

BOARD OF SUPERVISORS

AUGUST 19, 2003

The Lassen County Board of Supervisors convenes in Regular Session on Tuesday, August 19, 2003, at 9:34 a.m. Present: Supervisors Robert Pyle, Jim Chapman, Lloyd Keefer, Brian Dahle, and Jack Hanson; County Counsel John Ketelsen, County Administrative Officer (CAO) Andy Whiteman and County Clerk Theresa Nagel. Following the flag salute, the invocation is offered by Supervisor Hanson.

ANNOUNCEMENT OF ITEMS DISCUSSED IN CLOSED SESSION

Chairman Chapman announces that no closed session was held.

AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS

CAO Whiteman states the Auditor wants Item G-2, bid award, removed. County Clerk Nagel requests the minutes for August 12, 2003 be removed.

It is moved by Supervisor Hanson, seconded by Supervisor Pyle and carried to approve the agenda with the noted deletions.

PUBLIC COMMENT

1. Dan Douglas attended the State Fair County Exhibit Award Program and he announces that Lassen County received a gold award. Chairman Chapman directs staff to arrange a thank you ceremony for everyone involved in building and transporting the exhibit.
2. Chairman Chapman reads a Violet Stout poem entitled "Starving Cry".

UNAGENDIZED BOARD REPORTS

1. Supervisor Dahle reminds the board members that RCRC will be meeting in Lassen County in September.
2. Supervisor Keefer announces a RAC meeting was held last week and they will begin accepting applications for the second round of projects in October.
3. Supervisor Keefer reports on the Economic Development Council meeting at which information was received on Dyer Mt. and on South County development potential.
4. Supervisor Pyle reports a meeting was held at the Lassen County Visitor's Center for discussions with a design consultant.
5. Supervisor Pyle wants a work session on the Personnel Department placed on a September agenda that is not real busy.
6. Supervisor Hanson reports on: Mental Health Board meeting; LAFCO

Study Session; and the BLM Scoping Session on the Resource Management Plan.

7. Supervisor Chapman reports on the CSAC Executive Committee meeting discussions relating to upcoming initiatives. He states that CSAC will be supporting the lowering of the percentage to adopt the State budget from 66% to 55%. Also lots of discussion about getting rid of the car tax. Discussed sales/use tax imposed at local level.

8. Supervisor Chapman reports that he and Supervisor Keefer have begun work on the response to the Grand Jury Report. They want each board member to summarize their own personal observations for inclusion in the response.

PROCLAMATIONS

It is moved by Supervisor Keefer, seconded by Supervisor Hanson and carried to adopt proclamations recognizing Lowell Harwood upon his retirement from the Lassen County Sheriff's Department and Chet Streible on his retirement from Lassen County as the Veterans Service Officer.

RECOGNITION COMMITTEE - PRESENTATION

Chairman Chapman makes the following presentations for years of service:

Retirement: Proclamation and plaque to Lowell Harwood, (Sheriff's Department) and Chet Streible, (Veterans Service Officer).

Twenty-five years: a desk clock/calculator to Tommy Peterson, (Public Works Department).

Fifteen years: a two pen desk set to Karen DelCarlo, (Public Works Department) and Richard Cook, (Assessor's Office).

Ten years: a brass letter opener to Cheryl Douglas, (Personnel Department).

Recess 10:26 - 10:31 a.m.

LASSEN COUNTY FAIR

Fair Manager Claud Neely presents reports on the 2003 Lassen County Fair 4th of July Celebration and 2003 Lassen County Fair.

LASSEN COUNTY CHILDREN AND FAMILIES COMMISSION

Executive Director Laura Roberts clarifies the proposal before the board members is not for children's mental health care but is to address children's behavioral health. She asks for an allocation of \$50,000 (possibly from Public Health Realignment funds) to match a

Prop 10 allocation to hire a full time Children's Behavioral Specialist to work with children aged birth to five and their families. Children and families will be identified through child care providers, home visitors and others. This service can be associated with the county-wide system of Family Resource Centers thus making this special service available throughout Lassen County. This service can also provide a level of technical expertise to the home visiting project that will allow the participation in targeted case management funding, thus tapping into funds that will help with sustainability of both the children's mental health initiative and the home visiting programs. She notes there are children in child care that are moved from one provider to another because of behavior they exhibit that cannot be resolved by the care provider. Their behavior is disruptive to the child care environment and sometimes dangerous to other children. If allocated, the money would be held in trust until a detailed proposal is worked out (within two months), by collaborating with the Office of Education, Family Resource Centers, Home Visiting, Public Health and Mental Health. If a plan is found to be unworkable the entrusted funds can be released for other uses.

