

June 27, 2017

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**SHASTA COUNTY BOARD OF SUPERVISORS**

Tuesday, June 27, 2017

**REGULAR MEETING**

9:00 a.m.: 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 Moty  
District No. 3 - Supervisor Rickert  
District No. 4 - Supervisor Morgan  
District No. 5 - Supervisor Baugh

County Executive Officer - Larry Lees  
Assistant County Counsel - James Ross  
Administrative Board Clerk - Courtney Mathews  
Administrative Board Clerk - Candice Marlar  
Administrative Board Clerk - Rossann Grimm

**INVOCATION**

A moment of silence was taken in lieu of an invocation.

**PLEDGE OF ALLEGIANCE**

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

**REGULAR CALENDAR**

**BOARD MATTERS**

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ADOPTION OF BUDGET-FISCAL YEAR 2017-18

RESOLUTION NO. 2017-061

SALARY RESOLUTION NO. 1571

RESOLUTION NO. 2017-062

County Chief Financial Officer Terri Howat provided a report on the Fiscal Year 2017-18 budget.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors adopted the following: Resolution No. 2017-061, which approves committed fund balances in accordance with Shasta County Policy Resolution 2011-02, and *Administrative Policy 2-104*; Salary Resolution No. 1571, which reflects the position allocation amendments approved in the Fiscal Year 2017-18 Budget effective June 25, 2017; and Resolution No. 2017-062, which adopts: the FY 2017-18 Budget; the FY 2017-18 Schedule of Position Allocations by budget unit; and the County Salary Plan.

(See Resolution Book No. 58)

(See Salary Resolution Book)

**PUBLIC COMMENT PERIOD - OPEN TIME**

Treasurer-Tax Collector-Public Administrator Lori Scott provided information for the property clean-up activities of the Public Administrator for abandoned/probate properties, which would be paid with funds from the proposed \$65,000 imprest cash account.

William Gilbert described his experience in Shasta County Jail when arrested for violating restraining order.

**ITEMS PULLED FROM CONSENT CALENDAR**

Chairman Kehoe noted that the items regarding the establishment of an imprest cash account for the Public Administrator; a revenue agreement with Partnership HealthPlan of California, Inc.; and an agreement with Alan Jones, d.b.a. Jones Aviation, Inc. had been pulled for discussion.

Assistant County Counsel James Ross noted a correction in the agenda language regarding the Spring Creek at Fall River Bridge Replacement Project. The agenda referred to as the agreement with Paul Hauser d.b.a. ENPLAN should be referred to as an agreement with Randall J. Hauser d.b.a. ENPLAN.

### **CONSENT CALENDAR**

By motion made, seconded (Baugh/Rickert), and carried, the Board of Supervisors took the following actions, which were listed on the Consent Calendar, as amended (Supervisor Rickert recused herself from the item regarding the Annual Work/Financial Plan with United States Department of Agriculture, Animal Plan Health Inspection Services/Wildlife Services):

Adopted Resolution No. 2017-063, which: Establishes the Shasta County appropriations limit at \$182,481,259 for Fiscal Year 2017-18; and sets the annual adjustment factors used to calculate the appropriations: the Per Capita Personal Income percentage change (3.69 percent) over prior year; and the percentage change (.33 percent) in population within the incorporated areas in Shasta County. (Auditor-Controller)

(See Resolution Book No. 58)

Approved and authorized the Chairman to sign the County claims list in the amount of \$30,045.08, as submitted. (Auditor-Controller)

Approved a Fiscal Year 2017-18 budget amendment to support costs for Farm Advisor parking lot repair and overlay to: Increase appropriations and revenue by \$13,900 in the Farm Advisor budget; and reduce Accumulated Capital Outlay by \$13,900. (Administrative Office, Farm Advisor)

Approved and authorized the Chairman to sign an agreement with the Economic Development Corporation in an amount not to exceed \$58,773 to provide business expansion, retention, and recruitment services for the period July 1, 2017 through June 30, 2018. (Administrative Office)

Approved and authorized the Chairman to sign a letter designating Dignity Health Connected Living (formerly known as Shasta Senior Nutrition Program) as the official Shasta County Food Bank for Fiscal Years 2017-18 and 2018-19. (Administrative Office, Clerk of the Board)

