

SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, September 25, 2001

REGULAR MEETING

9:00 a.m.: Vice Chairman Kehoe 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. 5 - Supervisor Clarke
District No. 4 - Supervisor Wilson - Absent

County Administrative Officer - Doug Latimer
Assistant County Counsel - Michael Ralston
Clerk of the Board - Carolyn Taylor
Administrative Board Clerk - Connie Simpson

INVOCATION

Invocation was given by Reverend Joe Albion, Gateway Christian Fellowship.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT PERIOD - OPEN TIME

Danielle Tinman of Three-Mountain Power presented an update on the plant permitting process and construction status. Ms. Tinman stated that their wood stove replacement project had begun and that Three-Mountain Power had thus far agreed to replace 465 wood stove units for cleaner, more efficient devices.

Russ Wade addressed the Board regarding ways in which to make a "better world" and listed seven steps that would help accomplish this.

ITEMS PULLED FROM CONSENT CALENDAR

The following items were pulled from the Consent Calendar by Members of the Board to be considered and acted upon separately: (1) The request to receive the State Controller's Audit Report on allocation and apportionment of property tax revenues; (2) the approval of the minutes of September 18, 2001; and (3) the agreement with the Redding Area Bus Authority to provide express inter-community transit service to various communities.

CONSENT CALENDAR

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

Approved and authorized the Chairman to sign a renewal agreement with the Shasta County Women's Refuge in the amount of \$30,000 to provide shelter and domestic violence and sexual assault intervention programs for women and children for the period July 1, 2001 through June 30, 2002. (Administrative Office)

Approved and authorized the Chairman to sign a contract with the State Department of Food and Agriculture in the amount of \$90,546 to provide ongoing funding for the Glassy-Winged Sharpshooter Program for the period July 1, 2001 through June 30, 2002. (Agricultural Commissioner)

Authorized the issuance of warrants totaling \$51,644.26 for County operating funds and special districts, as submitted and authorized the issuance of warrants totaling \$823.06 requiring special Board action. (Auditor-Controller)

Approved the appointments in lieu of election for special districts' directors, as listed on the County Clerk's certificate. (County Clerk-Elections)

Approved and authorized the Chairman to sign an agreement with Arcadia Health Services, Inc. in an amount not to exceed \$40,000 to provide supplemental health care services from the date of signing through June 30, 2002. (Mental Health)

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

Approved and authorized the Chairman to sign an amendment to the lease with John and Marjorie Darrah adding approximately 600 square feet of office space to the existing lease at 1415 Market Street to the existing lease, bringing the total space to 2,401 square feet, and amending the monthly rent to \$1,550 (\$0.65/square foot) effective September 1, 2001. (Mental Health-Alcohol and Drug Program)

Approved and authorized the Chairman to sign agreements to provide HIV/AIDS education and prevention activities for high-risk youth with Family Planning, Inc. in the amount of \$55,000 for the period July 1, 2001 through June 30, 2002 and Family Service Agency in the amount of \$9,500 for the period July 1, 2001 through June 30, 2002. (Public Health)

Adopted Resolution No. 2001-185, which authorizes community education activities, including the purchase of uniform attire to identify staff and volunteers at community events and disasters, educational materials, promotional items and participant incentives of nominal value, and sponsorship and promotion of community social-service-related events and authorized the Auditor-Controller to pay claims for said expenditures. (Social Services)

(See Resolution Book No. 42)

Approved and authorized the Chairman to sign a contract with the Shasta County Child Abuse Prevention Coordinating Council in the amount of \$52,000 to provide administrative support for the Children's Policy Council for the period August 1, 2001 through June 30, 2002. (Social Services)

Approved and authorized the Chairman to sign a contract amendment with UC Davis Medical Center extending the term of the agreement from September 30, 2001 to September 30, 2002 to provide training to the Family Service Agency for the Parent and Child Interactive Therapy Program. (Social Services)

Approved and authorized the Chairman to sign a contract with Lilliput Children's Services in the amount of \$146,500 to provide an adoptions support program from the date of signing through June 30, 2002. (Social Services)

Approved and authorized the Chairman to sign a lease with Stanley and Terry Blumenfeld for 20 parking spaces located at the corner of Pine and Yuba Streets in the amount of \$700 per month for the period October 1, 2001 through September 30, 2006. (Social Services)

