

CALIFORNIA STATE ASSOCIATION OF COUNTIES  
 BOARD OF DIRECTORS  
 September 1, 2016  
 Sutter Club, Sacramento

M I N U T E S

Presiding: Richard Forster, President

1. ROLL CALL

Alameda	Keith Carson	Placer	absent
Alpine	Terry Woodrow	Plumas	Lori Simpson (audio)
Amador	Forster/Boitano	Riverside	John Tavaglione (audio)
Butte	absent	Sacramento	Susan Peters
Calaveras	Michael Oliveira	San Benito	absent
Colusa	Kim Dolbow Vann	San Bernardino	absent
Contra Costa	John Gioia (audio)	San Diego	Roberts (audio) /Cox
Del Norte	David Finigan	San Francisco	vacant
El Dorado	absent	San Joaquin	Bob Elliott
Fresno	Henry Perea (audio)	San Luis Obispo	Adam Hill (audio)
Glenn	John Viegas	San Mateo	Carole Groom
Humboldt	Virginia Bass	Santa Barbara	Doreen Farr (audio)
Imperial	absent	Santa Clara	Ken Yeager
Inyo	absent	Santa Cruz	Bruce McPherson
Kern	Leticia Perez	Shasta	Leonard Moty
Kings	Craig Pederson	Sierra	Lee Adams
Lake	Jim Steele	Siskiyou	Ed Valenzuela
Lassen	Jim Chapman (audio)	Solano	Linda Seifert
Los Angeles	absent	Sonoma	Efren Carrillo
Madera	absent	Stanislaus	Vito Chiesa
Marin	Damon Connolly	Sutter	Larry Munger
Mariposa	John Carrier	Tehama	Robert Williams
Mendocino	Carre Brown (audio)	Trinity	Judy Morris
Merced	Hubert "Hub" Walsh (audio)	Tulare	Steve Worthley
Modoc	absent	Tuolumne	Sherri Brennan
Mono	Larry Johnston	Ventura	Kathy Long (audio)
Monterey	Fernando Armenta (audio)	Yolo	Jim Provenza
Napa	Diane Dillon	Yuba	Roger Abe
Nevada	Hank Weston	Advisors:	Pat Blacklock and Charles McKee
Orange	absent		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of May 19, 2016 were approved as previously mailed.

3. STATEWIDE TREE MORTALITY STATUS REPORT

Cal-Fire Chief Ken Pimlott provided an update on wildfires currently burning in California, and the effects of tree mortality on those fires. To date, ten California counties have been identified as highest risk areas. Cal Fire will be awarding nearly \$16 million for fire prevention grants to local fire departments and fire safe councils to reduce the threat of large wildfires. The grants also provide a one-time allocation of \$6 million to local government agencies and fire districts for fire prevention projects. Cal-Fire hosted a roundtable discussion on tree mortality as part of President Obama's summit in Lake Tahoe this week. Chief Pimlott urged CSAC Board members to lobby the federal government for more assistance with fires and tree mortality on federal land.

4. CSAC FINANCE CORPORATION REPORT

Supervisor Seifert, President of the CSAC Finance Corporation Board, reported that CSAC will receive an additional \$300,000 contribution from the Finance Corp. for FY 2015-16. A large part of the increase in net revenue was attributable to the success of the California Statewide Communities Development Authority (CSCDA). A strategic planning session was held last month to brainstorm ideas for increasing revenues and develop goals for future years.

5. CSAC CORPORATE PARTNER REPORT

Larry Tonelli from Election Systems and Software (ES&S) addressed the Board regarding services his company provides. He noted that ES&S has been providing election equipment, software and services to local governments across the United States for nearly 35 years.

6. NOVEMBER 2016 BALLOT INITIATIVES

**Proposition 53: Revenue Bonds, Statewide Vote Approval.** This measure requires statewide voter approval for the state to issue revenue bonds exceeding \$2 billion for any single project. The proponent's intent is to bring greater accountability and transparency to state financed infrastructure projects through mandatory voter-approved action. The CSAC Revenue Taxation and Administration policy committee and the Executive committee recommended an 'Oppose' position due to concerns related to local control erosion.

Kurt Oneto, a partner at Nielsen, Merksamer, Parinello, Gross & Leoni, spoke in favor of the initiative. Brandon Castillo, a partner at Bicker, Castillo & Fairbanks, spoke against it.

Motion and second to OPPOSE Proposition 53. Motion carried (32/8).

