

UNAPPROVED MINUTES

BOARD OF SUPERVISORS

August 17, 2004

The Lassen County Board of Supervisors convenes in Regular Session on Tuesday, August 17, 2004, at 9:35 a.m. Present: Supervisors Robert Pyle, Jim Chapman, Lloyd Keefer, Brian Dahle, and Jack Hanson; County Counsel John Ketelsen, County Administrative Officer (CAO) Bill Bixby and County Clerk Theresa Nagel. Following the flag salute, the invocation is offered by Supervisor Hanson.

ANNOUNCEMENT OF ITEMS DISCUSSED IN CLOSED SESSION

Chairman Hanson announces that no closed session was held.

AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS

Supervisor Chapman requests the meeting be adjourned in memory of Victor Sainte-Marie.

It is moved by Supervisor Keefer, seconded by Supervisor Dahle and carried to approve the agenda with the noted change.

PUBLIC COMMENT

1. Nick Ceaglio, Dyer Mt. Associates, realizes staff is working with the consultant to complete the administrative draft of the EIR and notes the date of expected finalization has arrived.
2. Mike Trask asks if the board members have any information on water master charge increases and Chairman Hanson responds the members do have some information and will discuss it during the unagendized board reports.
3. Violet Stout complains about the procedures during public hearings and asks for a change to procedures to allow the public to speak after the persons speaking in favor of or in opposition to a project have spoken. Discussion is held among board members.

UNAGENDIZED BOARD REPORTS

1. Supervisor Keefer briefly discusses a letter that Larry Wosick sent to Brown Buntin Associates requesting an explanation of the intended use and application of the noise element; he attended and reports on a Lassen National Forest meeting to discuss roadless rules and off-highway vehicle restricted use proposals and notes this is an issue that will be heard about more in the future.

2. Supervisor Hanson reports on the National Association of Installation Developers meeting that he attended last week; attended the HUC meeting and reports their offices will be moving; announces that Assemblyman Doolittle will be at Sierra Army Depot Wednesday afternoon.

3. Supervisor Hanson discusses the big hike in water master fees (450% for this area). He states a response will be sent to the Department of Water Resources regarding this huge fee increase and the costs used to justify the increase will be reviewed. Supervisor Pyle states he has been working with a water attorney to explore options of addressing this matter. Supervisor Hanson notes that Lassen County has experienced much larger increases than other areas in the state. Supervisor Pyle states this is not a county issue, it is a user issue, but the county may be able to act as a facilitator. The first issue is to keep this fee off of the 2004/2005 tax bills and there may be something in the implementation that can be contested. The second issue is for the long term and making changes possibly going to privatization of water master services. He also notes that legislative resolutions are also being considered. Supervisor Keefer has contacted a Department of Water Resources representative and asked that someone appear before the Board and justify these increases - he was told they are not ready to do that yet.

RECOGNITION COMMITTEE - PRESENTATION

Chairman Hanson makes the following presentations for years of service:

Fifteen years: a two pen desk set to Debbie Rives, (Probation)

Twenty years: a desk clock to James Trumbull, (Public Works/Road Dept.)

CONSENT CALENDAR

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

COUNTY CLERK ITEM

Approve minutes of August 10, 2004.

PRISON TRIALS COST REIMBURSEMENT PROGRAM ITEMS

Receive and file recap of CCC Prison Trials Cost Reimbursement Billing for the month of July, 2004; and High Desert State Prison Trials Cost Reimbursement Billing for the month of July, 2004.

MISCELLANEOUS CORRESPONDENCE ITEMS

Receive and file the following correspondence:

- a. Lassen Transit Service Agency meeting agenda for August 9, 2004.
- b. Lassen County Transportation Commission meeting agenda for August 9, 2004.
- c. Mental Health Advisory Board meeting agenda for August 10, 2004.
- d. Lassen County Fair Advisory Board meeting agenda for August 10, 2004.
- e. Application for Alcoholic Beverage License - Herlong Market 742-870 Herlong Access Rd., A25, Herlong.
- f. Lassen County Air Pollution Control District Governing Board meeting agenda for August 17, 2004 and minutes of July 20, 2004.

PUBLIC WORKS DEPARTMENT

It is moved by Supervisor Dahle, seconded by Supervisor Keefer and carried to award bid for Polymer-Modified Anionic Emulsion and Fog Seal, to Albina Asphalt, Portland, in the amount of \$194,368.35.

It is moved by Supervisor Dahle, seconded by Supervisor Pyle and carried to adopt Resolution No. 04-044, approving the placement of stop signs at the railroad crossing located in the town of Little Valley on County Road 404.

