

**SHASTA COUNTY BOARD OF SUPERVISORS**

Tuesday, August 20, 2019

**REGULAR MEETING**

9:00 a.m.: Chairman Moty called the Regular Session of the Board of Supervisors to order on the above date with the following present:

District No. 1 - Supervisor Chimenti  
 District No. 2 - Supervisor Moty  
 District No. 3 - Supervisor Rickert  
 District No. 4 - Supervisor Morgan  
 District No. 5 - Supervisor Baugh

County Executive Officer - Larry Lees  
 County Counsel - Rubin E. Cruse, Jr.  
 Administrative Board Clerk - John Sitka  
 Administrative Board Clerk - Kristin Gulling-Smith

**INVOCATION**

Invocation was given by Deacon Mike Mangas, St. Joseph Church.

**PLEDGE OF ALLEGIANCE**

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

**REGULAR CALENDAR**

**BOARD MATTERS**

**PRESENTATION: INSURANCE IN HIGH FIRE HAZARD AREAS**

Kari Haley-Hathaway, owner of Haley Insurance Marketing, Inc., gave a presentation regarding insurance in high fire hazard areas. Ms. Haley-Hathaway pointed out a rise in insurance premiums and discussed an escalation in non-renewal policies by insurance carriers due to wildfire threats across the state of California.

Ms. Haley-Hathaway explained the risk factors that insurance companies use to decide insurance premiums, speaking on the difference between Wildfire Scoring and ISO Protection Class Ratings as they are applied to risk assessment. She also stated that non-renewed policies are at an all-time high in California, which is causing independent insurance agents increased difficulty in identifying fire protection policies for homeowners.

In response to questions from Supervisor Rickert, Ms. Haley-Hathaway stated that local realtors are experiencing greater challenges when attempting to sell properties due to current insurance rates associated with high fire risk areas. She also stated that she read the governor was working on addressing the issue, but the Commissioner for the California Department of Insurance did not feel the state was in dire straits yet.

In response to questions from Supervisor Baugh, Ms. Haley-Hathaway explained that there are several areas within the City of Redding that are still considered high wildfire hazard areas several months after the Carr Fire. She also added that individual properties and neighborhoods are not taken into consideration for risk assessment, which is detrimental to homeowners who are taking action to mitigate fire hazards while living in a high fire zone.

In response to questions from Supervisor Moty, Ms. Haley-Hathaway assessed that the health of the insurance industry in California was less than satisfactory and the worst she has observed since 1992. She further stated homeowners should be concerned over the annual renewal of their insurance policies even with diligent efforts taken towards fire mitigation.

### **PUBLIC COMMENT PERIOD - OPEN TIME**

Edmond Baier spoke on federal subsidies and concerns related to turbine projects.

Beth Messick voiced opposition to the Fountain Wind project in Shasta County.

Charlie Palatino spoke on government subsidies and environmental concerns associated with turbine projects.

In response to questions from Supervisor Baugh, Director of Resource Management Paul Hellman estimated the Fountain Wind project would not go before the Planning Commission until the middle of next year at the earliest, as the project is waiting for the completion of an Environmental Impact Report.

Jon Ruiz spoke on staffing at the County jail and his support for a proposed tax initiative.

Monique Welin spoke in support of the public safety sales tax.

Greg Hector spoke on issues related to mental health and the Probation Department, supporting an increase in beds and medically-assisted treatment.

### **ITEMS PULLED FROM CONSENT CALENDAR**

Chairman Moty noted that the item regarding minutes from the Board of Supervisors meeting on August 13th, 2019, was pulled and will return at a later date.

