

**Rural County Representatives of California
Board of Directors Meeting
Wednesday, March 18, 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
Doug Teeter	Butte
Kim Dolbow Vann	Colusa
Dave Finigan	Del Norte
Michael Ranalli	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Matt Kingsley	Inyo
Aaron Albaugh	Lassen
David Rogers	Madera
Kevin Cann	Mariposa
Carre Brown	Mendocino
Geri Byrne	Modoc
Tim Fesko	Mono
Diane Dillon	Napa
Nate Beason	Nevada
Kevin Goss	Plumas
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
Matt Rexroad	Yolo
Roger Abe	Yuba

Absent

Brian Oneto	Amador
Cliff Edson	Calaveras
Michael Kelley	Imperial
Anthony Farrington	Lake

John Pedrozo	Merced
Jim Holmes	Placer
Larry Munger	Sutter

Others in Attendance

Supervisor Karl Fisher, Trinity County
Supervisor Marshall Long, Mariposa County
Ed Horton, Placer County Water Agency
Cara Martinson, CSAC
Karen Keene, 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
Kathy Mannion, Legislative 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
Nick Konovaloff, Legislative Analyst

Pledge of Allegiance

Approval of Minutes – January 21, 2015

Chair, Lee Adams, Sierra County, called for approval of the minutes from the January 21, 2015 Board of Directors Meeting.

Supervisor Les Baugh, Shasta County, motioned to approve the minutes from the January 21, 2015 Board of Directors Meeting. Supervisor Tim Fesko, Mono County, seconded the motion. Motion passes unanimously.

Abstaining:

Supervisor Matt Kingsley, Inyo County; Supervisor Diane Dillon, Napa County; Supervisor Nate Beason, Nevada County; Supervisor Allen Ishida, Tulare County

Member County Concerns and Issues

Supervisor Randy Hanvelt, Tuolumne County, informed the Board of Directors that Tuolumne County is covered in dead and dying trees, remnants of the Rim Fire. The lack of inclusion of these trees in any of the post-fire clean up timber sales leaves Tuolumne County with limited options for tree removal. Supervisor Hanvelt sought to

solicit assistance from other counties to get these areas designated as diseased and insect areas that warranted NEPA categorical exemption authority and possible funding for clean-up purposes. The dead and dying trees are on SRA and U.S. Forest Service lands.

Supervisor David Rogers, Madera County, discussed recent personnel rulings at the Public Employment Relations Board that are having a negative effect in Madera County.

Supervisor Tim Fesko, Mono County, discussed Assembly Bill 279 (Dodd) which allows the Franchise Tax Board to share tax information with counties. Supervisor Fesko is interested to learn more about this bill.

Supervisor John Viegas, Glenn County, raised the issue of an ordinance in Glenn County regarding solar power and the practice of converting ranch lands into solar commercial lands. Supervisor Viegas requested information on other county experiences with such an ordinance.

Supervisor Randy Hanvelt, Tuolumne County, raised the issue of wells going dry in Tuolumne County. Recently the Governor authorized Tuolumne County to connect to a utility water supplier, and then physically deliver the water to residents.

Supervisor Michael Kobseff, Siskiyou County, took a moment to thank the RCRC Staff for all their work on advocating on behalf of rural county fairs. The Executive Director of Siskiyou's local fair stopped Supervisor Kobseff and let him know how often he hears about RCRC advocating on the Siskiyou County's behalf.

Supervisor Carre Brown, Mendocino County, discussed the county's lawsuit with an animal rights group regarding CEQA. Mendocino County has sent a letter to the U.S. Department of Agriculture requesting assistance. The County is using a significant amount of their General Fund on this lawsuit but they believe it is necessary.

Supervisor Allen Ishida, Tulare County, discussed how counties from Madera to Kern have received no water for the second year in a row. Supervisor Ishida stressed that this year the drought is far worse than in previous years. Yolo, Colusa, and Glenn counties also received no allocations of water.