As introduced on June 13, 2017, enacted Ordinance No. SCC 2017-01, which amends Chapter 13.20 of the Shasta County Code regarding Cross-Connection Control. (Public Works, Resource Management-Environmental Health Division)

(See General Ordinance Book)

As introduced on June 13, 2017, enacted Ordinance No. 717, which amends Chapter 6: Fire Safety Standards of the Shasta County Development Standards. (County Service Area No. 1-County Fire)

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(See General Ordinance Book)

Approved the minutes of the meetings held on June 13 and June 20, 2017, as submitted.  
(Clerk of the Board)

Approved a budget amendment for the County Clerk/Elections Department to better align actual year-end expenditures and revenues for Fiscal Year 2016-17 as follows: Decrease expenditures by \$25,000 and increase revenues by \$10,000 in the Elections budget; and increase expenditures by \$6,000 and decrease revenues by \$29,000 in the County Clerk budget. (County Clerk/Registrar of Voters)

Approved and authorized the Chairman to sign an amendment, effective July 1, 2017, to the agreement with Northern Valley Catholic Social Service, Inc., for youth specialty mental health services to extend the term for an additional three months through September 30, 2017, to remove non-Medi-Cal Triple P® services and to increase the compensation by \$255,000 (for a new maximum compensation in the amount of \$2,393,481 for the entire term of the agreement). (Health and Human Services Agency-Children's Services)

Approved and authorized the Chairman to sign a renewal agreement with Northern Valley Catholic Social Service, Inc., in an amount not to exceed \$816,237 to continue to provide a mental health wellness and recovery program for the period July 1, 2017 through June 30, 2020. (Health and Human Services Agency-Adult Services)

Approved and authorized the Chairman to sign a renewal agreement with the Shasta County Office of Education in an amount not to exceed \$2,000,000 per fiscal year, for a maximum compensation not to exceed \$6,000,000 during the entire term of the agreement, for the administration of Stage One Child Care services for the period July 1, 2017 through June 30, 2020. (Health and Human Services Agency-Regional Services)

Approved and authorized the Chairman to sign a renewal agreement with Northern Valley Catholic Social Service, Inc. in an amount not to exceed \$79,404 per fiscal year for the provision of work-related clothing and hygiene mentoring services for California Work Opportunity, Responsibility to Kids Program participants and Probation Department's adult and juvenile offenders for the period July 1, 2017 through June 30, 2020. (Health and Human Services Agency-Regional Services, Probation)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with Northern Valley Catholic Social Service, Inc. for Cal-Learn case management services to modify and add contract language, extend the term through June 30, 2018, and increase the maximum compensation for Fiscal Year 2017-18 by \$17,232 (from \$81,250 to \$98,482) for a new maximum compensation in an amount not to exceed \$602,232 for the entire term of the agreement. (Health and Human Services Agency-Regional Services)

Took the following actions: Approved and authorized the Chairman to sign a revenue agreement with Plumas Crisis Intervention and Resource Center in an amount not to exceed \$167,342 to provide short-term housing assistance in Shasta County for the period date of signing through October 31, 2018; and adopt Resolution No. 2017-064, which: repeals Resolution 2016-050; and authorizes expenditures for services or items and educational materials to address housing barriers in a total amount not to exceed \$400,000 per fiscal year. (Health and Human Services Agency-Regional Services)

(See Resolution Book No. 58)

Approved and authorized the Chairman to sign an amendment, effective date of signing, to the agreement with the City of Shasta Lake to administer a housing rehabilitation program within the city limits of the City of Shasta Lake that decreases compensation to Shasta County by \$16,739 (for a new agreement total not to exceed \$77,261) and extends the term eight months through December 31, 2017. (Housing and Community Action Programs)

Approved and authorized the Chairman to sign an agreement with the Shasta-Tehama-Trinity Joint Community College District in an amount not to exceed \$371,106 to provide the Shasta-Tehama Education Program-Unified Partnership (STEP-UP) for the period July 1, 2017 through June 30, 2018 with one automatic one-year renewal. (Probation)

