

SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, November 13, 2001

REGULAR MEETING

9:01 a.m.: Chairman Wilson 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
Administrative Board Clerk - Connie Simpson

INVOCATION

Invocation was given by Dr. Lyndell Cheeves, Alta Mesa Church of Christ.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT PERIOD - OPEN TIME

Russ Wade spoke regarding awareness for the Afghans who he called, "victims of circumstance" due to the bombing by the United States. He pleaded for humanitarian awareness of their plight.

CONSENT CALENDAR

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

Adopted Resolution 2001-212, which amends Resolution No. 2001-125 (adopted August 7, 2001) by deleting the reference to "Measure B" revenue for a reorganization proposal involving the detachment of territory from the City of Redding and the annexation of territory to County Service Area No. 1 - Fire Protection and County Service Area No. 15 - Street Lighting. (Administrative Office)

(See Resolution Book No. 42)

Adopted Resolution No. 2001-213, which amends Resolution No. 2001-123 (adopted August 7, 2001) by correcting the transfer of property tax increment revenue (County to receive 100% of the revenue) for a reorganization proposal involving the annexation of territory to the Shasta Community Services District and detachment of territory from County Service Area No. 1 - Fire Protection. (Administrative Office)

(See Resolution Book No. 42)

Authorized the issuance of warrants totaling \$51,590.43 for County operating funds as submitted by Auditor-Controller Rick Graham. (Auditor-Controller)

Approved the minutes of the meeting held on November 6, 2001, as submitted. (Clerk of the Board)

Approved and authorized the Chairman to sign an agreement with Marc H. Stolar, M.D., for the provision of mental health services to Medicaid beneficiaries for the period from date of signing through June 30, 2002, with an option to renew for two additional one-year periods, in an amount not to exceed \$20,000 annually. (Mental Health)

Approved and authorized the Chairman to sign a renewal agreement with Victor Treatment Centers, Inc. for the Victor Youth Services Program - Redding, for the provision of residential and day rehabilitative mental health services for Fiscal Year 2001-2002, with an option to renew for two additional one-year periods, in an amount not to exceed \$365,000 annually. (Mental Health)

REGULAR CALENDAR

PRESENTATIONS

PRESENTATION: COUNTY EMERGENCY OPERATIONS PLAN AND EVACUATION DRILLS

County Administrative Officer Doug Latimer provided the Board of Supervisors with an update on the County's emergency operations plan and evacuation drills. He explained that the Marshal's office had been instrumental in developing the plan, and the Redding Police Department and Shascom had also been involved so that all agencies will be able to work together should an emergency arise. Drills will begin during the next several weeks.

GENERAL GOVERNMENT

BOARD OF SUPERVISORS/ADMINISTRATIVE OFFICE

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

Supervisors reported on issues of countywide interest.

County Administrative Officer (CAO) Doug Latimer stated there was no legislation to report on at this time.

The Board of Supervisors discussed taking a position on the proposed PG&E bankruptcy proposal. Supervisor Fust explained that the Regional Council of Rural Counties had decided to take "no position" regarding this issue at the present time, but will continue to monitor the situation very closely.

City of Redding resident Jim Simpson stated he had opposed Proposition 9 (deregulation) when it was approved because he believed that the bill was flawed, and now customers are

experiencing rolling blackouts and PG&E is bankrupt. He urged the Board of Supervisors to consider the PG&E bankruptcy proposal very carefully. Mr. Simpson warned that if the Boards of Supervisors did not do this, control of power projects and power rates would be given to the Federal government. He stated it was his belief that the only way that PG&E will be able to pay for their bankruptcy costs is through rural county customer rates, which would be very high.

PG&E Director of Governmental Relations John Torrens spoke regarding PG&E's plan for re-organization which he said does not ask for a bailout or a rate increase. It would allow time for PG&E to pay its bills, not ask customers to pay the debt. If this plan is not approved, PG&E would have to sell assets instead of borrowing against them. This would not be good for either shareholders or taxpayers. Rates will continue to be set, as they always have been, by the Public Utilities Commission.

County Counsel Karen Jahr reviewed a communication she had received from the County Counsel's Association which recommends that counties oppose the proposed PG&E bankruptcy plan.

Supervisor Fust recommended the Board of Supervisors take "no position" at this time and wait for more information. Supervisor Clarke agreed. Supervisor Kehoe expressed concern with the "no position" recommendation. It was the consensus of the Board of Supervisors to take "no position" at this time but continue to watch the situation very closely.

