

BOARD OF SUPERVISORS  
February 26, 2008

The Lassen County Board of Supervisors convenes in Regular Session on Tuesday, February 26, 2008, at 9:30 a.m. Present: Supervisors Jack Hanson, Jim Chapman, Lloyd Keefer, and Brian Dahle; County Counsel Craig Settlemire, County Administrative Officer (CAO) John Ketelsen and Deputy Clerk of the Board Susan Osgood. Supervisor Pyle is absent. 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**

CAO Ketelsen requests that Item H5 Report by the Sheriff be postponed and notes the election results are in the passaround file. Supervisor Hanson states that Items C1, C2, C3 and C4 Sierra Pacific Industries public hearings are postponed.

Supervisor Dahle requests the meeting be adjourned in the memory of Bill Halpenny.

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

**PUBLIC COMMENT**

Rob Hill, as the President of Lassen Sportsmen's Club, presents a letter requesting that Lassen County again co-sponsor the Annual Junior Fishing Derby, extending the insurance coverage for the activity along the Susan River. Speaking as the Chairman of the Lassen County Fish and Game Commission, he commends the County for keeping County Road A-1 open until the end of fishing season this year; it provided a good service and did not go unnoticed.

**UNAGENDIZED BOARD REPORTS**

1. Supervisor Dahle will be attending a National Association of Counties (NACo) meeting in Washington, D.C. Some issues to be discussed are PILT (Payment in Lieu of Taxes), Secure Rural Schools Funding, navigable waters and private property rights.
2. Supervisor Keefer reminds the Board that around 2000 the Sierra Sportsmen Club on Rice Canyon Road approached the Board asking to have the piece of property where the shooting range is located transferred from BLM to the County. States the County started that process some time ago because it would be easier to get grants for building and improvements. Letters had been sent to BLM requesting that the land be transferred, but then BLM started on their land management planning process and that put everything else on hold. They wanted to wait until that was completed and it is now completed. The current lease has

expired. CAO Ketelsen is checking into this matter. Supervisor Keefer would like to get the lease renewed and extended; he is not sure if the property will get transferred, as there may be some opposition. Supervisor Chapman reports that one of the issues when the range first started running was a concern that damage may be done to petroglyphs in that area but he has not heard of any incidents in the last 15-20 years.

3. Supervisor Chapman reports on several recent meetings regarding the Veterans Memorial Task Force. There have been some issues in the past couple of months regarding the organizational structure, the utilization of the hall and the interface with the Public Works Department. Feels the format in conducting business and contracts and agreements need to be reviewed. Asks for an agenda item March 11, 2008 to receive a report on this matter.

4. Supervisor Hanson states Herlong Utilities, Inc. applied to LAFCO to form a public utility district and that has been completed. Certification has been filed with the Board of Equalization. One of the conditions of the formation of the Herlong Public Utility District was that the Board of Supervisors would have the responsibility to appoint the initial board of three members to the Herlong PUD and those three members would do what is necessary to get to a five member board. That will probably come to the Board in March.

#### CONSENT CALENDAR

Supervisors Chapman and Hanson request Item G3 Child Support lease agreement be pulled for further discussion.

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

#### COUNTY CLERK ITEMS - MINUTES

Approve minutes of September 18, 2007 and September 25, 2007.

#### ELECTIONS DIVISION

Receive and file Certification of February 5, 2008, Presidential Primary Election.

#### ADMINISTRATIVE SERVICES - PERSONNEL DIVISION

Receive and file Personnel Movement Report for January, 2008.

#### MISCELLANEOUS CORRESPONDENCE ITEMS

Receive and file the following correspondence:

- a. PSA 2 Area Agency on Aging Advisory Council meeting agenda for February 29, 2008 and Executive Board meeting agenda for March 3, 2008.
- b. Susanville City Council, Susanville Community Development Agency, Susanville Municipal Energy Corporation meeting agenda for February 20, 2008.