Approved and authorized the Chairman to sign a renewal agreement with Redding Medical Center, Inc. (RMC) for the Coroner's Office to provide forensic pathology services to RMC for the period July 1, 2001 through June 30, 2002. (Sheriff)

Authorized the Chairman to accept two grants (\$825,157 and \$189,000) from the Federal Aviation Administration to fund 90 percent of the costs of various improvements at the Fall River Mills Airport; adopted Resolution No. 2001-186, which authorizes the Department of Public Works to apply for a 4.5 percent state match (\$50,707.85); adopted Resolution No. 2001-187, which designates the Director and Deputy Director of Public Works as the County's agents for the purpose of executing various grant documents; and approved and authorized the Chairman to sign an agreement with Shutt Moen Associates in an amount not to exceed \$90,000 to develop and administer the grant project and provide other airport consulting services for a period of five years effective from the date of signing. (Public Works)

(See Resolution Book No. 42)

Took the following actions regarding the Public Health Parking Lot project: Found the project categorically exempt in accordance with the California Environmental Quality Act and authorized the Director of Public Works to sign the categorical exemption; approved plans and specifications and directed the Director of Public Works to advertise for bids; and authorized opening of bids on October 12, 2001 at 11:00 a.m. (Public Works)

ACTION ON ITEMS PULLED FROM THE CONSENT CALENDAR

AUDIT REPORT: APPORTIONMENT OF PROPERTY TAX REVENUES

Supervisor Kehoe requested a clarification of language contained in the staff report. Auditor-Controller Rick Graham responded that it was language in question was submitted by the State Controller's Office. Mr. Graham then went on to explain the audit process of the apportionment of property tax revenues and responded to other questions.

By motion made, seconded (Hawes/Fust), and unanimously carried, the Board of Supervisors accepted the State Controller's Audit Report, recognizing that Shasta County complied with California statutes for the allocation and apportionment of property tax revenues for the period audited. (Auditor-Controller)

APPROVAL OF MINUTES

Supervisor Fust corrected page 234, paragraph six of the minutes of September 18, 2001 to read "Chuck Shultz, Area Manager of the Bureau of Reclamation (BLM), spoke in support of the staff recommendation."

By motion made, seconded (Fust/Hawes), and unanimously carried, the Board of Supervisors approved the minutes of the meeting held on September 18, 2001, as corrected. (Clerk of the Board)

**AGREEMENT: REDDING AREA BUS AUTHORITY
EXPRESS INTER-COMMUNITY TRANSIT SERVICE**

Supervisor Clarke stated she pulled this item from the Consent Calendar to bring this information before the public. Director of Public Works Pat Minturn stated that it had been their intent to begin this service by October 1, 2001, but this may be delayed until some time the first week of October.

By motion made, seconded (Clarke/Hawes), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a five-year agreement with the Redding Area Bus Authority, effective upon signing, to provide express inter-community transit service for the communities of Burney, Johnson Park, Fall River Mills, McArthur, Bella Vista, and Cottonwood (estimated first-year costs total \$125,766); and directed staff to work with RABA to implement Intermountain Express and Cottonwood Express services by October 1, 2001. (Public Works)

REGULAR CALENDAR

BOARD OF SUPERVISORS

**PRESENTATION: TRANSPORTATION CONCEPT REPORT
LONG-RANGE PLAN FOR STATE ROUTE 89**

Scott White, Leadworker, and Kathy Grah, Project Manager, from the State Department of Transportation, Systems Planning Division, presented an overview of Transportation Concept Reports and the long-range plan for State Route 89. Ms. Grah explained that they will address the Regional Transportation Planning Agency on October 23, 2001 and again on December 11, 2001 to present their findings for State Route 89.

EMPLOYEE OF THE MONTH

The request to adopt a resolution which recognizes Shasta County's October 2001 Employee of the Month was pulled to be brought back at the October 2, 2001 meeting.

PROCLAMATION: NATIVE AMERICAN DAY

By motion made, seconded (Hawes/Fust), and unanimously carried, the Board of Supervisors adopted a proclamation which designates September 28, 2001 as Native American Day. Supervisor Kehoe presented the proclamation to Rod Lindsey, who expressed his appreciation.

ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

County Administrative Officer (CAO) Doug Latimer presented an update on legislation of importance to Shasta County. He stated that Assembly Bill 1147 (Thompson), which deals with the restoration of funding for the Maternal Child, Adolescent Health Program, is on the Governor's desk awaiting signature, as is Senate Bill 736, which deals with the COPS Program.

Supervisors reported on issues of countywide interest.

GENERAL GOVERNMENT**ADMINISTRATIVE OFFICE****INTENT TO LEASE SPACE: BURNEY LIBRARY**
RESOLUTION NO. 2001-188

County Administrative Officer (CAO) Doug Latimer presented the staff report on the request to lease approximately 400 square feet of the Burney Library property at a minimum of \$850 per month for the purpose of installing and operating air quality testing equipment and to set the date for the bid opening. County Leasing Specialist Chuck Ryan explained how the lease price had been arrived at and further explained that this property had been used for this type of testing in the past. Resource Management Director Russ Mull responded to questions regarding a letter received from Three-Mountain Power requesting a lower monthly lease price with utilities included. He noted that during the public hearing process, and as a requirement of the California Energy Commission for Three-Mountain Power to conduct this monitoring, staff had recommended that the monitoring be done at a site previously used for such monitoring. Anything reasonably close to that previous site would be sufficient for the County; however, this would require Three Mountain Power to go back and revise their application through the California Energy Commission.

Danielle Tinman of Three Mountain Power said they only need approximately 260 of the 400 square feet of property for the monitoring equipment and felt that a lease price of \$.50 per square foot, including utilities, would be more appropriate. Installing power poles for them to pay utilities separately would be very costly. Ms. Tinman said they want to go forward with this project as soon as possible, did not want to be held up, and although going back to the California Energy Commission would be faster, they would prefer working directly with the County to attain a more equitable solution.

Supervisor Kehoe expressed concern regarding the fact that government requires the development of the site and then rents that site to the applicant. He stated he would prefer opening this up to the private sector for consideration of other sites. He further expressed concern about the County's fiduciary position in this matter and the appearance the applicant is being forced to pay more than the limit rate. Supervisors Hawes and Fust expressed concern with the lease amount. Assistant County Counsel Mike Ralston explained that the Board of Supervisors has the ability to modify the resolution to set a new minimum price to be considered. It was further explained that the action being requested now is only for a "notice of intent" to lease for a specified amount, but that amount can be amended.

By motion made, seconded (Fust/Clarke), and carried, the Board of Supervisors adopted Resolution No. 2001-188, which expresses the Board's intent to lease approximately 400 square feet of the Burney Library property at a minimum of \$850 per month for five years from the date of signing to install and operate air quality testing equipment and set Tuesday, November 13, 2001 at 9:00 a.m. (or as soon thereafter as may be possible) for the bid opening and consideration. Supervisor Kehoe voted no. (See Resolution Book No. 42)

INTENT TO LEASE SPACE: SHASTA COUNTY FIRE DEPARTMENT
RESOLUTION NO. 2001-189

CAO Doug Latimer presented the staff report on the request to adopt a resolution of intent to lease space at one or more locations of County-owned volunteer fire stations of the Shasta County Fire Department at a minimum of \$500 per month for five years from the date of signing to install and operate a cellular communications tower and accessory equipment and set a bid opening date.

Supervisor Hawes questioned why the funds would be going into the General Fund rather than directly to County Fire. Mr. Latimer responded that it would provide for a better flow of funds from a budgetary standpoint and to do otherwise would take away the Board's discretionary ability relative to those funds; Supervisors Clarke and Fust concurred.

County Fire Warden Duane Fry expressed objections regarding the funds going into the General Fund, as well as the minimum monthly rental amount being listed at only \$500. He indicated the minimum amount discussed from the beginning was \$1,000. Supervisors Hawes and Clarke stated their agreement that the minimum should be \$1,000. Assistant County Counsel Ralston pointed out that the action being requested was for the approval of the "resolution of intent" and although the staff report does address the financing, staff is not asking for a decision on the financing at this time.

Supervisor Kehoe expressed his concern that this should be opened to the private sector and that since a use permit is required for this project and the County would have a financial interest, this could give the appearance of compromise on the use permit.