Public Health Nurse Patsy Jimenez and Compac Representative Barbara Tiner support the proposal.

Supervisor Keefer would like staff to take a look at the proposal to determine if there is any overlapping of services.

Ms. Roberts responds that schools and Mental Health have not addressed and do not intend to address these needs.

Supervisor Hanson also suggests the proposal be presented to the Mental Health Advisory Committee.

Supervisor Dahle states we always fight fires but there is a need to do preventive work to avoid the fires and he sees this as just such a program. He compliments the staff of the Family Resource Centers.

Chairman Chapman continues the decision to the budget sessions.

LOCAL REUSE AUTHORITY

The Board of Supervisors recess and convene as the Local Reuse Authority (LRA).

Supervisor Hanson strongly supports the Memorandum of Agreement (MOA) between Sierra Army Depot and the Lassen County Local Reuse Authority. He encourages the board members to approve the MOA and feels action taken today will set the stage for development in the

South County. He thanks people of the area for their frank opinions relating to the property acquisition.

CAO Whiteman notes the upkeep and maintenance of 400 acres is estimated to be \$50,000 per year. He feels the county may be able to recover \$30,000 per year from rental of property. He suggests a loan from prison mitigation funds to cover these costs.

Supervisor Chapman points out some changes needed in the draft resolution.

Program Coordinator Regina Rankin goes over the highlights of the MOA which includes environmental indemnification language to protect the LRA from any potential environmental responsibility as a result of Army use of the property prior to transfer. Sierra Army Depot (SIAD) is still waiting for final Fish and Wildlife Service determination on the Cross Depot Access Parcel in relation to the Carson Wandering Skipper.

LRA will receive the properties at no-cost with the provision that the proceeds from any sale, lease or equivalent use received by the LRA in the first seven years must be used to support the economic redevelopment of the properties. The LRA has financial reporting requirements at the end of five and seven years.

The electric distribution system Bill of Sale and easement, will immediately be assigned to Plumas Sierra Rural Electric Cooperative (PSREC). Environmental cleanup of ordnance and explosives on Northern Cross Depot Access, Northern East Shore and Western Airfield parcels will occur by separate deeds once cleanup activities are complete. Deed restrictions to ensure protection of human health and the environment imposed by State of California EPA, Department of Toxic Substances Control will run in perpetuity with the land.

The anticipated schedule for transfers is as follows: Herlong and 50-acre parcel, September 2003; Southern East Shore, Southern Cross Depot Access, Eastern Airfield Parcels and Susanville Road/Green belt, October, 2003; Northern Cross Depot Access, Northern East Shore Parcel and Western Airfield Parcel, will be accepted when cleaned.

The LRA intends to implement marketing and development of the Herlong community as defined in the Reuse Plan adopted March, 2002; will immediately market existing buildings for sale to reduce responsibility of maintenance costs; has been contacted by two interested parties for the development of housing in the Herlong area.

Water and wastewater services is responsibility of the Army as long as the systems remain in Army ownership; HUC is to provide services to Federal Prison; long term plans for development of new residential and commercial projects will require hookup to HUC; existing infrastructure will require evaluation and possible rehabilitation before hookups take place. Ongoing operating expenses for six existing buildings is estimated at \$50,000 per year with an estimated rental revenue of \$30,000 per year from the Credit Union, Post Office, Catholic Church Arch Diocese. Temporary cash flow could be addressed with an interfund loan from prison mitigation funds to the redevelopment agency to be repaid with the sales of excess property. Prior to disposal of any property a redevelopment agency should be in place. Presently there is no existing agency with fire suppression responsibility in place. So long as the Army is capable, it is likely they will respond as a courtesy, but there is no formal agreement in place. Before insurance carriers will insure the property institutional fire protection services must be arranged. Additional issues regarding future development will be addressed by Lassen County Community Development Department (CDD).