**Proposition 55: Tax Extension to Fund Education and Healthcare.** This measure would extend the personal income tax on high-income earners from 2018 to 2030 and would affect approximately the 1.5% of taxpayers with the highest incomes. It would provide ongoing revenue for K-12 schools and community colleges. It would also create a new state budget formula for supplemental Medi-Cal spending, some of which could be allocated to county public hospitals. The CSAC Health and Human Services policy committee and the Executive Committee recommended a 'Support' position.

Anne McLeod, Senior Vice President, California Hospital Association, spoke in favor of the initiative. David Wolfe, Legislative Director, Howard Jarvis Taxpayers Association spoke against it.

Motion and second to SUPPORT Proposition 55. Motion carried (30/12).

**Proposition 56: Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research and Law Enforcement.** This measure would raise the state excise taxes on cigarettes and other tobacco products, including cigars and electronic cigarettes by \$2. The revenues raised from these increased taxes would be predominantly used for additional spending on Medi-Cal, and to backfill any losses to state and local First 5 Commissions. The CSAC Health and Human Services policy committee and the Executive Committee recommended a 'Support' position.

Anthony Wright, Executive Director, Health Access California spoke in favor of the measure and David Wolfe, Legislative Director, Howard Jarvis Taxpayers Association spoke against it.

Motion and second to SUPPORT Proposition 56. Motion carried.

**Proposition 57: Criminal Sentences, Juvenile Criminal Proceedings and Sentencing.** This measure would amend the California Constitution to give parole consideration to individuals sent to prison for a non-violent felony once they have completed the full term of their primary offense. In addition, Proposition 57 amends the Constitution to specify that the CA Department of Corrections and Rehabilitation (CDCR) has the authority to award credits to inmates for good behavior and approved rehabilitative and educational achievements. The proponent's intent is to give the offenders an incentive to participate in rehabilitative programs in prison and earn an opportunity to go before the Board of Parole Hearings. The measure would also eliminate the ability for a district attorney to direct file to adult court on juvenile cases. Juveniles alleged to have committed a felony can be tried in adult court only if the court, after a hearing determines the minor should be tried in adult court. The CSAC Administration of Justice policy committee and the Executive Committee recommended 'No Position.'

Governor Jerry Brown and Amador County Probation Chief Mark Bonini, spoke in favor of the measure and Larry Morse, Merced County District Attorney, spoke against it.

Following three failed motions to support, oppose and take no position, the consensus was to let the recommendation stand at 'No Position'. No action was taken by the Board of Directors.

**Proposition 64: Adult Use of Marijuana Act (AUMA).** This measure would allow adults age 21 and older to possess, transport, purchase, consume and share up to one ounce of marijuana and eight grams of non-medical marijuana. The AUMA has six major components, including: adult use of non-medical marijuana; adult use of medical marijuana; regulation of non-medical marijuana; taxation, local control provisions; and criminal penalties. The Executive Committee recommended 'No Position.'

Rich Miadich of Olson, Hagel & Fishburn and Jason Kinney of California Strategies spoke in favor of the initiative. Cory Salzillo of CA State Sheriffs' Assoc. and Andrew Acosta of Acosta Consulting spoke against it.

Motion and second to consider taking a position on Proposition 64. Motion failed.

The consensus was to let the recommendation stand at 'No Position.' No action was taken by the Board of Directors.

**Proposition 65: Carry Out Bags: Charges.** This measure would redirect money collected by grocery and other retail stores through the sale of carryout bags, whenever any state law bans free distribution of a particular kind of carryout bag and mandates the sale of any other kind of carryout bag. Stores would

be required to deposit bag sale proceeds into a special fund administered by the Wildlife Conservation Board to support specified categories of environmental projects. The Executive Committee recommended an 'Oppose' position on Proposition 65.

Motion and second to OPPOSE Proposition 65. Motion carried.

**Proposition 67: Plastic Bag Ban Referendum.** The measure would uphold the ban on single-use plastic bags, as established by SB 270 which requires that stores distribute reusable bags and recycled paper bags for at least 10 cents per bag. The Executive Committee recommended a 'Support' position on Proposition 67.

Roger Dickinson, Shareholder, Greenburg, Traurig, LLP, spoke in favor of the initiative. No opponent was present.

Motion and second to SUPPORT Proposition 67. Motion carried unanimously.

7. 2018 CSAC ANNUAL MEETING SITE SELECTION

Contracts are currently in place for CSAC annual meetings through 2017. Since the meetings alternate between Northern and Southern California and 2018 would be held in the Southern part of the state, staff requested proposals from numerous venues in Los Angeles, San Bernardino and San Diego counties. The Executive Committee voted to select the Marriott Marquis Hotel in San Diego County. This is due to its good location, ability to accommodate all meeting and sleeping room needs, and reasonable room rates. It was requested that the Board of Directors affirm this action.