## CHILD SUPPORT SERVICES - LEASE AGREEMENT

Extensive discussion is held on the process of the County renting buildings at a high rent from private individuals and being reimbursed by the State but the State will not allow the County to build, own, and then lease buildings to the same departments and be reimbursed. The Child Support lease is an example: The lease is for a 7200 square foot building @ \$9,108 a month, equaling about \$108,000 a year for five years. That is for only one department. Supervisor Chapman states examples like this show why the State of California is broke. He asks County Counsel to research this policy. Supervisor Hanson states he will look to CAO Ketelsen and Deputy CAO for Health and Social Services Mannel to examine the County space needs and come back with a more strategic approach to all of this.

Child Support Services Director Beth Hyde commends her staff for being top 10 in California and most improved for very small counties; states she is very proud of her staff.

It is moved by Supervisor Dahle and seconded by Supervisor Keefer to approve lease agreement for office space at 1600 Chestnut Street, Susanville, in the amount of \$9,108 per month to be paid from Child Support Services Budget 528; Fund 0432; Account No. 3002600, and authorize Chairman to sign. Supervisor Chapman requests that Chairman Hanson work with CAO Ketelsen to send a letter to Governor Schwarzenegger pointing out how ludicrous it is for the State to spend so much money on rentals like this and the County is not be able to own buildings to rent. Supervisors Dahle and Keefer amend their motion and second to include that direction. The motion carries on a roll call vote, with Supervisor Pyle absent.

PUBLIC HEARINGS - SIERRA PACIFIC INDUSTRIES - MITIGATED NEGATIVE DECLARATION AND REZONES 10:00 a.m. #2006-059(A); 10:10 a.m.: #2006-059(B); 10:20 a.m.: #2006-059(C) and 10:30 a.m. #2006-059(D)

Chairman Hanson asks County Counsel how these items should be dealt with and Counsel replies they can all wait until 10:30 a.m. and be dealt with at one time.

## ADMINISTRATIVE SERVICES - LASSEN REGIONAL SOLID WASTE MANAGEMENT AUTHORITY (LRSWMA)

Manager Tom Valentino asks the Board to adopt a resolution authorizing the SWA to apply for grants to the California Integrated Waste Management Board for a period of five years. They would schedule free disposal for residential customers of up to 9 waste tires, rimmed or rimless, passenger cars or truck tires per property. Events would be Susanville (2), Bieber, Westwood, Spalding and Herlong. The grant would also work for illegal dumping on private and, possibly, public lands.

It is moved by Supervisor Chapman, seconded by Supervisor Keefer to adopt Resolution No. 08-005, authorizing the Lassen Regional Solid Waste Management Authority to apply for grant funding administered by the Integrated Waste Management Board for various grant programs over the next five years.

Supervisor Dahle asks about grant money previously available for tires that were dumped on property. Mr. Valentino replies that it was a farm and ranch clean up grant and he can work directly with Supervisor Dahle on that. The Board acknowledges the great work Mr. Valentino and his staff have done. (Supervisor Chapman absent 10:07 – 10:08 a.m.) The motion carries, with Supervisor Pyle absent, and Supervisor Chapman absent from the room.

#### COMMUNITY DEVELOPMENT DEPARTMENT - ECONOMIC DEVELOPMENT HOUSING

Chief of Economic Development Monica Cochran presents information on the request to purchase specialized loan software for this department.

It is moved by Supervisor Chapman and seconded by Supervisor Dahle to approve expenditure to Applied Business Products in the amount of \$11,893.10 for purchase of Loan Servicing Software. Discussion is held. The motion is carried, with Supervisor Pyle absent.

#### COUNTY COUNSEL - ORDINANCE

It is moved by Supervisor Dahle, seconded by Supervisor Keefer and carried, with Supervisor Chapman voting NO and Supervisor Pyle absent, to adopt, by title only, Ordinance No. 527-D amending Ordinance No. 527-C concerning the abatement of abandoned vehicles.

