

**SHASTA COUNTY BOARD OF SUPERVISORS**

Tuesday, January 11, 2000

**REGULAR MEETING**

9:02 a.m.: Chairman Fust called the Regular Session of the Board of Supervisors to order on the above date with the following present:

District No. 1 - Supervisor Kehoe  
 District No. 2 - Supervisor Fust  
 District No. 3 - Supervisor Hawes  
 District No. 4 - Supervisor Wilson  
 District No. 5 - Supervisor Clarke

County Administrative Officer - Doug Latimer  
 County Counsel - Karen Jahr  
 Clerk of the Board - Carolyn Taylor

**INVOCATION**

Invocation was given by Dr. James Horton, Shasta Lake United Methodist Church.

**PLEDGE OF ALLEGIANCE**

Pledge of Allegiance to the Flag was led by Supervisor Hawes.

**CONSENT CALENDAR**

By motion made, seconded (Hawes/Wilson), and unanimously carried, the Board of Supervisors took the following actions, which were listed on the Consent Calendar:

Approved and authorized the Chairman or his designee to sign the County claims lists in lieu of any canceled meetings during the year 2000.

Gave the annual authorization to the Registrar of Voters to conduct election duties during the year 2000.

Adopted Resolution No. 2000-12 which authorizes the execution of the Fiscal Year 2000-2001 California Arts Council Grant State/Local Partnership Program.  
 (See Resolution Book No. 41)

Approved the minutes of the meeting held on January 4, 2000, as submitted. (Clerk of the Board)

Approved the County's consolidated application to the California Department of Transportation for transit operating funding under Section 5311 of the Federal Transit Act (FTA) for the County and the City of Anderson, and adopted Resolution No. 2000-13 which authorizes the Director of Public Works to execute Shasta County's consolidated application and agreement for FTA Section 5311 funds in the amount of \$92,904. (Public Works)  
 (See Resolution Book No. 41)

9:05 a.m.: The Board of Supervisors recessed and convened as the Board of Directors of County Service Area No. 1 - Fire Protection.

**SPECIAL DISTRICTS/OTHER AGENCIES CONSENT CALENDAR**

**COUNTY SERVICE AREA NO. 1 - FIRE PROTECTION**

**AGREEMENT: MOUNTAIN GATE FIRE PROTECTION DISTRICT**

Supervisor Kehoe requested clarification of the term of the contract, pointing out that several different dates are referenced in the staff report and contract. Assistant Fire Warden Wayne Dunham explained that reaching a final agreement with the Mountain Gate Fire District has taken some time and correcting the different dates in the contract was overlooked. By consensus, the Board of Supervisors directed that the contract be referred back to staff for correction and then brought back for action.

9:11 a.m.: The Board of Directors of County Service Area No. 1 - Fire Protection adjourned and the Board of Supervisors reconvened.

**REGULAR CALENDAR**

**BOARD MATTERS**

**1999 EMPLOYEE OF THE YEAR**  
**SCOTT WAHL, SUPERVISING ENGINEER**  
**RESOLUTION NO. 2000-14**

At the recommendation of Public Works Director Ron Hill and by motion made, seconded (Clarke/Hawes), and unanimously carried, the Board of Supervisors adopted Resolution No. 2000-14 which recognizes Supervising Engineer Scott Wahl as Shasta County's 1999 Employee of the Year.

(See Resolution Book No. 41)

**PRESENTATION: NORTHERN CALIFORNIA**  
**WATER ASSOCIATION**

David Guy of the Northern California Water Association (NCWA) gave a presentation on the major water issues that will be addressed by NCWA during the year. These included the Central Valley Project contract, water rights hearings, the CALFED process, Assembly Bill 1741 (Thompson) (legislation that would allow the transfer of water between major water suppliers without state and federal government involvement), Proposition 13 (a water bond measure which could mean considerable funding for Northern California, particularly in the Feather River area), and litigation before the Supreme Court dealing with water rights equity.