Supervisor Mary Rawson, Alpine County, informed the Board of Directors that she recently attended the State Water Board Meeting in Bishop which impacts ranchers. This was very informational, and well-attended, and after the meeting, it was clear that more investigation needs to be done.

Public Comments

None

President's Report

Greg Norton, President and CEO, reported that RCRC staff has recently been in the counties of El Dorado, Yolo, Glenn, Sierra, Tulare and Placer for various reasons

including Ground Water Forums/Workshops, Rural Health Care Symposiums, USDA meetings, the North Coast Marijuana Summit, and Board of Supervisors meetings.

Mr. Norton also reported that the attendance at the Annual Installation of Officers event has significantly grown each year. This year over 170 individuals attended the reception.

Mr. Norton also reported that recently he was invited by the Governor's Office of Business and Economic Development to participate on an International Trade and Investment Advisory Council. Mr. Norton has been asked to represent rural California.

Revised Resolution 15-01: Travel Expense Policy

Greg Norton reminded the Board of Directors that the Board approved Resolution 15-01 at the January 21, 2015 meeting; however, RCRC staff was to perform a survey of state agencies as well as counties to see if the reimbursement RCRC provides should be modified. At the February 11, 2015 RCRC Executive Committee Meeting, staff provided the results of this survey. After discussion and review, it is recommended that RCRC remain at the \$111 reimbursement for lodging; however the meal reimbursements increased by more than 32%. The new reimbursement rates, if approved, will be: Breakfast \$8, Lunch \$12, and Dinner \$25, with receipts.

Staff Recommendation:

Staff recommends that the RCRC Board of Directors review and approve Revised Resolution 15-01 (attached with revisions in track changes).

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the revised Resolution 15-01: Travel Expense Policy. Supervisor Tim Fesko, Mono County, seconded the motion. Motion passes unanimously.

Federal Advocacy Efforts and NACo Update

Chair, Supervisor Lee Adams, reported that the RCRC Officers recently attended the NACo Legislative Conference held annually in Washington D.C. Supervisor Adams added that while it was extremely cold in Washington, the Conference and the RCRC-planned meetings with legislative staff were well organized. The Officers and staff were able to meet with key leaders in 23 different meetings in just two-and-a-half days. The topics of these meetings included the reauthorization of the Secure Rural Schools program, renewing the federal Payment in Lieu of Taxes program, Federal Transportation funding (MAP-21), the Wildfire Disaster Funding Act (WDFEA), Waters of the United States (WOTUS) regulations, and tribal issues. Supervisors Bob Williams, Nate Beason, Kevin Cann, and Diane Dillon also provided positive feedback regarding the meetings.

Update on Elected Officials' Exemption / Retired Annuitants / CalPERS Rules

Paul A. Smith, Senior Legislative Advocate, provided the Board of Directors an update on the potential reinstatement of elected officials who are retired annuitants into the CalPERS system. In 2013, the Legislature enacted the Public Employees' Pension Reform Act which questioned whether elected officials are exempt from reinstatement.

Mr. Smith noted that since the enactment of this provision there have been many questions on who this provision applies to, and it has not been implemented by CalPERS due to lack of clarity. Mr. Smith noted there are several members of the Legislature that are affected by this measure. This is motivating the Legislature to restore the elected officials' exemption. While there is a sympathetic Legislature, the hurdle remains the objections of the Brown Administration.

Wildfire Strategy Implementation

Cyndi Hillery, Legislative Advocate, provided an update on the actions taken to date to advance the goals of the Wildfire Strategy. Recently, RCRC Officers and staff had a meeting with Mr. Wade Crowfoot, Deputy Cabinet Secretary and Senior Advisor for Governor Brown. The topics of discussion were specifically climate change and forestry. Ms. Hillery reported that it was a very productive meeting.

Staci Heaton, Regulatory Affairs Advocate, discussed an upcoming meeting with the RCRC Officers and California Air Resources Board Director Mary Nichols to discuss the important connections between good forest health and California's air quality goals.