Community Development Director Conrad Montgomery states they will probably start getting the funds from the State in April or May. Building Official Steve Fuller states they have around \$20,000 in the general abatement funds and until the money comes through from the State, they will use the general funds.

#### BUDGET

Assistant to the CAO Julie Morgan reports on the mid-year budget review. States it is important to stay on top of State financial situation as well as federal issues. As of February 20, the budget shortfall had grown to \$16 billion. Discussion is being held on what programs will have adjustments to make the State budget work. As of last week the State is proposing deferral payments to counties in a number of program areas, mostly in H&SS, and also looking at 10% cuts in those areas. One deferral that will have large impact is proposal to defer and delay the gas tax reimbursements until September 2008. They are not proposing to reimburse counties for lost interest in regard to this and they are letting counties know that they can look to Proposition 1B monies to float the cash flow until that point. This could impact Lassen County as much as \$700,000 - \$800,000 in cash flow. There was earlier discussion to cut public safety monies but at the time of this report they are not looking at any public safety cuts in the current fiscal year. Need to watch State fiscal status because no matter how they plan to balance their budget it will come down to the counties at some level. There is also talk at the federal level about cutting several programs such as PILT and that could impact Lassen County

as well and affect services. Staff would like to come back with a report later in the fiscal year when there is more information available as to how they are going to target areas and where those targets are going to be.

07/08 Budget Revisions/Information: Departments are again doing a good job at spending within their budgets but all departments need to be aware of the State's fiscal issues and anticipate further reductions; should also focus on timely collection of revenues. Staff needs to keep watching Probation and Juvenile Hall budgets as their revenues projected seem to be low at this time; expenditures are running within budget as of February. They have not asked for an adjustment at this point but staff may be back to talk about these areas at a later time. If adjustments recommended are unable to meet needs, matters will be brought back to the Board as needed. Discussion is held on the County's policy on animal control issues regarding horses and the high costs of jail physician and hospital care and how they will affect the budget. (Budget report will be continued.)

#### PUBLIC HEARINGS – SIERRA PACIFIC INDUSTRIES

Chairman Hanson reports that the following public hearings have been cancelled:

1. 10:00 a.m.: PUBLIC HEARING - SIERRA PACIFIC INDUSTRIES - MITIGATED NEGATIVE DECLARATION AND REZONE #2006-059(A)  
SUBJECT: Public Hearing: Mitigated Negative Declaration and Rezone #2006-059(A), Sierra Pacific Industries, to rezone 865.9 acres of land from T-P-Z (Timber Production Zone District) to A-F (Agricultural Forest District). The project site is located 8 miles northwest of Susanville near southern shore of Eagle Lake. APN(s): 089-100-21-& 23; 089-090-03.
2. 10:10 a.m.: PUBLIC HEARING - SIERRA PACIFIC INDUSTRIES - MITIGATED NEGATIVE DECLARATION AND REZONE #2006-059(B)  
SUBJECT: Public Hearing: Mitigated Negative Declaration and Rezone #2006-059(B), Sierra Pacific Industries, to rezone 1,724 acres of land from T-P-Z (Timber Production Zone District) to A-F (Agricultural Forest District). The project site is located 3.5 miles east of the town of Westwood, approximately one mile east of Goodrich Creek and approximately two miles northeast of Mountain Meadows Reservoir. APN(s): 113-100-16, 113-100-23 (portion), 123-130-10, 123-100-25 (portion), 127-050-12 (portion).
3. 10:20 a.m.: PUBLIC HEARING - SIERRA PACIFIC INDUSTRIES - MITIGATED NEGATIVE DECLARATION AND REZONE #2006-059(C)  
SUBJECT: Public Hearing: Mitigated Negative Declaration and Rezone #2006-059(A), Sierra Pacific Industries, to rezone 638 acres of land from T-P-Z (Timber Production Zone District) to A-F (Agricultural Forest District). The project site is located 15 miles northwest of Westwood and 1/2 mile northeast of Silver Lake. APN: 085-120-07.
4. 10:30 a.m.: PUBLIC HEARING - SIERRA PACIFIC INDUSTRIES - MITIGATED NEGATIVE DECLARATION AND REZONE #2006-059(D)