By motion made, seconded (Fust/Clarke), and carried, the Board of Supervisors adopted Resolution No. 2001-189, which expresses the Board's intent to lease space at one or more locations of County-owned volunteer fire stations of the Shasta County Fire Department at a minimum of \$1,000 per month for five years from the date of signing to install and operate a cellular communications tower and accessory equipment and set Tuesday, November 13, 2001 at 9:00 a.m. (or as soon thereafter as may be possible) for the bid opening and consideration. Supervisor Kehoe voted no.

(See Resolution Book No. 42)

AUDITOR-CONTROLLER

AUDIT REPORT: DEPARTMENT OF SOCIAL SERVICES

Auditor-Controller Rick Graham reported that an audit had been conducted on the Department of Social Services. He explained that an audit consists of two phases, field work review and a report which expresses opinion on the financial condition of an entity. He stated that during the audit process, certain weaknesses were identified which prevented staff from completing the full audit; however, they were able to complete an analysis of the causes of the weaknesses and to recommend corrective action. He further stated that relative to revenue recognition as of June 30, 2001, the department had met all needed requirements for recording and closing of their records according to accounting standards, and with regard to safeguarding of assets, all outstanding checking accounts are reconciled and current. However, staff concluded that time could be better spent working with the department rather than completing a report which the Grand Jury outside auditors are going to do in January, anyway.

Supervisor Fust requested confirmation from the Auditor-Controller that although his staff was initially unable to complete the audit due to some deficiencies, those deficiencies have been corrected and the audit could be completed; however, staff prefers to wait for the outside auditors to complete the audit rather than do it internally. Mr. Graham responded that this was correct.

Social Services Director Dennis McFall expressed his concern that the message the Board of Supervisors and the public may be left with is that this matter is a referral to the Grand Jury. This is an issues of funds being listed in the wrong boxes, not a case of malfeasance or misappropriation of funds. CAO Latimer explained that each year an outside audit firm is hired and they meet with the Grand Jury Audit Committee which consists of the Auditor-Controller, CAO, Chairman of the Board of Supervisors, and members of the Grand Jury; it is not a Grand Jury committee.

Supervisor Clarke expressed concerns with the audit report and the response back from the department and Auditor-Controller. She cited a recent set of audit reports relating to the Resource Management Department and continuing battle over the functions of the Auditor's office and how they relate to other departments. Supervisor Clarke said there is confusion over which set of figures are correct, and there should be no confusion. She suggested that a workshop be set up for the Auditor-Controller to review his department's procedures and how they apply to the rest of the departments, and to receive input from department heads who disagree with the Auditor-Controller's

findings and, therefore, come to an agreement under which everyone can work. Mr. Graham stated that he would be willing to conduct such a workshop.

Supervisor Fust indicated that he was not comfortable accepting this audit as it is not complete; he would like to see the audit completed and everything worked out and to wait until after the work shop is held. Supervisor Clarke also indicated that she wanted the Auditor to complete the full audit report.

CAO Latimer suggested that the Auditor-Controller be directed to complete the internal audit report effective June 30, 2001, which would complete this matter, and to show those areas where the department has resolved its issues with the Auditor. Board Members concurred with this suggestion, and the Auditor-Controller stated that his staff would complete the internal audit for the Department of Social Services by December 31, 2001. It was also the consensus of the Board that the Auditor-Controller participate in the proposed workshop regarding audit procedures.

HEALTH AND WELFARE

PUBLIC HEALTH, SOCIAL SERVICES, AND SUPPORT SERVICES

TRANSFER OF CALIFORNIA CHILDREN SERVICES (CCS) PROGRAM FROM SOCIAL SERVICES TO PUBLIC HEALTH BUDGET TRANSFER SALARY RESOLUTION NO. 1163 AND 1164

At the recommendation of Social Services Director Dennis McFall and Public Health Director Marta McKenzie and by motion made, seconded (Clarke/Hawes), and unanimously carried, the Board of Supervisors took the following actions to transfer the California Children Services (CCS) Program from the Department of Social Services to the Department of Public Health as a non-Merit System program: Approved a budget transfer establishing a new budget unit and transferring appropriations and revenues for the CCS program from Social Services to Public Health effective July 1, 2001; adopted Salary Resolution No. 1163, deleting eight allocated positions from Social Services and adding eight allocated positions to Public Health; adopted Salary Resolution No. 1164, deleting one Family Health Manager, one Clinic and Laboratory Manager, one Community Development Manager, one Community Nutrition Manager, and one Community Health Manager allocation and adding six Public Health Program Manager allocations; and approved the new Public Health Program Manager classification.