Justin Caporusso, Director of Public Affairs, reported that the 25 county-approved resolutions regarding wildfire risk were delivered to Governor Brown's offices, Washington D.C. staff, as well as various Congressional offices. This effort furthers RCRC's advocacy efforts with a communications strategy that involves our partners' efforts with similar messaging.

State Budget Update

Paul A. Smith reported to the Board of Directors that various letters have been sent to the Legislature in regards to the State Budget. Mr. Smith noted that the State's budget condition is increasingly positive; however, the unexpected revenues must be dedicated to fulfill Proposition 98, the school funding guarantee. Mr. Smith stated that funding for fairs continues to be a priority for RCRC, and the Governor has suggested a \$10 million set aside for improvement to fairs.

Cyndi Hillery updated the Board on the Medi-Cal reimbursement rate cut issue. Ms. Hillery stated that this will remain a key budget issue. Furthermore, a number of bills are likely to surface to address these reimbursement rates as well as a potential ballot measure for 2016. Ms. Hillery presented contact information to the Board where the state is tracking weaknesses in medical provider networks. Calls are being logged which includes the locations of individuals who cannot find access to providers under Medi-Cal or their Medi-Cal managed care plan. Ms. Hillery encouraged supervisors to make their Health and Human Services personnel or any other county staff that are processing complaints or claims aware.

Kathy Mannion, Legislative Advocate, reviewed Proposition 1 (the recent voter-approved water bond) implementation. Ms. Mannion reported that the Legislature has taken a keen interest and that a series of informational hearings have been held. Proposition 1 implementation is also the subject of State Budget subcommittee hearings. The Legislative Analyst's Office has provided a variety of recommendations

relating to transparency in the implementation process. Ms. Mannion also informed the Board that on the RCRC website there is a Proposition 1 webpage with all the latest information on Proposition 1 implementation.

State Payment in Lieu of Taxes (PILT) Update

Kathy Mannion provided an update on the efforts to secure Payment in Lieu of Taxes payments in the State Budget as well as prior year arrears. Ms. Mannion stated that the Governor's proposed 2015-16 Budget appropriates \$644,000 for PILT. This figure was arrived at by removing monies that have already been designated to school districts. Ms. Mannion also discussed Senate Bill 234 (Wolk/Nielson), an RCRC-sponsored bill which would address the arrears owed by the State and appropriates \$19 million to 36 counties. The \$19 million figure does not reflect the Administration's proposed calculation to back out of the monies already provided to school districts. The estimated arrears amount utilizing this formula is estimated to be approximately \$8 million. Chair, Supervisor Lee Adams, Sierra County, represented RCRC at the March 4th Budget Subcommittee Hearing. Ms. Mannion encouraged member counties that are owed PILT monies to write to their Assembly Members and Senators expressing support for PILT funding, opposition to the Administration's proposed budget trailer bill, which would make PILT payments discretionary, and support Senate Bill 234.

Marijuana Legislation

Paul A. Smith provided an update on legislative efforts to address marijuana. Mr. Smith referenced that last year the RCRC Board of Directors approved Policy Principles regarding marijuana, and provided a summary of the marijuana-related bills introduced in the 2015 Legislative Session.

Assembly Bill 234 (Wood), an RCRC-supported bill, addresses environmental enforcement with marijuana cultivation.

Assembly Bill 266 (Cooley), sponsored by the League of California Cities, attempts to create a regulatory framework for medical marijuana and provides for both state and local licensing and enforcement.

Assembly Bill 26 (Jones-Sawyer) also creates a regulatory framework for medical marijuana however with a strong state role. RCRC has submitted comments and amendments.

Assembly Bill 34 (Bonta) is expected to be amended to offer another version of a proposed regulatory framework for medical marijuana. RCRC is expected to submit comments and amendments.

Senate Bill 165 (Monning), an RCRC-supported bill, imposes a variety of civil penalties against those convicted of causing environmental damage to public or private lands while cultivating marijuana.