Dan Keppen, also of NCWA, reviewed the Trinity River Decision and indicated that the environmental document is in the review stage. Mr. Keppen explained that the proposal is to divert water flows back into the river instead of continuing the current practice of providing water to valley users. He explained that there is a 15-agency coalition working to mitigate the concerns of the proposal. Supervisor Fust pointed out that the Board of Supervisors had already held a workshop on this issue and submitted comments pointing out the significant adverse affects to Shasta County. Mr. Keppen stated that due to the upcoming expiration of the Secretary of the Interior's term, this project was being "fast-tracked" and action could take place as early as this spring or summer.

**PROCLAMATION: PRETEEN VACCINE WEEK**

At the recommendation of Public Health Director Andrew Deckert and Clinical and Laboratory Services Manager Diane Wagner and by motion made, seconded (Hawes/Clarke), and unanimously carried, the Board of Supervisors adopted a proclamation which declares the week of January 17, 2000 to be "Preteen Vaccine Week" in Shasta County.

#### CHAIRMAN'S 2000 APPOINTMENTS

At the recommendation of Chairman Fust and by consensus of the Board of Supervisors, the following appointments and liaison assignments for the year 2000 were approved:

##### Supervisor Kehoe, District 1

County Functional Area - Health and Human Services  
 CSAC Committee - Health and Human Services  
 Northern California Supervisors Association  
 Superior California Economic Development Corporation  
 Area Agency on Aging, PSA II, Executive Board, Alternate  
 Shasta County Children and Families First Commission

##### Supervisor Fust, District 2

County Functional Area - General Government  
 CSAC Committee - Government Finance and Operations  
 Regional Transportation Planning Agency, Alternate  
 Regional Council of Rural Counties

##### Supervisor Hawes, District 3

County Functional Area - Land Use  
 CSAC Committee - Agricultural and Natural Resources  
 Regional Transportation Planning Agency

##### Supervisor Wilson, District 4

County Functional Area - Administration of Justice  
 CSAC Committee - Housing, Land Use and Transportation  
 Regional Transportation Planning Agency  
 Northern California Supervisors Association, Alternate  
 Redding Area Bus Authority, Alternate

##### Supervisor Clarke, District 5

County Functional Area - Land Use  
 CSAC Committee - Administration of Justice  
 Regional Transportation Planning Agency  
 Regional Council of Rural Counties, Alternate  
 Redding Area Bus Authority  
 Area Agency on Aging, PSA II, Executive Board

#### BOARD OF SUPERVISORS' 2000 MEETING CALENDAR

At the recommendation of Clerk of the Board Carolyn Taylor and by motion made, seconded (Clarke/Wilson), and unanimously carried, the Board of Supervisors approved the recommended Board of Supervisors' meeting calendar for the year 2000.

#### GENERAL GOVERNMENT

**ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS**

**LEGISLATIVE UPDATE/SUPERVISORS' REPORTS**

County Administrative Officer (CAO) Doug Latimer presented highlights of the Governor's proposed budget.

Supervisors reported on issues of countywide interest.

**AUDITOR-CONTROLLER**

**COUNTY CLAIMS**

By motion made, seconded (Clarke/Wilson), and unanimously carried, the Board of Supervisors authorized the issuance of warrants totaling \$136,949.71 for County operating funds and special districts, as submitted by Auditor-Controller Rick Graham.

**COUNTY COUNSEL**

**RELEASE AND DISCHARGE OF CLAIM  
NATIONWIDE TOBACCO SETTLEMENT  
RESOLUTION NO. 2000-15**

At the recommendation of County Counsel Karen Jahr and by motion made, seconded (Wilson/Kehoe), and unanimously carried, the Board of Supervisors adopted Resolution No. 2000-15 which authorizes the withdrawal and acceptance of tobacco settlement monies, execution of the related Release and Discharge of Claim, and submission of transfer instructions and tax payer identification information to allow for the distribution of settlement monies paid by the tobacco industry, pursuant to the nationwide settlement of the tobacco litigation.

(See Resolution Book No. 41)

10:03 a.m.: The Board of Supervisors recessed and convened as the Board of Directors of the Shasta County Redevelopment Agency.

**SPECIAL DISTRICTS/OTHER AGENCIES REGULAR CALENDAR**

**SHASTA COUNTY REDEVELOPMENT AGENCY**

**ELECTION OF 2000 CHAIRMAN AND VICE CHAIRMAN**

By motion made, seconded (Clarke/Kehoe), and unanimously carried, the Shasta County Redevelopment Agency Board elected Irwin Fust as Chairman for the year 2000.