Approved and authorized the Chairman to sign a renewal agreement with About Time Recovery, Inc. in an amount not to exceed \$125,000 to provide sober living services for the period July 1, 2017 through June 30, 2018 with two automatic one-year renewals. (Probation)

Approved and authorized the Chairman to sign an amendment, effective July 1, 2017, to the agreement with Northern Valley Catholic Social Service, Inc. to increase compensation by \$30,000 (for a new total not to exceed \$682,166) to provide up to three additional rent subsidies for the Supportive Housing Program entitled Participants' Actions to Housing, and retain the term July 1, 2015 through June 30, 2016 with two automatic one-year renewals. (Probation)

Approved the following Fiscal Year 2016-17 budget amendments to better align expenditures and revenues: Increased appropriations and revenues by \$150,000 in the Sheriff's CalMMET budget to recognize carry-over funding in the 2016 California Board of State and Community Corrections Edward Byrne Memorial Justice Assistance Grant, also known as Shasta Reentry Reduction Program (SRRP); and increased appropriations by \$150,000 in the Probation budget to be offset by a transfer-in from the Sheriff's Cal-MMET budget for SRRP program expenditures. (Sheriff, Probation)

Took the following actions for the Spring Creek Road at Fall River Bridge Replacement Project: Approved and authorized the Chairman to sign an agreement with Morrison Structures, Inc. in an amount not to exceed \$320,000 to provide engineering services from the date of signing by the Chairman through the filing of a Notice of Completion; and approved and

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authorized the Chairman to sign an agreement with Randall J. Hauser d.b.a. ENPLAN in an amount not to exceed \$402,000 to provide environmental services from the date of signing by the Chairman through the filing of a Notice of Completion. (Public Works)

Took the following actions regarding the "Bridge Preventive Maintenance Project," Contract No. 705936: Found the project categorically exempt in conformance with the California Environmental Quality Act (CEQA) Guidelines Section 15301, Class 1-Existing Facilities; approved the plans and specifications and directed the Public Works Director to advertise for bids; and authorized the opening of bids on July 27, 2017, at 11:00 a.m. (Public Works)

Took the following actions on behalf of County Service Area (CSA) No. 25-Keswick Water: Adopted Resolution No. 2017-065, which requests initiation of Local Agency Formation Commission (LAFCO) proceedings to annex two parcels into CSA No. 25-Keswick Water; and found the annexation to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15319. (Public Works, County Service Area No. 25-Keswick)

(See Resolution Book No. 58)

Took the following actions: Approved a budget amendment increasing appropriations and revenue by \$600,000 within the Fiscal Year (FY) 2017-18 Lands, Buildings and Improvements budget for the "Mental Health Building Roof Phase II Project"; and approved a budget amendment increasing appropriations by \$600,000 in the FY 2017-18 Mental Health budget for the "Mental Health Building Roof Phase II Project" to be offset by use of prior year Intergovernmental Transfer (IGT) Revenue that rolled to fund balance. (Public Works)

Took the following actions: Approved a budget amendment increasing appropriations and revenue by \$150,000 within the Fiscal Year (FY) 2017-18 Lands, Buildings and Improvements budget for the "Resource Management Expansion Project"; and approved a budget amendment increasing appropriations by \$173,980 within the FY 2017-18 Resource Management budget for the "Resource Management Expansion Project" to be offset by use of unassigned fund balance. (Public Works Resource Management)

Awarded and authorized the purchase of two replacement HVAC boilers to Bay City Boiler and Engineering Co., Inc. for the "Jail Boiler Replacement Project," Contract No. 610460, in the amount of \$75,776.77. (Public Works Sheriff)

Approved and authorized: The Chairman to sign the Annual Work/Financial Plan with United States Department of Agriculture, Animal Plant Health Inspection Services/Wildlife Services in an amount not to exceed \$121,751 for the period July 1, 2017 through June 30, 2018; and the County Executive Officer, or his/her designee, to sign future Annual Work/Financial Plans (Plans) for Fiscal Years 2018-19, 2019-20, and 2020-21, including retroactive Plans if applicable, for the five-year Cooperative Service Agreement approved by the Board of Supervisors on February 7, 2017, provided the Plans are in substantially similar form to the

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current Work/Financial Plan with maximum annual compensation per Plan that does not exceed \$140,000. (Agricultural Commissioner/Sealer of Weights and Measures)

### **ACTION ON ITEMS PULLED FROM CONSENT CALENDAR**

#### **IMPREST CASH ACCOUNT: PUBLIC ADMINISTRATOR**

In response to questions by Supervisor Moty, Treasurer-Tax Collector-Public Administrator Lori Scott stated currently there is a \$25,000 account to use for probate property clean-up purposes and requested the amount be raised to \$65,000.