BOARD OF SUPERVISORS

It is moved by Supervisor Chapman, seconded by Supervisor Pyle and carried to adopt Resolution No. 04-043, supporting Proposition 1A, the statewide ballot initiative that will prevent the state from further taking local government revenues.

Supervisor Chapman announces he will be running for second vice-president of CSAC next year.

SHASTA CONSORTIUM OF COMMUNITY HEALTH CENTERS

It is moved by Supervisor Chapman, seconded by Supervisor Pyle and carried to adopt a proclamation declaring the week of August 8 - 14, 2004 as "Health Center Week" in Lassen County, and urging our citizens to recognize the important contributions of Northeastern Rural Health Clinics in safeguarding health and improving the quality of life for the people of Lassen County.

CORRESPONDENCE

A letter from Lassen County Superintendent of Schools Robert Owens requesting "carryover" Title III Funding of \$89,742 based

on the actual costs of the 2003/2004 Outdoor Education/Youth Camp Program, is received and filed.

Recess 10:17 - 10:30 a.m.

COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION

Peter Heimbigner presents a request for a permit for a Boy Scout Camporall event at Susanville Ranch Park. The sponsors are requesting the \$500 deposit for cleaning be waived.

It is moved by Supervisor Dahle, seconded by Supervisor Chapman and carried to approve a permit for *Educational Public Exhibition Purposes on County Property* for a Boy Scout Camporall event at Susanville Ranch Park on October 15, 16 and 17 of 2004 and waiving the cleaning deposit.

SUSANVILLE RANCH PARK

Peter Heimbigner provides an update on implementation of the Susanville Ranch Park Grazing Plan. The fencing project did not occur in time to allow grazing in the spring. There has been no response to requests to bid on mowing the dry meadow pasture and only one response to graze the pasture (September 10th through November 10th). He feels grazing this late would cause a conflict with other activities at the Park. He is looking at getting grazing on the Park next year (May 1st through June 30th). Supervisor Dahle encourages getting the bid documents out early.

Further discussion is held among board members on the desire to get the meadows cleaned off for fire safety concerns.

UNITED STATES FOREST SERVICE

Lassen National Forest Community Liaison Heidi Perry distributes and reviews information on the 2003 and 2004 Resource Advisory Committee (RAC) projects. She announces the next (Cycle 3) grant proposals are due before the end of October.

Recess 11:04 a.m. - 1:30 p.m.

PUBLIC HEARING: 2004/2005 COUNTY BUDGET

Chairman Hanson states the budget process this year is going to be difficult but he hopes that it goes smoothly. It is very possible that study sessions will be needed.

Deputy CAO Irene Doyle states the public hearings can continue until August 27th. Any changes to the budget after the hearings close require a 4/5 vote regardless if the budget has been adopted. The budget has to be adopted by October 2nd.

The public hearing is opened at 1:43 p.m. for the Fiscal Year 2004/2005 Proposed County Budget.

CAO Bixby states the Board owes a thank-you to Richard Egan and Karen Fouch for getting the process started before he was hired and he thanks Irene Doyle for coming "on loan from retirement" to work on the budget. He reviews the increases from 2002 to 2004 in revenues - \$10.2 to \$10.7 million, an increase of \$500,000; and in budgets - \$5.1 million to \$6.3 million, an increase of \$1.2 million of which \$1.1 million is in salaries and benefits. He will propose using \$1.4 million of reserves to balance the general fund temporarily. There is approximately \$5 million in reserves and \$3 million will be used to balance the budget, but not to be spent. He has notified Personnel to keep positions that come open available for employees that are laid off. The budget this year will be one of policies. There has been an 18% increase in expenditures with only an 8-9% increase in revenues.

Deputy CAO Irene Doyle provides the following overview of the budget:

general reserve - set aside \$2 million in reserve; 104-IS Department - general fund has augmented Fund 104 with \$65,000; 107-Prison Program - includes \$406,000 loan repayment. 105-Cash Flow Fund (New) - prison loan repayment transferred to this fund to offset cash flow issues that will be faced this year due to delay of state repayments - examples are shown in beginning balances of funds 120 -Welfare Adm, 121-Welfare Asst, 108-DA Contracts, 182-Narcotics Task Force and 528-Child Support. The total State payments due amounted to \$345,036 as of June 30th. 118-Fish & Game - will be limited to a \$4000 budget vs \$8400, only revenue is from court fines; 119-ACO - will not transfer funds as done in prior year - will bring back all equipment requests from General fund and 104 fund for consideration after budget adoption; 122-Road - current cash balance includes \$1.6M of reserve funds. 2004/2005 budget vs revenue, the cash balance will be reduced by \$1M. Forest Reserve payments (\$1.6M) are due to sunset in 2006 - if not re-enacted could be a significant impact on Road cash availability. 123-Cemetery - augmented by General Fund \$13,000 - less than prior years; 127-Courthouse Construction Fund - as of January, 2004 funds cannot be transferred or expended unless approved by State Administrative Office of the Courts. In the past fines were transferred into 126 for judicial related projects. 126-Criminal Justice Facility Fund - funds that were transferred from 127 will no longer be available without prior approval of courts - may have to return about \$50,000 transferred after Jan. 2004. 130-Public