Community Development Director Robert Sorvaag reads a statement setting forth the recommended Plan of Actions for the Local Reuse Authority. He understands the LRA functions will be transferred from the CAO to the CDD in October. He notes a new employee will be needed for his department to take on this responsibility. The Plan of Actions covers the following: strategies for providing fire protection, addressing sewer and water infrastructure, preparation of a Herlong town center zoning plan, rezoning and general plan amendments, formation of a redevelopment agency (county-wide), marketing efforts, interim funding, and office space for LRA & ED staff.

Supervisor Dahle wants to know what the costs to the County are going to be. He also notes prior discussions indicated there was going to be great interest in the area for a business park and the County would realize revenue from the sale of property. He supports the concept but cost is a big issue.

Supervisor Chapman asks the CAO how much this is going to cost and CAO Whiteman responds with an estimate of \$200,000 - \$300,000 commitment which the County would hopefully recover via the sale of property. Supervisor Pyle supports the concept but is afraid of what it will cost. Supervisor Chapman believes it will mean a cost of \$500,000 or more. Supervisor Pyle is concerned about the load it will place on the CDD.

Supervisor Hanson states there may be some other funds available besides prison mitigation funds and he feels the CDD is understaffed. He states the action taken today will be a referendum on growth in the South County.

Supervisor Chapman states the board members have always been promised, over the past six years, that staff would bring basic dollar estimates for what needed to be set aside as seed money and also how it would be paid back. Supervisor Pyle does not want the County to be in trouble by any action taken today. Supervisor Keefer feels there is a lot riding on this decision and it is unfortunate the board members do not have information on costs. He notes that SIAD Information Officer Larry Rogers recently made a statement that employment at the depot could double, and Keefer feels that down the road there will be demand for property. He acknowledges the maintenance costs cannot be overlooked but this is a business venture so we have to get a handle on what the costs will be. Supervisor Dahle agrees this is a business venture and there is a need for a business plan which the Board has been asking for over the past six years.

It is moved by Supervisor Hanson, seconded by Supervisor Keefer and carried on a roll call vote, with Supervisor Dahle voting NO, to: a) adopt Resolution No. 03-001 LRA, approving the Memorandum of Agreement (MOA) for the transfer of portions of the Sierra Army Depot and specified personal property located in Herlong, California, to the Lassen County Local Reuse Authority; b) authorize County Administrative Officer to sign the MOA, Quitclaim Deed for the Herlong Parcel, including subsequent deeds for the remaining properties, and the Electric Distribution System Agreement; c) budget for \$500,000 from the Prison Mitigation Fund as a loan to the Redevelopment Authority to be used as seed money; and d) direct staff to return with a budget for the \$500,000.

Supervisor Dahle states that he could not support this action because it is an incomplete plan.

The Local Reuse Authority adjourns and the Board of Supervisors reconvene.

Supervisor Hanson departs at 11:50 a.m.

BOARD OF SUPERVISORS

BLM Assistant Field Manager Don Holmstrom discusses the process for the County to become (Supervisor Hanson returns at 11:52 a.m.) a cooperating agency in relation to the Resources Management Plan update.

It is moved by Supervisor Pyle, seconded by Supervisor Dahle and carried unanimously, on a roll call vote, to authorize the Chairman to sign a formal application for cooperating agency status during National Environmental Policy Act (NEPA) Decision Making and Land Use Planning.

Chairman Chapman wants Supervisor Hanson and Supervisor Keefer to work together to draft the response document.

CONSENT CALENDAR

It is moved by Supervisor Dahle, seconded by Supervisor Hanson and carried to take the noted action on the following Consent Calendar items:

COUNTY CLERK ITEM

Approve Minutes of July 8 and 9, 2003.

PROBATION DEPARTMENT ITEM

Approve the FY 2003/2004 Space Available Agreement with Fouts Springs Youth Facility for placement of youths with a juvenile court commitment to a camp, at a rate of \$2,990 per month per ward; and authorize the Chairman to sign the agreement.