In response to questions by Supervisor Moty, Auditor-Controller Brian Muir advised the \$65,000 imprest cash fund, would be General Fund money that is available for the Public Administrator to use and would be reimbursed as costs are recovered from the sale of probate properties. Mr. Muir stated if costs are not recovered then property clean-up expenditures would become an expense to the General fund; however, Mr. Muir assured there have never been problems recouping costs.

In response to questions by Supervisor Baugh, Mr. Muir clarified that the \$65,000 is money set aside in a revolving fund for the Public Administrator use and will come back to the General Fund if not utilized.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors approved the establishment of an imprest cash account in the amount of \$65,000 for the Public Administrator. (Administrative Office, Treasurer-Tax Collector/Public Administrator)

#### **AGREEMENT: PARTNERSHIP HEALTHPLAN OF CALIFORNIA, INC. EXPANDING SUBSTANCE USE DISORDER TREATMENT FOR ADOLESCENTS**

In response to questions by Supervisor Rickert, Health and Human Services Agency-Children's Services Branch Director Dianna Wagner stated that the proposed agreement would provide funding to hire a consultant that specializes in preventing, intervening, and treating youth substance use. Ms. Wagner reported that the most prevalent substances used by youth in Shasta County are methamphetamines, opiates, alcohol, and marijuana.

Supervisor Rickert noted the importance of this program for Shasta County.

In response to questions by Supervisors Kehoe, Ms. Wagner confirmed that currently no one in the department is qualified as an expert on youth treatment, and stated the consultant from the University of California Los Angeles (UCLA) focuses on youth treatment, versus adult

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treatment, and the department will learn from the consultant's expertise on how to better prevent and treat youth substance use.

By motion made, seconded (Rickert/Baugh), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a revenue agreement with Partnership HealthPlan of California, Inc. (PHC) for an amount not to exceed \$150,000 to expand substance use disorder treatment services for Medi-Cal eligible adolescents in Shasta County for the period July 1, 2017 through June 30, 2018. (Health and Human Services Agency-Children's Services)

**AGREEMENT: ALAN JONES, D.B.A. JONES AVIATION, INC.  
FIXED BASED OPERATOR (FBO) ARIAL AGRICULTURAL OPERATION**

In response to questions by Supervisor Rickert, Public Works Director Pat Minturn advised the agreement with Alan Jones, d.b.a Jones Aviation, Inc. is not exclusive. Mr. Minturn advised that Alan Jones, d.b.a Jones Aviation, Inc. will have use of space to build a hangar for their operations; other operators are welcome to seek lease agreements.

By motion made, seconded (Rickert/Moty), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign an agreement with Alan Jones, d.b.a. Jones Aviation, Inc. in the amount of \$4,488 annually to lease a 20,400 square-foot area for a FBO aerial agricultural operation from the date of execution through August 1, 2042, with annual cost adjustments beginning in 2020 based on changes in the Consumer Price Index, provided the adjustment shall not exceed six percent in any one year. (Public Works)

9:30 a.m.: The Shasta County Board of Supervisors recessed and convened as the Shasta County Housing Authority.

**SPECIAL DISTRICTS/OTHER AGENCIES CONSENT CALENDAR**

**SHASTA COUNTY HOUSING AUTHORITY**

By motion made, seconded (Moty/Morgan), and unanimously carried, the Shasta County Housing Authority adopted Housing Resolution No. 2017-03 which approves a revised Housing Choice Voucher Program Administrative Plan to update policies and procedures in accordance with U.S. Department of Housing and Urban Development regulations. (Housing Authority)  
(Housing Resolution File)

9:30 a.m.: The Shasta County Housing Authority recessed and convened as the Shasta County InHome Supportive Services (IHSS) Public Authority Governing Board.