SUBJECT: Public Hearing: Mitigated Negative Declaration and Rezone #2006-059(D), Sierra Pacific Industries, to rezone 2,272 acres of land from T-P-Z (Timber Production Zone District) to A-F (Agricultural Forest District). The project site is located adjacent to Highway 36 at its intersection with Highway 44 and Eagle Lake Road, 4 miles northwest of Susanville. APN(s): 099-120-26 (portion, 27 (portion), 28 (portion) & 29; 099-260-01, 22, 25 & 59; 115-200-54 (portion).

#### UPPER PIT RIVER WATERSHED MANAGEMENT STRATEGY

Todd Sloat, of Biological Consulting, Inc., on behalf of Pit River Watershed Alliance, presents the Pit River Watershed Management Strategy. Thanks the Board for supporting the Watershed Alliance, local Resource Conservation Districts (RCD) and NorthCal Neva RCD. Applied for CALFED grant last September to prepare a watershed management strategy and that grant was awarded; that is what is funding the current project. The Watershed Alliance was formed 1999-2000 and identified three things to do: a watershed assessment, a water quality monitoring program and a watershed management strategy which is the largest and final project. Mr. Sloat states he is a consultant for this project and they are trying to produce a report that identifies sensitive resource issues, creates an action plan to solve some of those and to get some collaboration and support in the community to do those. He presents a questionnaire and Supervisor Dahle states he will complete and return it. Some goals are to have the Pit River de-listed, try to support feasibility study for Ostrum Point Dam, support sagebrush restoration and water quality projects.

Recess 10:43 – 10:49 a.m.

#### ALLIANCE FOR WORKFORCE DEVELOPMENT (AFWD)

Alliance for Workforce Development, Inc. Executive Director Traci Holt introduces One-Stop partners Melody Brawley and Kevin Mannel. The partners at the One-Stop include the Alliance for Workforce Development, Inc., Lassen Social Services and California Employment Development Department and California Indian Manpower. Reorganized in July and focused with NoRTEC's "business first" philosophy. One-Stop will be working together with local businesses, especially with their recruiting needs. Have about 150 applicants that are ready to go to work. Reviews accomplishments for fiscal year July 1, 2006 through June 30, 2007: One-Stop Customers: 4,294 job seekers utilized services through Lassen Career Network; 231 businesses were provided with 1,804 services including business retention, expansion, employee recruitment, layoff assistance and human resource support. Rapid Response Activities: Eleven businesses have closed or downsized since January 2006, resulting in 265 individuals losing their jobs. Sierra Army Depot laid off the most employees (179), but many were rehired. Business Services: Addresses human resource needs of Lassen County businesses. Other: AFWD team members that provide assistance are accredited consultants; two team members have earned national certificates by the Society for Human Resource Management. AFWD worked with the City of Susanville and Lassen County on two Community Development Block Grants providing hiring services.

More than 25 customized training courses were conducted for employees of Plumas Bank, Diamond Mountain Casino, Northeastern Rural Health Clinics and Banner Lassen Medical Center. A "Financing Your Business" conference was sponsored for more than 50 businesses. Temporary Job Creation Project: Federal funding under the National Emergency Grant created temporary jobs for storm damage clean up in December 2005 and January 2006. Partners of the One-Stop employed 40 laid off people until they reached \$12,000 in gross earnings of 1040 hours. National Emergency Grant funding in the amount of \$107,799 was released to Lassen County in the summer of 2007 to employ nine people assisting Caltrans with storm cleanup. The Board members express their appreciation to Traci and staff. Discussion is held on a new location for Alliance for Workforce Development, Inc. CAO Ketelsen suggests a presentation be brought to the Board on various departments and their needs.