PUBLIC WORKS DEPARTMENT ITEMS

Approve agreement for Right of Way Appraisal Services with Ryan and Murphy Group, Inc. of Redding, in an amount "not to exceed" \$23,750. for Skyline Road East and Extension Construction Project; and authorize the Director of Public Works to sign the agreement.

Approve agreement for Professional Services with Fehr & Peers of Roseville to re-evaluate and re-design the traffic signal plans which were completed in 1999-2000, in an amount "not to exceed" \$14,800. for Skyline Road East and Extension Construction Project; and authorize the Director of Public Works to sign the agreement.

Approve the rental agreement of the Susanville Veterans Memorial Building by Lassen High School for use of the basement west assembly area and occasional use of the main auditorium for the purpose of classroom instruction during the period of August 25, 2003 through June 10, 2004, in the total amount of \$4,488.75; and authorize the Director of Public Works to sign the agreement.

ADMINISTRATIVE SERVICES - PERSONNEL ITEM

Receive and file Personnel Movement report for July, 2003.

MISCELLANEOUS CORRESPONDENCE ITEMS

Receive and file the following correspondence:

- a. Lassen County Fair Advisory Board meeting agenda for August 12, 2003.
- b. Lassen County Alcohol & Drug Advisory Board meeting agenda for August 28, 2003, and minutes of June 26, 2003.
- c. Lassen County Air Pollution Control District Governing Board meeting agenda for August 19, 2003 and minutes of July 22, 2003.

MENTAL HEALTH ADVISORY BOARD

It is moved by Supervisor Pyle, seconded by Supervisor Dahle and carried to accept the letter from Tom Gauthier resigning from the Mental Health Advisory Board, and direct Clerk to advertise vacancy.

Noon recess 12:01 - 1:35 p.m.

COMMUNITY DEVELOPMENT DEPARTMENT - ECONOMIC DEVELOPING HOUSING

It is moved by Supervisor Keefer, seconded by Supervisor Pyle and carried to adopt Resolution No. 03-062, declaring intention to sell or lease property located at 169 Gay Street, Chester (Parcel Number 100-155-014) by sealed bid for a minimum price of \$15,000.

Community Development Director Robert Sorvaag enters the meeting and requests the action on this item be rescinded because he wants to look closer at the numbers. Chairman Chapman states that he should have notified either the CAO or the Chairman if he wanted a change to the action requested.

It is moved by Supervisor Hanson, seconded by Supervisor Pyle and carried to rescind the action adopting Resolution No. 03-062.

COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING

1. Assistant Community Development Director Bertotti provides information on sub-management groundwater study areas for use with geographic information systems (as related to the Local Groundwater Assistance Fund - AB 303 grant).
2. It is moved by Supervisor Pyle, seconded by Supervisor Hanson and carried on a roll call vote, with Supervisor Dahle voting NO, to accept the old dairy house known as the "Goodrich house" as a donation by W. M. Beaty and Associates, Inc., to potentially be relocated near the Westwood Visitor Center and utilized for economic development purposes, with direction to staff to come back with a plan prior to moving forward.

Supervisor Dahle states that his no vote was because he wanted a cost analysis prior to making a decision.

3. Chairman Chapman turns the gavel over to the Vice-Chairman Hanson and leaves the room.

Planner Rick Simon reviews a draft letter with comments on the Environmental Assessment for the proposed trust acquisition of land by the Susanville Indian Rancheria.

It is moved by Supervisor Keefer, seconded by Supervisor Dahle and carried, with Supervisor Chapman absent, to authorize the Chairman to sign the letter.

INFORMATION FOR THE BOARD

CAO Whiteman informs the board members that he received information the County State Fair Exhibit also won the best craftsmanship award.

CORRESPONDENCE

Letter from California Office of Homeland Security (OHS) Director George V. Vinson notifying of Grant Application Approval with Conditions in the amount of \$128,345, is received and filed.

BUDGET WORKSHOP

CAO Whiteman states this workshop is to provide board members with information on his ideas for general fund budgets and to present options for them to consider. His goal with this methodology has been to avoid layoffs.