### **CONSENT CALENDAR**

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

Accepted the annual report of shortage reimbursements in the amount of \$1,080.39 for Fiscal Year 2018-19 made by the Auditor-Controller in accordance with Resolution No. 2004-56. (Auditor-Controller)

Appointed Nancy Bolen to the Shasta Children and Families Commission for the remainder of an unexpired term to expire January 2021. (Clerk of the Board)

Adopted retroactive Resolution No. 2019-076 and retroactive Salary Resolution No. 1567, effective November 11, 2018, which includes the following actions: Resolution No. 2019-076 amends the Memorandum of Understanding with the Deputy Sheriffs' Association Deputy Sheriffs, Sergeant, and District Attorney Investigator (DSA-DSS/DAI) Unit to include the provision of Supervisory Pay Differential for the Sergeant classification; and Salary Resolution

No. 1567 amends the Shasta County Salary Schedule to update footnote 51 to include Sergeants for consideration of a pay class stipend if a subordinate classification is at a salary range higher than the Sergeant classification. (Support Services-Personnel)

(See Resolution Book No. 63)

(See Salary Resolution Book)

Approved and authorized the: Chairman to sign the following agreements with Qualtrics LLC (Qualtrics) for an online survey software application: (a) Qualtrics Master Service Agreement (MSA) with no compensation to administer the Qualtrics Service Order for the period of three years effective date of signing; (b) Qualtrics Business Associate Agreement (BAA) for a period of three years effective date of signing; and (c) Qualtrics Service Order agreement (Order) in an amount not to exceed \$79,806 to develop, maintain, and host the survey website for a period of one year effective date of signing with two automatic one-year renewals; Health and Human Services Agency (HHS) Director, and other department heads, to authorize select staff to sign the Qualtrics online Service- Specific Terms and the online Terms of Service in order for staff to access the online survey software; approved and authorized the HHS Director, or any HHS Branch Director designated by the HHS Director, to sign amendments to the Qualtrics MSA, Order, BAA, and other subsequent and related documents, including retroactive, that do not result in a functional or substantial change to the original intent of the MSA, BAA, and Order, and that otherwise comply with Administrative Policy 6-101, *Shasta County Contracts Manual*; and department heads to execute a MSA and Order for their department provided County Counsel has reviewed and approved as to form, County Information Technology and County Risk Management have approved, and maximum compensation does not exceed \$5,000 per Fiscal Year per department. (Health and Human Services Agency-Business and Support Services)

Approved and authorized the Chairman to sign an agreement with Common Cents Systems, Inc. in an amount not to exceed \$230,000 (\$72,750 to be paid in advance) to provide a Laboratory Information Management System software license and maintenance services for a period of one year from date of signing, with two automatic one-year renewals. (Health and Human Services Agency-Public Health)

Adopted Resolution No. 2019-077 which: Authorizes the Director of Housing and Community Action Agency Programs (Director) to submit and sign an application, the Standard Agreement, and any subsequent amendments, as well as any other documents required by the California Department of Housing and Community Development in an amount not to exceed \$3,600,000 for CalHome Program Disaster Assistance, Round 2 funding (Program) to provide owner-occupied rehabilitation assistance for low-income homeowners who were affected by the Carr Fire for the period 36 months from the date of the award letter; and agrees the County will use CalHome funds for eligible activities in accordance with Program regulations. (Housing and Community Action Programs)

(See Resolution Book No. 63)

Approved and authorized the Chairman to sign a fixed hangar lease agreement with Marshall Grant for Hangar No. 9 at the Fall River Mills Airport in the amount of \$250 per month for the period September 1, 2019 through March 31, 2022. (Public Works)

Approved and authorized the Chairman to sign a retroactive agreement with SHN Consulting Engineers and Geologists, Inc. in an amount not to exceed \$40,000 to provide planning support services related to completion of the Final Environmental Impact Report for the Tierra Robles Planned Development Project for the period March 19, 2019 through December 31, 2019. (Resource Management)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Kimley-Horn and Associates, Inc., with no change in compensation to prepare environmental documents for the Tierra Robles Planned Development Project which extends the term of the agreement to December 31, 2019, or certification of the Final Environmental Impact Report and acceptance by County of the Final Mitigation Monitoring and Reporting Program, whichever occurs first. (Resource Management)

Approved and authorized the Chairman to sign an amendment to the agreement with Fountain Wind, LLC to consent to and allows for Fountain Wind, LLC to receive and assume all rights, duties, and obligations of the agreement between the County of Shasta and Pacific Wind, LLC effective the date the County receives a fully executed Assignment Agreement. (Resource Management)