**SHASTA COUNTY IHSS PUBLIC AUTHORITY GOVERNING BOARD**

By motion made, seconded (Moty/Morgan), and unanimously carried, the Shasta County IHSS Public Authority Governing Board approved and authorized the Chairman to sign a renewal agreement with Liebert Cassidy Whitmore, A Professional Corporation, in an amount not to exceed \$130,000 to provide labor relations and consultation services for the period July 1, 2017 through June 30, 2020. (In-Home Supportive Services-Public Authority Health and Human Services Agency-Business and Support Services)

9:31 a.m.: The Shasta County IHSS Public Authority Governing Board recessed and convened as the Shasta County Board of Supervisors.

**REGULAR CALENDAR, CONTINUED**

**GENERAL GOVERNMENT**

**ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS**

**LEGISLATIVE UPDATE/SUPERVISORS' REPORTS**

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

Supervisor Baugh recently attended Rural County Representatives of California and Golden State Finance Association meetings.

Supervisors reported on issues of countywide interest.

**PROPOSED RESPONSES TO GRAND JURY REPORTS**

**"SHASTA COUNTY JOINT AUDIT COMMITTEE"**

**"UNFUNDED PENSION LIABILITIES"**

**"SHASTA COUNTY SERVICE AREAS-ELK TRAIL WATER IMPROVEMENT PROJECT"**

County Executive Officer (CEO) Larry Lees identified three Grand Jury Reports and the proposed legal responses for the Board's consideration, and if approved, then provided to Superior Court in a timely fashion.

Steve Boyd spoke regarding the Grand Jury Report, entitled, "Shasta County Service Areas-Elk Trail Water Improvement Project"; recommendations, water agency issues, the current

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Public Works management team, and partnering with the Rural Community Assistance Corporation (RCAC).

In response to questions by Supervisor Baugh, CEO Lees confirmed responses have been made in a timely fashion.

In response to questions by Supervisor Moty, Assistant County Counsel James Ross confirmed County Counsel was involved in preparing the proposed responses.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign: The proposed responses to the Fiscal Year (FY) 2016-17 Shasta County Grand Jury Report entitled "Shasta County Joint Audit Committee"; the proposed responses to the FY 2016-17 Shasta County Grand Jury Report entitled "Unfunded Pension Liabilities"; and the proposed responses to the FY 2016-17 Shasta County Grand Jury Report entitled, "Shasta County Service Areas-Elk Trail Water Improvement Project."

9:47 a.m.: The Shasta County Board of Supervisors recessed and convened as the Shasta County Water Agency.

## **SPECIAL DISTRICTS/OTHER AGENCIES REGULAR CALENDAR**

### **SHASTA COUNTY WATER AGENCY**

#### **PROPOSED RESPONSES TO GRAND JURY REPORT**

#### **SHASTA COUNTY SERVICE AREAS-ELK TRAIL WATER IMPROVEMENT PROJECT**

By motion made, seconded (Moty/Morgan), and unanimously carried, the Shasta County Water Agency approved and authorized the Chairman to sign the proposed responses to the Fiscal Year 2016-17 Shasta County Grand Jury Report entitled "Shasta County Service Areas-Elk Trail Water Improvement Project." (Water Agency)

#### **BUDGET AMMENTMENT: USE OF UNASSIGNED FUND BALANCE TO COVER COUNTY SERVICE AREA NO. 6-JONES VALLEY WATER OPERATION COSTS**

Public Works Director Pat Minturn reported that operational costs incurred from Grand Jury expenses, the Elk Trail Water Improvement Project, filter maintenance and media replacement, and an inability to increase rates to cover routine costs has led County Service Area (CSA) No. 6-Jones Valley Water to have a negative fund balance.

Mr. Minturn recommended that the Shasta County Water Agency assist CSA No. 6-Jones Valley Water with their negative fund balance by approving a budget amendment increasing appropriations by \$25,000 within the Fiscal Year 2016-17 Shasta County Water Agency budget that would be offset by use of unassigned fund balance.

In response to questions by Supervisor Kehoe, Mr. Minturn reported the source of the unassigned fund balance is collected from tax-payers throughout the County for the Shasta County Water Agency. Mr. Minturn confirmed a disproportionate share has gone to pay for the Elk Trail Water Improvement Project and other operational costs for CSA No.6-Jones Valley Water.

