

July 25, 2017

TBA

SHASTA COUNTY BOARD OF SUPERVISORS

Tuesday, July 25, 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
Senior Deputy County Counsel - David Yorton
Administrative Board Clerk - Courtney Mathews
Administrative Board Clerk - Rossann Grimm

INVOCATION

Invocation was given by Pastor Perry Peterson, Crossroad Bible Fellowship.

PLEDGE OF ALLEGIANCE

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

REGULAR CALENDAR**BOARD MATTERS****PROCLAMATION:**
CHILD SUPPORT AWARENESS MONTH
AUGUST 2017

At the recommendation of Child Support Services Director Terri Morelock, and by motion made, seconded (Morgan/Baugh), and unanimously carried, the Board of Supervisors adopted a proclamation that designates August 2017 as “Child Support Awareness Month” in Shasta County.

Ms. Morelock presented a Child Support Services informational video and gave a report on the positive impact of Child Support Services on children. Ms. Morelock provided details for Shasta County Department of Child Support Services Backpack Giveaway for children in need on August 14, 2017.

PUBLIC COMMENT PERIOD - OPEN TIME

Peter Scales spoke on concerns with County decisions and expenditures regarding County Service Area No. 6-Jones Valley.

CONSENT CALENDAR

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

Reappointed Murray Blake and Nancy Quirus to the Planning and Service Area (PSA) 2 Area Agency on Aging-Advisory Council to terms to July 2021. (Clerk of the Board)

Took the following actions regarding the Shasta County Public Law Library Board of Trustees: Reappointed Jeffrey Gorder to a term to January 2018; and appointed Nanette J. Stomberg (Chairman's designee) to a term to January 2018. (Clerk of the Board)

Approved and authorized the Chairman to sign a retroactive renewal agreement with Liebert Cassidy Whitmore, in an advanced payment amount not to exceed \$4,200 for the

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provision of five days of employment relations group training workshops for County employees for the period July 1, 2017 through June 30, 2018. (Support Services-Personnel)

Approved and authorized the Chairman to sign an agreement with Redding Record Searchlight to provide advertising to various County Departments for the period August 1, 2017 through July 31, 2018. (Support Services-Purchasing)

Approved and authorized the Chairman to sign a retroactive renewal agreement with Shasta County Child Abuse Prevention Coordinating Council in an amount not to exceed \$69,507 for the Community Based Child Abuse Prevention Program for the period July 1, 2017 through June 30, 2020. (Health and Human Services Agency-Children's Services)

Approved and authorized the Chairman to sign a retroactive agreement with Victor Community Support Services, Inc., in an amount not to exceed \$2,200,000 per fiscal year for the provision of mental health services to eligible children for the period July 1, 2017 through June 30, 2018, with two automatic one-year renewals. (Health and Human Services Agency-Children's Services)

Approved and authorized the Chairman to sign a retroactive renewal agreement with Youth for Change, in an amount not to exceed \$200,000 per fiscal year for the provision of mental health services to eligible children for the period July 1, 2017 through June 30, 2018, with two automatic one-year renewals. (Health and Human Services Agency-Children's Services)

Took the following actions to ratify the Health and Human Services Agency-Public Health Branch Director's signatures on: An amendment to the agreement with the California Department of Public Health for the Public Health Emergency Preparedness Program to extend the contract term with no additional compensation for one additional fiscal year through June 30, 2018; and the California Civil Rights Law Certification. (Health and Human Services Agency-Public Health)

Adopted Resolution No. 2017-073 which: Approves and authorizes the Chairman to sign: a retroactive revenue grant agreement with the California Department of Healthcare Services in the amount of \$400,000 to allow the Health and Human Services Agency (HHSA)-Public Health Branch to implement the Strategic Prevention Framework Partnerships for Success project for the period July 1, 2017 through June 30, 2021; the Certification Regarding Lobbying Exhibit D(F); the California Civil Rights Laws Certification; and the Contractor Certification Clauses (CCC 04/2017); and authorizes the HHSA-Public Health Branch Director, or his/her designee, to sign: the Contractor's Release form to be attached to the final invoice; and amendments, including retroactive, to the agreement that result in a net change to the maximum compensation of no more than \$40,000, that do not result in a substantial or functional change to the original intent of the agreement, and that otherwise comply with the Administrative Policy 6-101, *Shasta County Contracts Manual*. (Health and Human Services Agency-Public Health)