Adopted Resolution No. 2019-078 to approve and authorize the Chairman to sign an agreement with the California Department of Forestry and Fire Protection, in an amount not to exceed \$19,755.00 including dollar for dollar County matching funds for a total of \$39,510.00 for the purchase of wildland fire and structural fire personal protective equipment for the period date of signing through June 30, 2020. (County Service Area No. 1-County Fire)

(See Resolution Book No. 63)

## **REGULAR CALENDAR, CONTINUED**

### **GENERAL GOVERNMENT**

#### **CLERK OF THE BOARD/BOARD OF SUPERVISORS**

#### **LEGISLATIVE UPDATE/SUPERVISORS' REPORTS**

County Executive Officer (CEO) Larry Lees had no legislative update.

Supervisor Chimenti commended CEO Lees for his leadership and contributions to the County. He requested to extend the hiring period for the County Executive Officer position. In response, County Counsel Rubin E. Cruse, Jr. stated that the matter had not yet been agendaized, but it could be brought back up for Board discussion at a future meeting.

Supervisor Rickert recently attended a meeting of the Sierra Nevada Conservancy.

Supervisor Morgan recently attended the Shasta County Children and Families Commission (First 5 Shasta) meeting.

Supervisor Baugh recently attended the Rural County Representatives of California meeting.

Supervisor Moty recently attended the Enterprise-Anderson Groundwater Sustainability Agency meeting and offered to submit a letter of support for Marie Carr at a future meeting.

Supervisors reported on issues of countywide interest.

### **AUDITOR-CONTROLLER**

#### **UPDATE TO ADMINISTRATIVE POLICY 2-103** **POLICY RESOLUTION NO. 2019-02**

Auditor-Controller Brian Muir proposed changes to the County's administrative policy for its budget reserves, stating that the rating agencies look favorably upon an updated policy. Mr. Muir further stated the budget reserves are currently at \$10,880,000 and the amount may be insufficient if the County faced a downturn for two to three years. The proposed change would bring the reserve amount up to 17-25% of General Fund expenditures, which was estimated to total between \$16,000,000 and \$25,000,000. The policy resolution would also provide cushioning for the County budget and help avoid layoffs during major downturns.

In response to questions from Supervisor Moty, Mr. Muir stated that it was the General Reserve that would be utilized, which is a part of the General Fund.

In response to questions from Supervisor Baugh, Mr. Muir clarified that the Contingency Reserve was separate from the General Reserve. Mr. Muir added that reserve funds cannot be assessed unless a majority of the Board declares a local emergency.

CEO Larry Lees clarified that the policy resolution would anticipate future changes in the County that include a new courthouse and low-cost bonds, and the proposed resolution would not adversely affect the Board's flexibility with reserve funds.

In response to questions from Supervisor Baugh, Mr. Lees advised against impacting current spending levels and estimated that, depending on changes within the economy, it could take up to five years to meet the desired goal of 25% for budget reserves.

In response to questions from Supervisor Rickert, Mr. Muir stated that no General Reserve funds were utilized for the Carr Fire and the proposed resolution would alleviate spending in the case of a major economic downturn.

CEO Larry Lees explained that the reserves could be used to pay for services provided to the County during an emergency period until the County receives reimbursement from the Federal and State governments. Mr. Lees also mentioned that the reserves could be utilized for recessions, lawsuits, and a variety of similar reasons.

In response to questions from Supervisor Baugh, Mr. Muir stated the Board puts money into the Capital Account for capital projects, which is unlike the General Reserve because funds for the Capital Account can be taken from various other funds. Mr. Muir added that the Contingency Reserve was money set aside for spending at the Board's discretion and it doesn't take a majority vote, nor a local emergency, to utilize those funds.

In response to questions from Supervisor Moty, Mr. Muir declared that the County had a budget of over \$93,000,000 allocated for the General Fund.

By motion made, seconded (Rickert/Chimenti), and unanimously carried, the Board of Supervisors adopted Policy Resolution No. 2019-02 to update Administrative Policy 2-103, *Shasta County Budgetary Reserves*.