In response to questions by Supervisor Moty, Mr. Minturn reported that it is not uncommon for the Water Agency funds to assist other CSAs for costs up to \$10,000.

In response to questions by Supervisor Moty, Mr. Minturn confirmed a majority of CSAs do have reserves and that all other CSAs at present have a positive fund balance because of their ability to raise rates that keep up with operational costs and put money aside for system maintenance.

In response to questions by Supervisor Morgan, Mr. Minturn reported that CSA No. 6-Jones Valley Water does not have any reserves and has a negative fund balance of approximately \$25,000.

In response to questions by Supervisor Morgan, Mr. Minturn advised some special districts do borrow funds as routine cash-flow loans that are repaid; however, CSA No. 6-Jones Valley Water is in a chronic situation where costs exceed revenue and they are not in a position where they are projected to be able to repay a loan.

In response to questions by Supervisor Morgan, County Executive Officer (CEO) Larry Lees explained the “dry period funding” that has been made available to other special districts such as fire districts to bring them to a positive fund balance could not be extended to CSA No. 6-Jones Valley because the funding extended to fire districts has a guaranteed funding stream from projected property tax increments from which the funding is paid back to the County.

In response to questions by Supervisor Baugh, Assistant County Counsel James Ross confirmed there are provisions for loans to be made to a CSA, terms to consider, and legal requirements that would need to be met; action on which would need to be taken at a future meeting.

In response to questions by Supervisor Rickert, Mr. Minturn verified that if monies are lent to CSA No. 6-Jones Valley Water, there is no guarantee the money would be paid back.

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In response to questions by Supervisor Moty, Auditor-Controller Brian Muir confirmed that postponing action on remedying CSA No. 6-Jones Valley Water's negative fund balance can be dealt with at a future meeting without impeding fiscal year end activities.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Shasta County Water Agency directed staff to bring back payment options for CSA No. 6-Jones Valley Water for consideration at a future meeting.

10:04 a.m.: The Shasta County Water Agency recessed and convened as the Shasta County Board of Supervisors.

### **REGULAR CALENDAR, CONTINUED**

#### **GENERAL GOVERNMENT**

##### **CLERK OF THE BOARD REVISED FEE SCHEDULE**

##### **REPEAL ORDINANCE NO. 584**

##### **ENACT ORDINANCE NO. 718**

County Administrative Office Principal Administrative Analyst Julie Hope provided a staff report proposing a revised Clerk of the Board fee schedule to delete obsolete fees and reduce duplication fees. Ms. Hope advised the proposed revised fee schedule has no fees that are to be increased.

By motion made, seconded (Moty/Morgan), and unanimously carried, the Board of Supervisors introduced, waived the reading of, and enacted Ordinance No. 718 which sets fees to be charged by the Clerk of the Board that: Repeals Ordinance No. 584; and adopts a revised fee schedule for the Clerk of the Board. (Clerk of the Board)

(See General Ordinance Book)

##### **ORDER OF DISCHARGE OF ACCOUNTABILITY**

##### **UNSECURED PROPERTY TAXES**

Treasurer-Tax Collector-Public Administrator Lori Scott recommended an Order of Discharge for unsecured property tax bills that are unlikely to be paid. Ms. Scott advised the discharge applies to properties where liens have been filed and multiple notices have been sent over the past 10 years in attempts to collect. Properties have been found to have owners who are deceased, to be inactive corporations, reside out of state, or are not able to be located. Ms. Scott stated that these property taxes can still be collected by the County if they are eventually paid.