By motion made, seconded (Clarke/Kehoe), and unanimously carried, the Shasta County Redevelopment Agency Board elected Molly Wilson as Vice Chairman for the year 2000.

10:07 a.m.: Supervisor Hawes recused himself from participating in the following two items and left the hearing room.

**POSSIBLE CONFLICT OF INTEREST  
SHASTECH REDEVELOPMENT PLAN**

Chairman Fust requested, and the Board concurred, that County Counsel present a combined report for the Shasta County Redevelopment Agency Board (RDA) and the Board of Supervisors noting, however, that separate action/direction would be taken by the two boards.

County Counsel Karen Jahr presented an analysis pertaining to a possible conflict of interest with regard to the September 7, 1999 vote of the Board of Supervisors when approving an agreement with the City of Redding regarding the extension of sewer service, annexations, and tax exchange agreements as well as the RDA's vote on September 21, 1999 directing staff to begin the process to amend the SHASTECC redevelopment plan to include the Airport/East Stillwater Area within the redevelopment project boundaries and include development of a proposed industrial park as a SHASTECC activity.

Counsel Jahr explained that this analysis was conducted at the request of Supervisor Hawes, on whether conflict of interest violations occurred when he participated in a September 7, 1999 Board of Supervisors vote to approve an agreement with the City of Redding regarding five annexation areas, including one known as the Airport/East Stillwater Area, and an RDA vote on September 21, 1999 to include the Airport/East Stillwater Area within the redevelopment project boundaries and include development of a proposed industrial park as a SHASTECC activity. Hawes River Acres, in which Mr. Hawes is a majority shareholder, touches corner to corner the Airport/East Stillwater property.

It was further explained by Counsel Jahr that the analysis was conducted utilizing the Political Reform Act (Act), Government Code Section 1090, and certain common law provisions. The Act prohibits a public official from "participating in" or "influencing" a governmental decision in which he knows, or has reason to know, he or she has a financial interest. The official's participation in an attempt to influence the decision is considered improper if it is foreseeable that the decision will have a material effect on the official's real property. The Act "presumes" that a governmental decision will have a material financial effect on the official's real property if it is located within a 300 foot radius of the subject property, unless it is demonstrated that the decision will have no financial effect on the official's real property interest.

Applying these provisions, Counsel Jahr stated that it appears that Supervisor Hawes had a "presumed" financial interest when he participated in the September 7 and September 21, 1999 decisions. However, this is rebuttable and there would be no violation of the Act if it can be shown that the annexation would have no financial effect upon the property owned by Supervisor Hawes. This could be accomplished if a qualified expert/professional appraiser determined that the annexation would have no financial effect on the official's real property interest. It was noted that in the future, the adjacent Hawes' property may be designated a wetlands mitigation bank and that any determination should include whether this potential mitigation bank insulated the property from a change in value as of the September 21, 1999 action. It was further noted that Supervisor Hawes has already retained an expert real property appraiser to conduct this determination process.

If it is proven that the two actions had no foreseeable financial effect on the Hawes' property, then no conflict existed and Supervisor Hawes' votes were not improper. If a conflict of interest is found to exist, however, under state law the September 7, 1999 action to approve the agreement between the City of Redding and the County would have no legal effect. Also, it is possible that an opponent of the project could sue to enjoin the action of both boards with respect to their actions related to the Airport/East Stillwater Area.

Counsel presented the following alternatives for consideration by the Board of Supervisors:

1. Do nothing.
2. Defer action until the Board has an opportunity to evaluate any appraisal presented by Supervisor Hawes. This appraisal could be challenged by a third party.
3. Direct staff to place on its agenda as an action item a proposal to rescind its action of September 7, 1999 whereby it approved an agreement with the City of Redding. Supervisor Hawes should not vote on this action. Further, direct staff to place a proposal on the agenda to consider a new agreement incorporating the language of the original agreement, but deleting all references to the Airport/East Stillwater Area. This could be voted on by all Members of the Board.