Assistant to the CAO Chris Beard shows projected general fund balances for fiscal years 03/04, 04/05 and 05/06. There is currently a general fund reserve of \$3.46 million and the proposal to close the revenue gap is to use \$800,000 of the reserve each year for the next three years, which would leave a projected \$1.06 million reserve to begin 06/07. This method uses a modest projection of 3% expenditure increase and 2% revenue increase. It also requires all funds dependent on the general fund to hold their expenditure increases at 3%. There are still lots of unknowns but projections have been developed as worst case.

Supervisor Keefer would like to take a more prudent approach because we don't know what will happen in future years. Supervisor Pyle and Supervisor Hanson express similar concerns about continued hemorrhaging of revenues. Extensive discussion is held on what possibilities are out there that could have a major impact on future revenues.

Safety Fund:

It is noted the safety employees increased retirement benefit (3% at 50) will have an estimated cost of \$250,000. The Safety Fund budgets are \$611,000 over last years budgets and the gap between revenues and expenses is \$724,113. The Safety Fund includes: Public Defender, Public Defender - Conflict, District Attorney, Sheriff, Dispatch, Sheriff-CCF, Sheriff-Jail, Jail Physician, and Jail Hospital.

Probation Fund:

This fund is doing very well with a projected 4% revenue increase.

Probation/Juvenile Hall:

Chief Probation Officer Snerp Whipple along with staff members Jackie Stovall and Roy Thiels are present to provide information on projected costs for operating the juvenile hall versus transporting juveniles out-of-county.

The estimated costs of closing the hall and detaining, housing and transporting minors out of county is \$633,956. The general fund amount requested was \$506,026 if the hall were kept open. If the hall is closed the minors must still be housed, therefore, transportation causes expenditure increases and all revenue generated from the hall housing other counties' minors is lost. With additional revenues they have been able to trim the general fund need down to \$374,935. Information is provided on the daily rate for other facilities and based on that information and cost of operation, they would like to raise the rate to \$110 per day. Mrs. Stovall notes they have a carryover this year but next year they will be "cut to the bone".

Following discussion she states the rate increase and a request to transfer TANF dollars will be placed on the next agenda. Mr. Thiels notes this budget will result in some juvenile hall layoffs.

Budget Proposals:

CAO Whiteman reviews his proposals for transferring revenue and expenditures; proposed reductions; revenue and fund transfers; and revenue enhancements through increased fees.

Supervisor Chapman sees the need to tighten our belts as much as possible this year to help with future years (i.e. travel, phone savings, etc.). Supervisor Dahle would still like to talk about the Safety Fund. He points out the \$360,000 increase for 3% at 50 retirement for safety employees and thinks this needs to be looked at because it was represented to only mean an increase of \$167,000.

District Attorney Burns states the increases to his budget are mostly due to insurance and A87 costs. He discusses the information he has received in regard to possible large cuts to grants his office relies on. He will be in a position of having to redefine their direction and will have to pick and choose what prosecutions to pursue.

CAO Whiteman notes the Public Safety fund has not spent all that was budgeted last year.

Supervisor Keefer feels the need to look for reductions based on prior year savings (restructuring). He is not in favor of allocating \$800,000 each year from reserves. Supervisor Chapman wants to see restructuring in Health and Human Services (HHS) and holding tight with the Public Safety Fund. Supervisor Keefer and Supervisor Dahle question what real savings would be realized to the general fund from HHS reorganization. Supervisor Dahle feels the amount over and above the estimated cost for 3% at 50 retirement should be a decrease to the Sheriff's Department budget. Supervisor Keefer agrees. Supervisor Chapman feels every department that has safety personnel needs to have an adjustment.

Chairman Chapman would like the budget ready for adoption on September 23rd.

Supervisor Hanson really does not want to dip into reserves in 2006/2007. He can accept using reserves this year. Supervisor Chapman does not think it is prudent to hang on to too much reserve and feels a \$1 million reserve in 2006/2007 is adequate for a rainy day fund - a 3% reserve is probably a minimum needed. Supervisor Pyle asks what is wrong with having a 5% reserve. There being no further business, the meeting is adjourned at 4:30 p.m.

CHAIRMAN OF THE BOARD OF
SUPERVISORS

ATTEST:

THERESA NAGEL, CLERK OF THE BOARD