By motion made, seconded (Morgan/Rickert), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign an Order of Discharge of Accountability pursuant to Revenue and Taxation Code section 2611.1 in the amount of \$81,106.25 for unsecured property taxes made in calendar years 1994 through 1997, 2000 through 2001, and 2003 through 2005 plus \$8,109.03 in penalties and \$610.00 in cost on the unpaid unsecured property taxes. (Treasurer-Tax Collector/Public Administrator)

## **RESOURCE MANAGEMENT**

### **PLANNING DIVISION**

#### **PRESENTATION: SHORT TERM RENTALS**

Director of Resource Management Rick Simon gave a presentation on short term rentals in unincorporated areas of Shasta County. Mr. Simon reported, that while the total number of active short-term rental is unknown, at least 175 units are operating, collecting, and paying transient occupancy tax, yet are operating illegally under current zoning code. Mr. Simon provided a recommendation to hire Host Compliance, LLC who is recognized as an industry leader specializing in regulation of short term rentals for \$20,000 to research the regulatory process for three months and develop an ordinance to regulate short term rentals. Mr. Simon advised the research would focus on the Shingletown, Lakehead, and greater Redding areas. He stated that in-house options were explored for developing proposed regulations; however, recommends utilizing a consultant with expertise specific to regulation of short term rentals.

In response to questions by Supervisor Morgan, Mr. Simon reported other Northern Californian counties are looking to practices of surrounding jurisdictions to develop policies and recommends due to the diversity of Shasta County, hiring a consultant to conduct research and determine best practices. Mr. Simon clarified \$20,000 would be paid to Host Compliance, LLC and \$8,000 would pay for additional Shasta County staff activities to conduct community meetings and provide information to Host Compliance, LLC.

In response to questions by Supervisor Rickert, Mr. Simon confirmed that market analysis research will cover the entire county and a 90 day project deadline for the research to be completed could be included in the agreement.

In response to questions by Supervisor Kehoe, Mr. Simon stated the reason for not using a Request For Proposal (RFP) was the lack of consulting professionals specializing in short term rentals like Host Compliance, LLC who are nationally recognized and have a good track record with jurisdictions on the West Coast.

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In response to questions by Supervisor Moty, Mr. Simon confirmed the list of concerns, thoughts, and suggestion from the Board regarding short term rentals would be provided to Host Compliance, LLC.

At the direction of the Board of Supervisors, Assistant County Counsel James Ross and County Executive Officer (CEO) Larry Lees clarified that CEO Lees could sign an agreement with Host Compliance, LLC to develop a draft ordinance regulating short term rentals in the unincorporated areas of Shasta County so the agreement would not need to come before the Board for approval future.

By consensus, the Board of Supervisors directed staff to proceed with developing a draft ordinance regulating short term rentals in the unincorporated areas of Shasta County.

### **SCHEDULED HEARINGS**

#### **PUBLIC WORKS**

##### **USA WASTE OF CALIFORNIA, INC.**

##### **INCREASING MONTHLY WASTE COLLECTION RATES AND ADDING NEW CHARGES**

This was the time set to conduct a public hearing to consider increasing the monthly waste collection rates and add new charges. Deputy Public Works Director-Administration Ken Cristobal presented a staff report regarding annual rate adjustments in residential, commercial, and transfer station refuse collection and an amendment to the agreement USA Waste of California, Inc. (USA), also known as Waste Management. Mr. Cristobal reported on May 11, 2017 Proposition 218 Notices regarding the proposed rate increase and charges were mailed to over 16,000 active customers and the final tipping fee increase was 1.9 percent. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

The public hearing was opened. Deputy Clerk of the Board Courtney Mathews opened and read one written protest ballot into the record.

The public hearing was closed.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors, in the absence of a majority protest, adopted Resolution No. 2017-066 of the Board of Supervisors of the County of Shasta authorizing the adjustments in residential, commercial, and transfer station refuse collection rates effective July 1, 2017 until July 1, 2021; and approved and authorized the Chairman to sign an amendment to the franchise agreement with USA effective the date of signing by both parties authorizing the new fee schedule for residential and commercial collections. (Public Works)

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(See Resolution Book No. 58)

10:24 a.m.: The Board of Supervisors recessed.

10:36 a.m.: The Board of Supervisors reconvened.