(See Resolution Book No. 59)

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Awarded to the low bidder Harbert Roofing Inc., on a lump sum basis, the contract for the “Redding Corporation Yard Roofing Project,” Contract No. 701603, in the amount of \$80,520. (Public Works)

Awarded to the low bidder, Walker Construction Company, on a lump basis, the contract for the “Shasta County Health and Human Services Agency Office Remodel 4222 Shasta Dam Boulevard Project,” Contract No. 610445, in the amount of \$88,765. (Public Works)

Approved and authorized the purchase of: Three pickup trucks from Crown Motors of Redding, California for a total price of \$126,063.36 (including tax and delivery); and one backhoe from Sonray Machinery of Redding, California for a total price of \$132,072.64 (including tax and delivery). (Public Works)

Adopted Resolution No. 2017-074 which: Declares the County’s intent to lease property at West Central Landfill to site a landfill gas to energy project; authorizes the Department of Public Works to issue a Request for Bids for lease of the landfill property; and schedules an August 15, 2017, public meeting for receipt of bids for the lease of the landfill property. (Public Works)

(See Resolution Book No. 59)

Approved and authorized the Public Works Director to sign a Notice of Completion for the “Shasta County Resource Management Expansion Project,” Contract No. 610448, and record it within 15 days of actual completion of the work. (Public Works)

Adopted Resolution No. 2017-075 which: Approves and authorizes the Director of Resource Management to sign and submit a regional application for the Used Oil Payment Program-Eight Cycle funds for Fiscal Year 2017-18, not to exceed \$30,000, on behalf of the City of Anderson, the City of Shasta Lake, and unincorporated Shasta County; authorizes the County of Shasta to act as the lead agency on its own behalf, and on behalf of its participating jurisdictions, the City of Anderson and City of Shasta Lake; and approves and authorizes the Director of Resource Management to execute and submit all grant documents necessary to implement and complete the approved grant project. (Resource Management)

(See Resolution Book No. 59)

REGULAR CALENDAR, CONTINUED

GENERAL GOVERNMENT

ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

LETTER OF SUPPORT: PAYMENTS IN LIEU OF TAXES (PILT) PROGRAM

In response to a request from Supervisor Baugh on July 18, 2017 to align with Rural County Representatives of California (RCRC) position in support of Payments In Lieu of Taxes (PILT) Program, County Executive Officer (CEO) Larry Lees presented a letter. CEO Lees identified the letter of support is consistent with the Board's previous position on the full payment of PILT Program.

By motion made, seconded (Moty/Morgan), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign a letter supporting the (PILT) Program.

Supervisor Morgan recently attended a Shasta County Community Action Board meeting.

Supervisor Rickert recently attended a Northern California Water Association Governing Board meeting.

Supervisor Kehoe recently attended a Shasta County Community Action Board meeting.

Supervisors reported on issues of countywide interest.

In response to questions by Supervisor Moty, CEO Larry Lees clarified the comments made by Sheriff Tom Bosenko on a radio station regarding allocation of State funding for offender rehabilitation services. CEO Lees stated Assembly Bill 109 provided funding from State Prisons to be allocated to the counties since it was determined counties would be able to better rehabilitate offenders. Depending on certain criteria, different levels of funding are distributed to counties. CEO Lees reported as the Community Corrections Program was being implemented, State funding levels were fluctuating. CEO Lees reported the chose to build reserves to maintain established programs. As of June 2016, there was \$7.5 million reserved, approximately \$3 million of which was allocated in the Fiscal Year 2017-18 Budget to sustain funding for existing programs. CEO Lees advised as of July 2017, approximately \$4.6 million is left that can sustain funding through FY 2018-19; given there is not an adjustment in State revenue received.

In response to questions by Supervisor Moty, CEO Lees confirmed the State had overcrowding issues within State Prisons and decided to release prisoners to counties to save money. However, to save money the State dispersed only partial funds of State Prison funding levels to counties to provide offender rehabilitation services.