Senate Bill 643 (McGuire) is currently a spot bill, meaning substantive language will be added to the bill in the future.

Mr. Smith stressed the importance of securing county taxing authority in each regulatory framework proposal. Mr. Smith discussed how both bills need improvement in regards to local preemption language.

Mr. Smith thanked Tehama County Counsel Arthur Wylene as well as Second Vice Chair, Supervisor Bob Williams, Tehama County, for their continued support and advocacy efforts.

Mr. Smith attended the North Coast Marijuana Summit in Sonoma County on March 5, 2015.

State Legislation

Paul A. Smith reported on a number of bills affecting rural counties including:

Assembly Bill 1220 (Harper) which would prohibit cities/counties from imposing transient occupancy taxes on home shares. Mr. Smith noted that many RCRC counties strongly oppose. RCRC is confident this bill will not be enacted; however, the focus will be on Senator McGuire's measure that will strengthen local government's ability to impose and collect transient occupancy taxes on home shares.

Assembly Bill 1262 (Wood) which provides for continued funding for broadband consortia. RCRC is supporting this bill.

Assembly Bill 821 (Gipson) exempts sales and use tax on medical marijuana for terminally ill patients. RCRC opposes this bill.

Kathy Mannion reported on a number of bills including:

RCRC-supported Assembly Bill 223 (Olsen) relating to CEQA and minor alterations to existing roadways.

Senate Bill 122 (Jackson) relating to CEQA. Ms. Mannion reminded the Board that this was the bill that several legislators had called interested parties in to discuss with the hope that some consensus could be reached on select reforms to CEQA including "document dumping." To date, no progress has been made.

RCRC-supported Assembly Bill 327 (Gordon), which would delete the sunset in existing law which exempts volunteers from laws governing public works.

Senate Bill 379 (Jackson) which would require updates of the safety element to address climate adaptation and resiliency strategies.

Also noted were a number of bills relating to groundwater including Assembly Bill 1390 (Alejo), Senate Bill 13 (Pavley), and Senate Bill 226 (Pavley).

Cyndi Hillery reported on multiple bills including:

Assembly Bill 288 (Holden) and Assembly Bill 889 (Chang) regarding high school students enrolling in college courses through College and Career Access Pathways partnerships and through traditional concurrent enrollment respectively.

SB 191 (Block) addresses the ongoing structural imbalance and funding unfairness in the home-to-school transportation system.

Assembly Bill 366 (Bonta) and Senate Bill 243 (Hernandez) are bills to address the Medi-Cal Reimbursement rate cuts.

Senate Bill 637 (Allen) addresses the creation of a permitting structure for suction dredge mining.

Senate Bill 198 (Morrell) and Senate Bill 520 (Berryhill) are the versions of a “clean” SRA Fee repeal bill. RCRC only supports SRA Fee repeal bills, or efforts to repeal and replace with a different funding mechanism. RCRC does not support bills that attempt to make the SRA fee cheaper or easier for the State to implement.

Assembly Bill 171 (Irwin) is a bill to continuously appropriate \$5.6 million per year for the County Veterans Service Officers program.

Secure Rural Schools Update

Paul A. Smith provided an update on the latest activities regarding the reauthorization of the Secure Rural Schools and Self Determination Act (SRS). Mr. Smith noted that in the absence of the 2014 SRS reauthorization, the U.S. Forest Service released payments to forested counties under the “25 Percent Receipts Rule.” In most cases this resulted in a near 75 percent reduction in monies received vis-à-vis what would have been provided under SRS. There are several legislative attempts before Congress to provide a reauthorization, however none have made any progress. The primary attempt is slated to be made by House Republicans in the coming weeks. Mr. Smith noted that RCRC will continue to utilize the county-approved resolutions in media efforts as the legislative proposals are unveiled.