#### BUDGET - Continued

CAO Ketelsen reports he has been watching reports on the State budget and also the federal government. The Legislative Analyst's Office (LAO) of California shows the budget with a \$16 billion deficit. An issue that is resurfacing is the transfer of parole and probationers for property and drug related crimes, not the violent crimes, which would amount to 71,000 inmates to the local counties for their administration. There is a proposal to transfer funds to accompany that but those typically fall short of what would be needed. More information will be brought back at a later date to talk about next year's predictions.

Assistant to the CAO Morgan states cash flow issues will continue to be focused on; some funds might operate with negative fund balances during the coming fiscal year until revenues are received.

Deputy Public Works Director for Facilities Peter Heimbigner presents information on the justification for additional appropriation to Animal Control Budget Unit due to the seizure of horses that has recently occurred. The budget figures anticipate that people may be having issues being able to care for horses, trying to be more proactive and help people to care for the animals short term or help find a new home for the horses.

Director of Community Social Services and Lassen WORKS Melody Brawley presents budget information for Community Social Services and Child Welfare and Adult Services. CalWorks: Administrative funding is down because there have been staffing problems which affect revenue streams. There have been difficulties getting fully staffed. There has been no cost of doing business increase anywhere in social services in the last 7 years. The Governor's proposal includes a 10% cut to child welfare services and adult protective services and In-Home Supportive Services, programs that are always struggling to stay within their budgets. Proposal also includes an 18% reduction in non medical domestic and related service for recipients and that will impact a lot of our disabled and elderly people who are receiving services from IHSS. General Relief: Expenditures are 10% less

than budgeted but revenues are down. Have implemented a Supplemental Security Insurance (SSI) Advocacy program the last fiscal year which should have a positive impact on SSI reimbursements, removing more people from General Relief on to SSI. Mental Health Services Program: Recruitment is again an issue affecting revenue. The Governor's budget proposal includes a reduction in rates for Medi-Cal and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) billing, a cut to Mental Health Managed Care funding and a decrease to the Mental Health Services Act funding.

Deputy CAO of H&SS Kevin Mannel states one of the largest issues regarding mental health is that the funding stream for children, EPSDT, has changed the way it is reimbursed and that will add to cash flow concerns. Public Health: There are many concerns. There has been a reduction in categorical funding of approximately \$55,000. If realignment dollars continue to diminish based on vehicle license fees and sales tax, they will not be able to maintain fund balance; also affects other areas. Local Public Health Services contract (LPHS) will have an increase in overhead expenses. Environmental Health is now facing same concerns with administrative overhead that the County dealt with a few years ago regarding Public Health. A letter has been sent to the State stating that with contingencies Lassen County would plan to continue with the contract but have agreed upon three year transition plan that allows time to come back to the Board to make any adjustments. There are three employees due to retire in three years and the County could convert those employees from State to County at that time, if it is found to be affordable. The challenge is that certain positions generate funding streams that float the cost center of the non-revenue generating positions.

It is moved by Supervisor Keefer, seconded by Supervisor Dahle and carried unanimously on a roll call vote, with Supervisor Pyle absent, to approve the recommended adjustments for the 2007/2008 Mid-Year Budget Review.

#### INFORMATION FOR THE BOARD

CAO Ketelsen reminds the Board he is putting together the agenda for the fire districts meeting on March 11, 6:00 p.m. at Jensen Hall.

#### ADJOURNMENT IN MEMORY

There being no further business, the meeting is adjourned at 12:18 p.m. in memory of Bill Halpenny.

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CHAIRMAN OF THE BOARD OF SUPERVISORS

ATTEST:

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SUSAN OSGOOD, DEPUTY CLERK OF THE BOARD