In response to questions by Supervisor Kehoe, CEO Larry Lees clarified the CCPEC membership is determined by California State legislation and the Board of Supervisors has no authority who is appointed to the CCPEC, nor how its funding is allocated. The Board of Supervisors approves the CCPEC budget, ensuring that expenditures do not exceed revenues, monitors appropriations, and can vote against allocations if not in compliance with State Law.

In response to questions by Supervisor Moty, CEO Lees confirmed it takes a 4/5 vote to not approve the CCPEC budget. The CCPEC is made up of law enforcement and community providers and is chaired by the Chief Probation Officer. Membership of the CCPEC is legislated by the State and the CCPEC decides how funding should be spent.

RESOURCE MANAGEMENT

LOCAL AGENCY MANAGEMENT PROGRAM (LAMP)

RESOLUTION NO. 2017-076

ORDINANCE NO. SCC 2017-02

Resource Management Director Rick Simon presented a report on regulating onsite wastewater treatment systems. Mr. Simon reported in order to develop local policies staff worked with the Central Valley Regional Water Quality Control Board, conducted outreach events with groups impacted by new regulations, and consulted industry professionals to clarify ambiguities. The new guidance manual will replace Chapter 5 of the development standards and as directed by the Board meets the minimum regulatory structure necessary to implement the State policy. The implementation of the LAMP will become effective May 2018; prior to implementation, revised fee and inspection schedules will be brought before the Board.

In response to questions by Supervisor Morgan, Mr. Simon confirmed maintenance and inspection are required for the life of supplemental systems, and specified the Environmental Health Division issues permits in coordination with inspectors.

In response to questions by Supervisor Morgan, Mr. Simon confirmed set back dimensions required for a septic and leach field and that grading is taken into consideration on individual parcels.

In response to questions by Supervisor Moty, Mr. Simon confirmed the conditions for systems do not require a permit for those who follow manufacturer recommendations and conduct their own inspections. Supervisor Moty requested that a flyer be included outlining

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options and recommendations for property owners to save money by managing their septic maintenance.

In response to questions by Supervisor Rickert, Mr. Simon clarified the fees for registration will be brought before the Board at a later date for consideration.

Central Valley Regional Water Quality Control Board Senior Engineering Geologist, Technical Specials and Regional Lead for Implementation of State Ops Policy Eric Rapport, reported on process of revising and developing LAMP guidelines. Mr. Rapport advised, in working with the California Conference of Directors of Environmental Health to assist in developing LAMP guidelines, that they meet regional standards. Mr. Rapport stated that other counties looked to Shasta County as a leader in this policy, and that he has reviewed the minimum standards and that the new LAMP meets them.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors took the following actions: Adopted Resolution No. 2017-076, which adopts the Shasta County Local Agency Management Program allowing continued construction, operation, and maintenance of Onsite Wastewater Treatment Systems within Shasta County and portions of the incorporated cities not served by public sewers; and as introduced on March 14, 2017 adopted Ordinance No. SCC 2017-02, which enacts Chapter 8.41, *Onsite Wastewater Treatment Systems, Septage Pumps, and Septage Disposal Facilities* of the Shasta County Code, Title 8 Health and Safety.

(See Resolution Book No. 59)
(See General Ordinance Book)

SCHEDULED HEARINGS

PUBLIC WORKS

COUNTY SERVICE AREAS

INTRODUCTION OF AN ORDINANCE

AMEND CHAPTER 13.12 OF THE SHASTA COUNTY CODE

This was the time set to conduct a public hearing to consider an ordinance which amends Shasta County Code Chapter 13.12, *County Service Areas*. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Moty/Morgan), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta amending Chapter 13.12 of the Shasta County Code Relating to County Service Areas.

COUNTY SERVICE AREA NO. 2-SUGARLOAF WATER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 2-Sugarloaf Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

In response to question by Supervisor Moty, Mr. Minturn confirmed there is no charge for shutting off water and explained the \$61 Backflow Testing fee was determined by averaging staff time involved to complete service.