Federal Update

Cyndi Hillery reported on the Fee-to-Trust issue. Supervisor Diane Dillon, Napa County, carried the RCRC message on Capitol Hill in Washington D.C. Ms. Hillery also reported on the S. 228 – National Monuments Bill, which would alter the process of designating National Monuments. RCRC’s policy is to include Congress when declaring a monument, and not just a Presidential Declaration. Additionally, Ms. Hillery outlined heightened awareness and heavy bill traffic regarding the veteran’s health mileage issue initially raised by Trinity County in Member County Concerns at the January Board Meeting. RCRC wrote letters regarding the issue to both the Secretary of the U.S. Department of Veteran’s Affairs as well as to the entire California Congressional delegation outlining the importance of this issue to California’s rural veterans.

California Water Commission – Water Storage Investment Program (WSIP)

Kathy Mannion reported on the Governor's recent appointments to the California Water Commission, two new members and one reappointment. Proposition 1 continuously appropriated \$2.7 billion for the public benefits associated with water storage. Ms. Mannion reported that the California Water Commission will be developing regulations for the quantification and management of the public benefits of water storage projects working in cooperation with the State Water Board, the Department of Water Resources and the Department of Fish and Wildlife. Ms. Mannion informed the Board that the first WSIP stakeholder advisory committee meeting will take place on April 1st.

Sustainable Groundwater Management Act (SGMA) Implementation

Kathy Mannion reported that all SGMA groundwater related documents are available on the RCRC SGMA web page. RCRC and CSAC have formed a working group to provide input to the Department of Water Resources on SGMA implementation related issues including the development of guidelines and regulations. Currently the SGMA working group has representatives from 25 counties. Additional county participation is welcome. Ms. Mannion stated that it is anticipated that the Department will seek county input on draft regulations relating to basin boundaries in April. Ms. Mannion also provided the Board with copies of the recently released Department of Water Resources draft SGMA strategic plan and indicated that the Department is requesting comments.

State Water Board Grazing Regulatory Action Project (GRAP)

Staci Heaton, Regulatory Affairs Advocate, discussed the State Water Board Grazing Regulatory Action Project (GRAP) and the fact that the ranching community is very upset at the public outreach process. The State Water Board has put an unofficial hold on staff's development of the regulatory program so they can rethink the way the process is being rolled out. Ms. Heaton reported on the U.C. Davis Symposium she attended, where she learned that GRAP will most definitely be renamed and that the Water Board intends to work more cooperatively with the ranching community.

State Mining and Geology Board Conflict of Interest Determination

Cyndi Hillery reported on the State Mining and Geology Board Conflict of Interest Determination. Currently county employees are inspecting their own mines. Ms. Hillery reviewed Assembly Bill 1142 (Gray) and Senate Bill 209 (Pavley). Ms. Hillery also outlined that the Administration has begun a stakeholder process to address a number of issues and potential reforms of the Surface Mining and Reclamation Act of 1975 (SMARA), including whether it is appropriate for county staff to inspect county-owned mines. Additional issues will include training of inspectors, the level and completeness of financial assurances for reclamation plans, and the possible creation of a less harsh regulatory scheme that allows for other state responses to "bad actor" lead agencies (counties) other than beginning a take-over process. RCRC is a principal stakeholder on this working group, and is also engaged with both the authors of AB 1142 and SB 209.

ESJPA Update

Staci Heaton gave the Board of Directors an update on the Environmental Services Joint Powers Authority. The next ESJPA meeting will take place on March 19th and will

include a variety of topics and speakers. Ms. Heaton informed the Board that counties with a population of less than 70,000 people can apply for an exemption from the mandatory organics recycling requirements. Ms. Heaton stated that a template resolution has been provided for all counties, and that Mary Pitto can redistribute it. Supervisor Michael Kobseff, Siskiyou County, and ESJPA Chair, informed the Board that ESJPA is a different membership than RCRC. He thanked staff for all of their hard work.

Adjournment

Chair, Supervisor Lee Adams, Sierra County, adjourned the RCRC Board of Directors Meeting at 1:58 p.m.