Safety - augmented by General \$3,585,000, an increase from 2003/2004. Note ending balance. Unless more revenues are generated Public Safety faces severe budget cuts for 2005/2006 and 2006/2007. A plan needs to be implemented ASAP to address the loss of funds for the coming years. 131-Supplemental Law Enforcement, Rural Crime Grant - \$500,000 was received this fiscal year, \$250,000 of this was transferred into 130-Public Safety fund to offset expenditures. 145-Probation - augmented by General \$550,000, an increase from 2003/2004. As with Public Safety, unless more revenues are generated Probation also faces severe budget cuts for 2005/2006 and 2006/2007. A plan needs to be implemented ASAP to address the loss of funds for the coming years. 169-Tobacco Fund - beginning balance of the fund (\$467,000) is committed to prior year allocations for Big Valley and Ft. Sage Family Resource Centers. Anticipated revenue of \$350,000 is currently budgeted as follows: \$100,000 to Retiree Insurance Unfunded Liability, \$150,000 to General for Health & Social Services General Share, \$100,000 available. 100-General - will have a reduced beginning balance for the next fiscal year. With the reserve we can anticipate at least \$1M beginning balance plus any carryover from this fiscal year. General Fund will not have funds available to augment Public Safety, Probation, IS Dept., Cemetery and others as it has in the past. This adds to the restricted available funding for these funds in 2005/2006 and 2006/2007.

Supervisor Dahle states that direction needs to go out that departments need to hold the line. CAO Bixby states the need this year is to cut \$1.2 million from the general fund budgets. He states if the Board desires, he can take the lead and bring the Board back something to accomplish this. He states the revenues are basically static with increasing expenditures. Supervisor Dahle feels that would be helpful.

Supervisor Keefer feels the Board needs to give direction to the CAO to come back with a \$1.2 million trimmed budget, and states there should be no "sacred cows". He also thinks there is a need to look at administration and refers to the IT Department and the fact the staffing has not decreased. CAO Bixby notes the majority of the funds for that department are reimbursed by non-general fund departments.

Supervisor Dahle asks without a reserve what would we have to do to balance the budget and Bixby responds it would probably be a 25% reduction in staff in the general fund workforce. Supervisor Dahle states in departments with grant funding to support positions - the employees need to go when funding ends. He also notes that bargaining units made it clear they wanted

the pay raise even if it means layoffs.

Supervisor Chapman questions why the beginning balance is larger than it was last year and the response is that it is partly due to departments managing their budgets wisely. He wants further information before adopting the budget. Supervisor Chapman expresses his disagreement with some of the costs that go into A87 costs. He refers to A87 billings that went to LAFCO which included costs for the previous CAO attending the meetings. Deputy CAO Doyle feels the Board needs to make a determination on A87 charges and stick with it. Extensive discussion is held between Supervisor Chapman and CAO Bixby.

CAO Bixby states he is also looking at utilizing five furlough days and asks if the Board wants him to proceed with that. Tax Collector Egan states that across the board cuts have been referred to and notes that budget increases have not been across the board. He feels the budgets with increases need to be looked at first. Irene Doyle states they should keep in mind the major increases are in salaries/benefits and that is why they are looking at using furloughs in-lieu of layoffs. Personnel Director Ron Vossler notes that furloughs require a thirty day notice to bargaining units and states the earlier this is begun, the more options employees would have to arrange their days off.

Kurt Bonham states that Supervisor Dahle is correct that the need is to find the base-line and decide where to go from there. He states the public needs more information on the budgets and CAO Bixby responds there is a lot of information available upon request to his department.

Mr. Bixby states next week what he can bring back is revenues and expenditures from past years to the present and suggestions on where the county is going.

Chairman Hanson continues the hearing to August 24, 2004 at 1:30 p.m.

ADJOURNMENT IN MEMORY

There being no further business, the meeting is adjourned at 3:05 p.m. in memory of Victor Sainte-Marie, Lassen College employee and involved community member.

CHAIRMAN OF THE BOARD OF

SUPERVISORS

ATTEST:

THERESA NAGEL, CLERK OF THE BOARD