Motion and second to affirm the selection of San Diego County's Marriott Marquis Hotel as the site for the 2018 CSAC Annual Meeting. Motion carried unanimously.

8. COUNTY ADMINISTRATIVE OFFICERS ASSOCIATION OF CALIFORNIA (CAOAC) REPORT

Patrick Blacklock, CAOAC President, announced that nominations for the second annual CAO/CAO Distinguished Service Award are now open. The award is given to an individual CAO/CEO who has shown exemplary work and has set an example for cities, counties and the state. Last year's award winner was Alameda CAO Susan Muranishi.

9. STATE BUDGET AND LEGISLATIVE UPDATE

Staff provided a report on the highlights and key achievements of the 2016 legislative session which included:

**Managed Care Organization (MCO) Fix.** The MCO tax is important to counties as it provides implementation funding for the Coordinated Care Initiative (CCI) pilot program in seven counties. The CCI is also tied to counties' role in the In-Home Supportive Services (IHSS) program, as the continuation of the CCI is required to preserve the county IHSS Maintenance of Effort (MOE) under 1991 Realignment. This fix prevented the collapse of the CCI, maintains the county IHSS MOE, and continues the support of transferring collective bargaining from counties to the state in the CCI counties and potentially the remaining 51 counties in the future.

**\$2 Billion Bond for Homelessness.** CSAC was directly involved in negotiating an acceptable proposal to utilize Mental Health Services Act (MHSA) revenues to support the issuance of \$2 billion in revenue bonds for homelessness for the mentally ill. The "No Place Like Home" proposal will result in a workable local grant program for permanent supportive housing for those who are chronically homeless and living with mental illness. CSAC was also successful in getting representatives on the advisory group that will assist the state in implementation.

**Cap and Trade Revenues.** The compromise between the Legislature and Governor included \$140 million dedicated to a new local climate program aimed at reducing greenhouse gas emissions, as well as \$40 million to programs that increase waste diversion and help reduce methane emissions from

landfills. The deal also allocates \$135 million to the Transit and Intercity Rail Program, consistent with CSAC's request that cap and trade dollars be invested towards transportation programs.

*Mandatory Union Orientation.* CSAC led a large coalition of local government and education management stakeholders to defeat a bill which would have required public agency and school employers to allow union representatives to participate in new employee orientations for 30 minutes during that orientation.

*Elections Funding and Reform.* Legislation seeking to help counties manage costly special elections through a vote-by-mail option (AB 2686) is now awaiting Governor's signature. CSAC also supported a change to voting methods in SB 450, which phases-in elections conducted entirely by vote-by-mail ballots.

*State Budget.* The 2016-17 state budget included several CSAC priorities such as \$2b state bond authority for the "No Place Like Home" program, \$11m to assist in removal of dead trees in high hazard zones, \$10m in State Responsibility Area Fire Prevention Fund grants, \$270m for jail construction grants, \$25m in grants for hard-to-site criminal justice facilities to cities and counties, \$127m for foster care group home reform, \$30m to support local jurisdictions using the California Disaster Assistance Act Program, \$644,000 for PILT, \$2.5m for Williamson Act, and nearly \$400,000 in state backfill for counties with insufficient ERAF.

#### 10. CSAC OPERATIONS AND MEMBER SERVICES UPDATE

Staff reported that the California Counties Foundation, the non-profit foundation of CSAC, has been restructured to include the CSAC Institute and better serve counties. This will allow for new opportunities for partnerships, grant-seeking, and services to members. The Institute fees will be increased for the first time in four years, effective July 2017.

Entries in this year's Challenge Awards program received a record number of entries this year – 279 from 40 counties. The CSAC communications team recently received six awards from the National Association of Counties (NACo).

The CSAC Corporate Partnership Program continues to do well. The next regional meeting will be held in Orange County on September 22, with a focus on the economy, county budgets, and homelessness.

#### 11. INFORMATION ITEMS

Jennifer Henning, County Counsel's Association Executive Director, provided an update on *Department of finance v. Commission on State Mandates*, noting that the California Supreme Court issued an opinion on August 29 providing counties and other local agencies with mandate relief for conditions in water permits issued by regional water boards. She noted the case will have a wide impact, including on a case San Diego County has pending for \$66 million in mandated permit conditions and in 12 other test claims pending at the State Mandates Commission.

The briefing materials contained an informational report on the CSAC/League of Cities Joint Task force on Homelessness, CSAC Litigation Program, Institute for Local Government (ILG) and a CSAC Institute class schedule.

Supervisor Greg Cox thanked CSAC officers and staff for their assistance during the NACo 2<sup>nd</sup> Vice President campaign.

Meeting adjourned.