LIBRARY

ACCEPT DONATION: COUNTY EMPLOYEES ANNUAL LIBRARY GOLF TOURNAMENT

Librarian Carolyn Chambers announced that a press conference had just been held and that the McConnell Foundation had presented \$1 million to the new Library Fund. She then recommended that the Board of Supervisors accept a donation from the proceeds of the County Employee's 11th Annual Library Golf Tournament which was held to benefit the library. By motion made, seconded, (Fust/Hawes), and unanimously carried, the Board of Supervisors accepted the donation in the amount of \$1,024.73 from the Shasta County Employees 11th Annual Library Golf Tournament; and approved a budget amendment increasing the library expenditure account (Books, Periodicals, Records) by \$1,024.73.

SUPPORT SERVICES

HUMAN RESOURCES SERVICES

RULE CHANGE: MEDICAL/DENTAL PREMIUMS, PAYDAY AND MILITARY LEAVE POLICY

Support Services Director Joann Davis requested that the two Support Services agenda items dealing with the medical/dental premiums, payday, and the Military Leave Policy, be pulled since they required some additional negotiations.

LAW AND JUSTICE

SHERIFF

PRESENTATION: SHASTA AREA PUBLIC SAFETY SYSTEM

Undersheriff Larry Schaller introduced Suzie Kyle, Project Coordinator, and Flint Cokeley, Development Manager for the Integrated Public Safety Systems, who gave a presentation on the new Shasta Area Integrated Public Safety Systems Program. The program consolidates information into a single database from which information can be gathered instantly and used by law enforcement agencies.

At the recommendation of Undersheriff Schaller and Chuck Byard of the Redding Police Department, and by motion made, seconded (Hawes/Fust), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign the Integrated Public Safety System agreement between the County and the Cities of Redding and Anderson for a five-year period commencing November 13, 2001.

10:24 a.m.: The Board of Supervisors recessed and convened as the Shasta County Water Agency.

WATER AGENCY REGULAR CALENDAR

PRESENTATION: PHASE 2B

REDDING BASIN WATER RESOURCES MASTER PLAN

Public Works Director Pat Minturn presented a brief explanation of the Redding Basin Water Resources Master Plan and then introduced Ed Christofferson, Water Area Council Consultant, who gave a report and PowerPoint presentation describing the findings of Phase 2B of the Plan. He reviewed the three phases of the Master Plan: Phase 1: Existing Water Uses and Future Needs, Phase 2: Redding Basin Plan Development, and Phase 3: Redding Basin Plan Adoption and Implementation. He asked the Board of Supervisors to accept the concept report time and stated that they will come back in the next few weeks to request that the Board direct moving forward to Phase 2, identify a Policy Advisory Committee member, and consider target reliability factors. Supervisor Clarke requested that the Board of Supervisors consider appointing her to sit on the Policy Advisory Committee Board.

By motion made, seconded (Kehoe/Clarke), and unanimously carried, the Board of Supervisors accepted the report.

11:02 a.m.: The Shasta County Water Agency adjourned and reconvened as the Board of Supervisors.

1:30 p.m.: The Board of Supervisors reconvened in Open Session with all Members, County Counsel Karen Jahr, and Administrative Board Clerk Linda Mekelburg present.

AFTERNOON CALENDAR

SCHEDULED WORKSHOP

FINANCING ANALYSIS FOR PROPOSED COUNTY ADMINISTRATION BUILDING

County Administrative Office Doug Latimer introduced Steve Nielsen of Kinsell, Newcomb & De Dios, Inc. Mr. Nielson explained that the purpose of the workshop is to look at Shasta County’s financial capacity in relation to the Board of Supervisors’ adoption of a Capital Improvement Plan in the near future.

The objectives in constructing a new administration building are:

1. To optimize the use of Tobacco Settlement Revenues (TSRs);
2. Efficiency (by utilizing cost-effective financing);
3. To protect the General Fund (by utilizing a prudent spending level); and
4. Flexibility (to provide for future capital needs).

Currently, there are several “opportunities” for Shasta County to maximize the use of these funds: Interest rates are low; legal fees have been reduced from approximately \$8.9 million to less than \$150,000; the current TSR cash balance is approximately \$5.4 million; the needs assessment should soon be completed; and Shasta County can eliminate approximately \$500,000 in lease funds by moving outlying offices into an administration building.

Mr. Nielsen recommended Shasta County issue 30-year, fixed-rate, tax-exempt bonds to finance the building. The security for the bonds would be a combination of general fund monies and future TSRs. He suggested setting aside a predetermined amount, probably 25 percent, of TSRs for local programs and using 75 percent as security for the bonds.

The projected results would be that Shasta County would be able to repay the bonds with no General Fund impact, approximately \$15 million would be allocated to local programs, approximately \$30 million in residual balances would be obtained at the end of the 30 years, and a flexible debt structure would be created, enabling Shasta County to manage its existing debt and allocate cash to future capital projects.

1:48 p.m.: The Board of Supervisors adjourned.

Chairman

ATTEST:

CAROLYN TAYLOR
Clerk of the Board of Supervisors

By _____
Deputy