Counsel Jahr explained that under Alternative No. 3 the Board of Supervisors would not be taking any action on the annexation of the Airport/East Stillwater area until the matter comes before the Board through the regular LAFCo annexation process. At that time, the only action which would be considered by the Board would be the tax exchange agreement--a determination of the distribution of taxes already collected. This decision would have no effect on the value of the adjacent Hawes property. Whether Supervisor Hawes should vote on this matter should be decided upon by Supervisor Hawes and his private counsel.

Counsel Jahr also presented the following three alternatives to be considered by the RDA Board:

1. Do nothing.
2. Defer action until an evaluation can be made of any appraisal submitted by Supervisor Hawes.
3. Take action (absent Supervisor Hawes) to rescind the Board's action of September 21, 1999 and then consider whether or not to direct staff to initiate modification of the SHASTECC Redevelopment Plan to include the Airport/East Stillwater Area.

At this time, the Board accepted comments from the audience. Jim Zauher of the Economic Development Corporation (EDC) concurred with Counsel's recommendation to separate the two issues. The EDC is currently in the midst of the environmental review process on the project and stated that it was not important to have the tax exchange agreement any sooner than the completion of this environmental process. He expressed his belief that the County is supportive of their economic efforts and the industrial park project can stand on its own.

Mike Cronic, a resident of the project area, expressed his belief that there was a conflict of interest. He expressed concerns regarding the manner in which the process was originally conducted, the lack of notification to area residents of hearings and the public's inability to comment. He requested that area residents be notified if there is reconsideration of these actions, and allowed to be part of the process. Supervisor Fust explained that the only issue being addressed by the two bodies today was the annexation, not a specific project.

Charlene Vrismo stated that RDA law requires that property be blighted in order to be included in a redevelopment project, and questioned how agricultural land could be considered blighted. Counsel responded that no determination of blight had yet been made, and the only issue being addressed was the extension of the project boundaries. RDA Executive Director Julie Howard also responded, stating that staff was just conducting the analysis of making a determination on the feasibility of including this property in the RDA Plan. Supervisor Clarke pointed out that the blight finding is made in the context of the entire area and is not a requirement for each particular piece of land. Ms. Vrismo urged the Board to review this very carefully, because it could pose a legal problem.

Ramona Boling expressed her concerns about how the original process was conducted, and she requested that the residents be allowed to be involved so that environmental and other issues can be addressed. She expressed appreciation to Jim Zauher for his offer to allow them to be part of the environmental process even though it had already begun.

Supervisor Clarke explained that action taken by the RDA was only to verify whether or not this parcel of vacant land could effectively be included in the RDA plan. The joint agency, SHASTEAC, would then review the redevelopment plan. Currently, there is a group considering developing an industrial park in this area, and they are working with the City of Redding on the environmental process. Any request for annexation of the area to the City of Redding will have to go through the LAFCo public hearing process. If the annexation request is approved, then the City of Redding will be required to hold public hearings on the development of the specific industrial park.

Mr. Harmon addressed the Board and requested that a wall be constructed around the industrial park so that he would not have to hear the noise from industrial activities. Mr. Cronin spoke again requesting that if the property is annexed, conditions be placed on that annexation. Again, it was explained that the Board cannot do this; it can only take action on the tax exchange agreement. LAFCo must make the decision on the annexation.

By motion made, seconded (Clarke/Kehoe), and carried, the RDA Board directed staff to place a proposal on the RDA agenda to rescind its September 21, 1999 action, whereby the RDA directed staff to amend the SHASTEAC Redevelopment Plan to include the Airport/East Stillwater Area, and to then immediately consider re-voting upon the same matter. Supervisor Hawes will not participate in these two actions.

The vote was as follows:

AYES:	Supervisors Wilson, Clarke, Kehoe and Fust
NOES:	None
ABSENT:	Supervisor Hawes
ABSTAIN:	None

10:44 a.m.: The Board of Directors of the Shasta County Redevelopment Agency adjourned and the Board of Supervisors reconvened.