(See Policy Resolution Book)

### **DISTRICT ATTORNEY**

#### **REAL ESTATE FRAUD INVESTIGATIONS UNIT** **FISCAL YEAR 2018-19 REPORT**

District Attorney Stephanie Bridgett gave the Real Estate Fraud Investigations Unit (Unit) report, which included crimes such as identity theft, forgery, and rental scams.

Ms. Bridgett noted the most significant activities in the last year involved rental scams and price gouging after the Carr Fire. The Unit investigated every complaint and approached persons with rental properties listed to correct outrageous prices. Ms. Bridgett also noted several fake listings on Craigslist for rentals and stated that the Unit was proactive about getting them removed from the website.

Ms. Bridgett reported a felony conviction in the past year which included restitution in the amount of \$25,000. She added that recovering a loss is difficult and rare so the unit promotes outreach to prevent the public from becoming victims of fraud.

Supervisor Rickert lauded Ms. Bridgett and her department for their proactive approach towards fraud prevention within the community.

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors received a report on the Fiscal Year 2018-19 Real Estate Fraud Investigations Unit and confirmed the effectiveness of the Unit.

### **SCHEDULED HEARINGS**

#### **ADMINISTRATIVE OFFICE**

#### **THE WILLIAMSON ACT TAX BENEFITS** **RESOLUTION NO. 2019-079**

This was the time set to conduct public hearings to consider modifying Williamson Act property tax benefits. Administrative Analyst Ayla Tucker presented the staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

Supervisor Rickert recused herself from the public hearing due to owning property affected by the Williamson Act.

The public hearing was opened; no one spoke for or against the matter, and the public hearing was closed.

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors took the following actions: Conducted a public hearing to consider implementing, pursuant to subdivision (e) of Government Code section 16142, the provisions authorized in Assembly Bill (AB) 1265 and Senate Bill (SB) 1353 and outlined in subdivision (b) of Government Code Section 51244 and Section 51244.3 (AB 1265/SB 1353 provisions), which will have the following impacts effective January 1, 2020: (a) the implementation would reduce a landowner's Williamson Act property tax benefits, which in most instances will result in an increase in property taxes to the landowner; (b) the implementation would reduce the term of a Williamson Act contract from ten years to nine years; and (c) the implementation would allow increased revenues to be transferred directly into the County's General Fund; adopted Resolution No. 2019-079 which: (a) finds that, for Fiscal Year (FY) 2018-19, the subvention payment the County received from the State of California pursuant to the Open Space Subvention Act was less than one-half of the County's actual foregone General Fund property tax revenue that resulted from Williamson Act contracts; and (b) states the Board's decision to implement Government Code Section 51244(b) and Government Code Section 51244.3 effective January 1, 2020; directed staff to notify all Williamson Act contracted landowners of the following: (a) the final decision of the Board of Supervisors after the conclusion of the August 20, 2019 public hearing on whether to implement the AB 1265/SB 1353 provisions; and (b) the landowner's right to prevent the reduction in the term of his or her contract due to the implementation of the AB 1265/SB 1353 provisions by serving notice of non-renewal as specified by Government Code Sections 51244, 51245 and Shasta County Resolution No. 2011-103; and directed the County Administrative Office, Assessor-Recorder, Auditor-Controller, Tax Collector and Director of Resource Management to take all necessary steps to implement AB 1265/SB 1353 including but not limited to recording a notice that states the affected parcel numbers and current owner's names, making the appropriate additions to all affected properties assessed values, and modifying the FY 2020-21 tax bills to reflect the assessment changes associated with the reduced tax benefit.

(See Resolution Book No. 63)

### **OTHER COUNTY AGENCIES**

**10:21 a.m.:** The Shasta County Board of Supervisors recessed and reconvened as the Shasta County Housing Authority.

10:31 a.m.: The Shasta County Housing Authority adjourned and reconvened as the Shasta County Water Agency.

10:31 a.m.: The Shasta County Water Agency adjourned and reconvened as the Shasta County Board of Supervisors.

10:32 a.m.: The Board of Supervisors adjourned.

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Chairman

ATTEST:

LAWRENCE G. LEES  
Clerk of the Board of Supervisors

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