COUNTY SERVICE AREA NO. 6-JONES VALLEY WATER  
RESOLUTION NO.2017-067  
ORDINANCE NO. 719

This was the time set to conduct a public hearing to consider enacting an urgency ordinance pursuant to Water Code Sections 350 *et seq.* which: finds a water shortage emergency exists in County Service Area (CSA) No. 6-Jones Valley Water due to the financial inability to continue to provide potable water which requires the limiting of water usage to 225 gallons per meter per day; implements a moratorium on new water service connections; finds that the project is exempt from the requirements of the California Environmental Quality Act (CEQA); and provides for enforcement of the ordinance including civil and criminal penalties as necessary. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

Public Works Director Pat Minturn presented a report on operations at CSA No. 6-Jones Valley Water. Mr. Minturn reported on chlorination use, filter rehabilitation, water quality, and leak detection activities. Mr. Minturn reported that operational costs consistently exceed revenues that are less than approximately \$200,000 per year. Mr. Minturn reported additional financial strain to CSA No. 6-Jones Valley Water can be attributed to unpaid/past due water bills and low rates for high-use water customers. A majority protest to rate increases in May 2017 further hinders the CSA No. 6-Jones Valley Water to meet usage demands and pay operational costs with current revenue.

Mr. Minturn recommended limiting water use in CSA No. 6-Jones Valley to 225 gallons per meter per day to regain solvency and prioritizing basic domestic use and health and safety demands for approximately 500 current customers. Mr. Minturn estimated that the proposed high-use and new permit restrictions will slow the depreciation of pumps, secure water for current users, and potentially save \$27,000 annually. Mr. Minturn also reported that at present the CSA No. 6-Jones Valley Water Community Advisory Board (CAB) is unable to convene because of an inability to form a quorum.

In response to questions by Supervisor Rickert, Mr. Minturn reported the average life span of the submersible pumps used in CSA No.6-Jones Valley Water is approximately 20 years, they need to be special ordered, costing approximately \$60,000, and if they need to be replaced, at present the only funding source to replace a pump would be through deficit spending from the General Fund.

In response to questions by Supervisor Morgan, Mr. Minturn clarified the Board is prohibited from taking action to adjust rates for high-end users and that a 225 gallons per day limit is adequate for a majority of users, who are at present subsidizing costs for high-end users.

In response to questions by Supervisor Baugh, Auditor-Controller Brian Muir confirmed CSA No. 6-Jones Valley Water is insolvent. Mr. Muir explained having a negative cash position means over time their expenses exceed their revenues; Mr. Muir would not recommend any department within the County to continue operating under such circumstances.

In response to questions by Supervisor Moty, Mr. Minturn confirmed that the comparable water rates from other Shasta County areas will likely be increased to cover increased costs; as a result CSA No. 6-Jones Valley Water rates may remain lower than other areas.

The public hearing was opened.

Roy Vincent, former Chair of CSA No. 6-Jones Valley Water CAB spoke regarding insolvency issues, Grand Jury Report, and the letter sent out by Rural Communities Assistant Corporation (RCAC). Mr. Vincent spoke in favor of seeking potential grants, requested the water limit be set 300 gallons per household per day, and desired more county and public involvement.

Steve Boyd spoke regarding the proposed ordinance, reasonable management, water rate increases, and possible no cost to tax payer options. Mr. Boyd requested variance options for people who need to use more than 225 gallons of water a day and for the ordinance to be put on hold.

Nancy Wallen made comments regarding history of CSA No. 6-Jones Valley Water and the Elk Trail Water Improvement Project study.

The public hearing was closed.

In response to questions by Supervisor Moty, Mr. Minturn confirmed potential grants, further studies, and RCAC will not pay operational bills for CSA No. 6-Jones Valley Water.



June 27, 2017

TBD

By motion made, seconded (Baugh/Moty), and unanimously carried, the Board of Supervisors took the following actions on behalf of CSA No. 6-Jones Valley Water: adopted Resolution No. 2017-067 which suspends operation of the CSA No. 6-Jones Valley Water Community Advisory Board until further action by the Board; and introduced, waived the reading of, and enacted Urgency Ordinance No. 719 of the Board of Supervisors of the County of Shasta Declaring a Water Shortage Emergency and a Necessity for a Water Conservation Program, Adopting a Water Conservation Program and Finding that the Actions are Exempt from CEQA in CSA No.6-Jones Valley Water.

(See Resolution Book No. 58)  
(See General Ordinance Book)

11:27 a.m.: The Board of Supervisors adjourned.

\_\_\_\_\_  
Chairman

ATTEST:

LAWRENCE G. LEES  
Clerk of the Board of Supervisors

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