## GENERAL GOVERNMENT

### COUNTY COUNSEL

#### POSSIBLE CONFLICT OF INTEREST AGREEMENT: CITY OF REDDING

County Counsel reviewed the Board of Supervisors' recommended Alternative No. 3 to first, direct staff to present for action a proposal to rescind the action taken by the Board of Supervisors at their September 7, 1999 meeting to approve an agreement with the City of Redding regarding the extension of sewer service, annexations, and tax exchange agreements. Supervisor Hawes should not vote on this action. Second, direct staff to prepare for action a new agreement with the City of Redding incorporating the language of the original September 7, 1999 agreement, but deleting any reference to the Airport/East Stillwater Area. This agreement may be voted on by all Members of the Board.

Supervisor Kehoe pointed out that the request for annexation of the Wilshire Drive area, included in the original action, had been abandoned by the City of Redding and should not be reintroduced in the new agreement. Supervisor Clarke expressed her belief that the entire proposal should be revisited before taking action, and the adopted principles and procedures pertaining to tax exchange agreements should be followed.

By motion made, seconded (Kehoe/Wilson), and carried, the Board of Supervisors directed staff to present for action a proposal to rescind its action taken on September 7, 1999 to approve an agreement with the City of Redding regarding the extension of sewer service, annexations, and tax exchange agreements. Supervisor Hawes should not vote on this action. Staff was further directed to prepare for action a new agreement with the City of Redding incorporating the language of the original September 7, 1999 agreement, but deleting any reference to the Airport/East Stillwater Area and the Wilshire Drive Area, if it is determined that the City of Redding has abandoned this annexation. (CAO Latimer was directed to investigate whether or not the annexation was abandoned by the City of Redding.) This agreement may be voted on by all Members of the Board. This matter, as well as the related RDA matter will be brought back to the Board for action during its February 1, 2000 meeting.

The vote was as follows:

AYES: Supervisors Kehoe, Wilson and Fust.  
 NOES: Supervisor Clarke.  
 ABSENT: Supervisor Hawes  
 ABSTAIN: None

10:56 a.m.: Supervisor Hawes returned to the Board Chambers.

**SUPPORT SERVICES - PERSONNEL DIVISION**

**SALARY INCREASE: ELECTED OFFICIALS**  
**SALARY RESOLUTION NO. 1089**

At the recommendation of Support Services Director Harry Albright and by motion made, seconded (Hawes/Clarke), and unanimously carried, the Board of Supervisors adopted Salary Resolution No. 1089 which provides a 3 percent salary increase for elected department heads, excluding the Board of Supervisors, effective January 16, 2000, and makes technical corrections to the salaries of three other unrepresented management positions.

(See Salary Resolution Book)

**LAW AND JUSTICE**

**DISTRICT ATTORNEY**

**VICTIMS' RIGHTS PROGRAM**  
**BUDGET AMENDMENT**

At the recommendation of Criminal Program Director Ben Lambert and by motion made, seconded (Clarke/Hawes), and unanimously carried, the Board of Supervisors approved an amendment to the Victims' Rights Program budget which increases revenue and appropriations by \$36,200 for expenses related to computer programming costs.

**CLOSED SESSION ANNOUNCEMENT**

Chairman Fust announced that the Board of Supervisors would recess to a Closed Session to confer with its Labor Negotiator, County Administrative Officer Doug Latimer, to discuss the following employee organizations: Shasta County Employees Association, Shasta County Mid-Management Association, Deputy Sheriff's Association, Sheriffs Administrative Association, Professional Peace Officers' Association, Unrepresented Employees, United Public Employees of California, and Trades and Crafts, pursuant to Government Code Section 54957.6.

11:00 a.m.: The Board of Supervisors recessed to Closed Session.

11:12 a.m.: The Board of Supervisors reconvened in Open Session with all Supervisors, County Administrative Officer Doug Latimer, County Counsel Karen Jahr, and Clerk of the Board Carolyn Taylor present.

**REPORT OF CLOSED SESSION ACTIONS**

County Counsel Karen Jahr reported that the Board of Supervisors met in Closed Session to discuss labor negotiations, however, no reportable action was taken.

11:13 a.m.: The Board of Supervisors adjourned.

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Chairman

ATTEST:

CAROLYN TAYLOR  
Clerk of the Board of Supervisors

By \_\_\_\_\_  
Deputy