(See Salary Resolution Book)

LAW AND JUSTICE

SHERIFF

STATE OFFICE OF EMERGENCY SERVICES FUNDING BUDGET TRANSFER

At the recommendation of Undersheriff Larry Schaller and by motion made, seconded (Hawes/Fust), and unanimously carried, the Board of Supervisors approved a budget amendment which increases revenues and appropriations by \$42,540 to utilize State Office of Emergency Services funding for the purchase of equipment which will improve the capability to respond to terrorism incidents.

SCHEDULED HEARINGS

SHERIFF

**SUPPLEMENTAL LOCAL LAW ENFORCEMENT PROGRAM
BUDGET AMENDMENT**

Undersheriff Larry Schaller presented the staff report and recommended approval of the department request for front-line law enforcement services funding in the amount of \$129,598 and for the Jail in the amount of \$56,981 and approval of a budget amendment which increases revenues and appropriations in the amount of \$56,981 to augment jail overtime.

Notice of Hearing and Affidavit of Publication is on file in the Clerk of the Board's Office.

The public hearing was opened, at which time no audience was present to speak for or against the request, and the public hearing was closed.

By motion made, seconded (Fust/Hawes), and unanimously carried, the Board of Supervisors approved the request from the Sheriff for front-line law enforcement services funding for the Supplemental Local Law Enforcement Program in the amount of \$129,598 and for the Jail in the amount of \$56,981 and approved a budget amendment which increases revenues and appropriations in the amount of \$56,981 to augment jail overtime.

PUBLIC WORKS

**WATER RATES: COUNTY SERVICE AREA NO. 2 - SUGARLOAF WATER
RESOLUTION NOS. 2001-190 AND 2001-191**

Deputy Director of Public Works Dan Kovacich presented the staff report which requests a proposed change in the water rates of County Services Area No. 2 - Sugarloaf Water and the establishment of an annual parcel charge. He recommended that following the public hearing the Board of Supervisors approve this request.

Notice of Hearing and Affidavit of Publication are on file in the Clerk of the Board's Office.

The public hearing was opened, at which time no audience was present to speak on the matter, and the public hearing was closed.

By motion made, seconded (Hawes/Fust), and unanimously carried, the Board of Supervisors took the following actions on behalf of County Service Area No. 2 - Sugarloaf Water: Adopted Resolution No. 2001-190, which repeals existing water rates; adopted Resolution No. 2001-191 which establishes new water rates; directed staff to begin the process to establish an annual parcel charge; and set a public hearing for 10:30 a.m. on December 11, 2001 to consider activation of an annual parcel charge.

(See Resolution Book No. 42)

CLOSED SESSION ANNOUNCEMENT

Vice Chairman Kehoe announced that the Board of Supervisors would recess to a Closed Session to confer with its counsel to discuss existing litigation entitled Burns vs City of Redding, Peters vs County of Shasta, Zenith Insurance vs Intermountain Fairgrounds, and Thomas vs City of Redding, pursuant to Government Code Section 54956.9, subdivision (a).

11:15 a.m.: The Board of Supervisors recessed to Closed Session.

11:35 a.m.: The Board of Supervisors recessed from Closed Session.

11:37 a.m.: The Board of Supervisors reconvened in Open Session with Supervisors Kehoe, Fust, Hawes, and Clarke, Assistant County Counsel Mike Ralston, Clerk of the Board Carolyn Taylor, and Administrative Board Clerk Connie Simpson present.

REPORT OF CLOSED SESSION ACTIONS

Assistant County Counsel Mike Ralston reported that the Board of Supervisors met in Closed Session to discuss existing litigation and on unanimous votes, referred the following matters to outside counsels for defense: Burns vs City of Redding to the firm of Gary Brickwood; Peters vs County of Shasta to the firm of Angelo, Kilday and Kilduff, and Thomas vs. City of Redding to the firm of Gary Brickwood.

11:40 a.m.: The Board of Supervisors adjourned.

Chairman

CAROLYN TAYLOR
Clerk of the Board of Supervisors

By _____
Deputy