring the total tree mortality to 66 million.

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). Assembly Bill 1826 (Chesbro; 2014) commits to divert commercial organics from landfills beginning in 2016, phasing implementation through 2019, with the goal of reaching 50 percent organic diversion from landfills in 2020. Ms. Pitto worked with the author's office, the California Department of Resources Recycling and Recovery (CalRecycle), and stakeholders to craft amendments that were feasible and realistic, and ultimately supported the legislation.

Ms. Pitto informed the Board of Directors that ESJPA has now been working with the Air Resources Board (ARB) on their proposed Short-Lived Climate Pollutants (SLCP) Reduction Strategy, released in April 2016, which seeks to unrealistically accelerate the timeline for removing organics from landfills.

Ms. Pitto also provided an overview of the ESJPA's meeting agenda for the ESJPA Board meeting taking place on Thursday, June 23, 2016. The agenda includes discussions on CalRecycle's Beverage Container Recycling program, Disposal Reporting Regulations, Used Oil Management, Mattress Recycling Stewardship, and the State Water Resources Control Board's General Industrial Storm Water Permit. Ms. Pitto welcomed all Supervisors interested in receiving more information to attend the ESJPA Board.

Surface Mining and Reclamation Act Reform

Mary Pitto provided an update on the Surface Mining and Reclamation Act reform, specifically Senate Bill 209 (Pavley) and Assembly Bill 1142 (Gray). Both bills were enacted in April 2016 following the culmination of years of attempts to reform the Surface Mining and Reclamation Act of 1975 (SMARA). Ms. Pitto will be working with the Department of Conservation (DOC) to mitigate the impacts to both counties and mining operations during the regulatory process.

Bureau of Land Management Resource Management Planning Regulations

Staci Heaton reminded the Board of Directors of the Bureau of Land Management's (BLM) recently proposed rulemaking. Ms. Heaton provided a summary of the rule which amends the regulations used to prepare, revise, or amend land use plans under the Federal Land Policy and Management Act.

The BLM closed the public comment period on the proposed rulemaking after 90-days (on May 25, 2016), a timeframe that was too short for meaningful public input. Congress is now applying pressure for the BLM to delay finalizing the rule and hold workshops for locals to provide input. Ms. Heaton presented RCRC's comment letter, which was done with the assistance of RCRC's federal lobbyists from Van Scoyoc, and supports proposed

changes to the regulation as suggested by the National Association of Counties (NACo). The final rule is expected to be released by the end of 2016.

California Department of Fish and Wildlife Lake Streambed Alteration Program Fees

Staci Heaton provided an update on the California Department of Fish and Wildlife (DFW) Lake and Streambed Alteration Program Fees. The DFW has proposed a dramatic fee increase for Lake and Streambed Alteration Agreements to cover the cost of the Lake and Streambed Alteration Program. Rather than explore methods to increase efficiency of the current program, the DFW is proposing a fee increase of 129 percent. Originally released for a 45-day comment period, the comment period has now been extended to June 29, 2016. Ms. Heaton will keep the Board up to date with opportunities for public comment, and when the fees become finalized.

Groundwater Sustainability Plan Emergency Regulations

Nick Konovaloff, Legislative Analyst, reported on the Groundwater Sustainability Plan. Mr. Konovaloff stated that at the May 18, 2016 meeting, the California Water Commission adopted the Groundwater Sustainability Plan emergency regulations developed by the Department of Water Resources. The regulations then went to the Office of Administrative Law for final review and were slated to go into effect in June 2016. Mr. Konovaloff reviewed several other key dates and deadlines regarding the implementation of the Sustainable Groundwater Management Act of 2014 (SGMA).

Mr. Konovaloff encouraged all member counties with high- and medium-priority basins to engage with all stakeholders during the implementation.

State Legislation Update

Paul A. Smith provided an update on the current status of bills in the Legislature, including:

- RCRC-supported Senate Bill 1302 (McGuire) regarding the California Fair Plan in obtaining basic property insurance;
- Assembly Bill 2523 (Mullin) which imposes campaign contribution limits on those seeking a local government office. Enforcement of the limitations would occur through county district attorney;
- RCRC-supported Assembly Bill 2678 (Gray) which would provide a better revenue stream for fair funding by directing the state portion of the sales tax from transactions made on fairgrounds property. The direction would be made to the California Department of Food and Agriculture for allocation to fairs;
- RCRC-supported Senate Bill 1188 (McGuire) will return the '*may*' to '*shall*' in Fish and Game Code Section 1504 making future state Payment in Lieu of Taxes payments required rather than permissive;

- RCRC-opposed Senate Bill 1396 (Wolk) which requires that the Wildlife Conservation Board establish an Inner Coast Range Program. This bill is no longer being pursued by Senator Wolk;
- Assembly Bill 45 (Mullin) which would require the Department of Resources and Recycling to adopt a program for the collection of household hazardous waste. RCRC has an “oppose unless amended” position on this bill;
- Senate Bill 133 (McGuire) regarding collection of taxes on transient occupancy facilities when a lodging has been reserved and attended via technology platform (i.e. Airbnb). RCRC has not yet taken a position on this bill;
- RCRC-opposed Assembly Bill 2395 (Low) which would create a process for telecommunications companies to end land-line services. This bill failed passage in late May;
- RCRC-opposed Senate Bill 1317 (Wolk) which would establish a process for the issuance of an extraction permit for groundwater extraction. This would affect all counties with a high- or medium-priority basin; and,
- Assembly Bill 779 (Cristina Garcia) requires counties (and other local government entities) to report compensation levels for elected officials and the top ten most highly-compensated employees on a county’s homepage website.

Tracy Rhine provided the Board of Directors updates on the following legislation:

- RCRC-supported Assembly Bill 2024 (Wood) which would allow critical access hospitals to directly employ medical professionals;
- Senate Bill 1000 (Levy) relating to the amendment of planning and zoning laws by requiring the general plan to include an environmental justice element. RCRC’s position is “oppose unless amended”. RCRC is working together with CSAC and UCC on this bill;
- RCRC-supported Senate Bill 1273 (Moorlach) clarifies that counties may use Mental Health Services Act moneys for outpatient crisis stabilization services; and,
- RCRC-opposed Assembly Bill 2788 (Gatto) regarding the siting of wireless telecommunications facilities. This bill is no longer active.

Federal Update

Steve Palmer and Laura Morgan-Kessler, RCRC’s Federal Advocacy Partners at Van Scoyoc Associates, provided an update on current federal legislation impacting California’s rural counties. Mr. Palmer provided an overview of what is currently occurring in the Nation’s capital given the current Presidential and Congressional races that are slated for November. Mr. Palmer stated that both the House and the Senate supported

and funded the federal Payment in Lieu of Taxes program for the coming year. Ms. Morgan-Kessler stated that the Waters of the U.S. rule has become final. Wildfires and the drought continue to be ongoing topics of discussion.

Adjournment

Chair, Supervisor John Viegas, Glenn County, adjourned the RCRC Board of Directors Meeting at 1:43 p.m.