In response to questions by Supervisor Morgan, Mr. Minturn explained vacation status for accounts and account standby charges.

In response to questions by Supervisor Moty, Public Works Engineer Eric Wedemeyer clarified vacation status is available when you use water for three months or less during the year and the \$40 fee to Turn Off/Turn Back On fee is a new fee.

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

By motion made, seconded (Morgan/Baugh), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 2-Sugarloaf Water, Setting Forth Charges and Fees for Various Services.

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COUNTY SERVICE AREA NO. 3-CASTELLA WATER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 3-Castella Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

In response to questions by Supervisor Morgan, Public Works Engineer Eric Wedemeyer identified that electronic meters and materials cost more than manual meters and is reflected in fees.

By motion made, seconded (Morgan/Rickert), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 3-Castella Water, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 6-JONES VALLEY WATER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 6-Jones Valley Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

The public hearing was opened.

Peter Scales spoke in support of late fees and asked the Board to consider a lower backflow testing fee if water system is separate.

In response to questions by Supervisor Kehoe, Pat Minturn reported on the separate systems and stated because there is a potential for cross connection, due to contamination risks and strict regulations, backflow prevention tests are required and can be performed by a professional plumber or by the County.

In response to questions by Supervisor Moty, Mr. Minturn confirmed it is a State requirement to have backflow prevention regulations.

The public hearing was closed.

By motion made, seconded (Moty/Rickert), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 6-Jones Valley Water, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 8-PALO CEDRO WATER AND SEWER

INTRODUCTION OF AN ORDINANCE **SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES**

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 8-Palo Cedro Water and Sewer. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Rickert/Moty), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 8-Palo Cedro Water and Sewer, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 11-FRENCH GULCH WATER

INTRODUCTION OF AN ORDINANCE **SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES**

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 11-French Gulch Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Moty/Rickert), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 11-French Gulch Water, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 13-ALPINE MEADOWS WATER AND SEWER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 13-Alpine Meadows Water and Sewer. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Baugh/Rickert), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta County Service Area No. 13-Alpine Meadows Water and Sewer, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 17-COTTONWOOD SEWER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 17-Cottonwood Sewer. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Baugh/Morgan), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta (CSA) No. 17-Cottonwood Sewer, Setting Forth Charges and Fees for Various Services.

COUNTY SERVICE AREA NO. 23-CRAG VIEW WATER

INTRODUCTION OF AN ORDINANCE

SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. No. 23-Crag View Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

The public hearing was opened.

Bob Harryman spoke on concerns regarding Grand Jury Report findings and responses, credentials and licensing of plant operator, and maintenance of fire hydrants.

Walter Osterberg reported about 90 percent of the water meters in CSA No. 23-Crag View Water are manual water meters and not electronic meters and requested the fees be altered to reflect.

The public hearing was closed.

In response to questions by Supervisor Kehoe, Mr. Minturn said maintenance and repairs of fire hydrants are the responsibility of CSA crews, at the expense of the CSA. Mr. Minturn clarified it is the water systems responsibility to flush hydrants and maintain facilities.

In response to reports by Mr. Osterberg regarding water meters, Mr. Minturn recommended the Board amend the ordinance, removing the \$410 fee for electrical meters and changing it to the mechanical fee of \$210.

In response to questions by Supervisor Morgan, Mr. Minturn confirmed that Plant Operator David Lee is certified and has an Operator I License. Mr. Minturn reported on regular testing. Mr. Minturn clarified Shasta County owns water rights for CSA No. 23-Crag View Water to divert from Little Castle Creek, which are subject to Term 91, classified as junior water rights, and will be cut off if the delta goes into deficit, prioritizing State water rights. Mr. Minturn confirmed flushing of the hydrants is a CSA responsibility and advised Public Works flushes only as necessary to meet water quality standards.

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In response to questions by Supervisor Baugh, Mr. Minturn clarified that roads are County maintained and the County General Fund is used to fund services such as the Sheriff and District Attorney, but is not used to fund water service in unincorporated areas. Mr. Minturn stated CSAs that provide water services must be financially self-sustaining.

By motion made, seconded (Morgan/Rickert), and unanimously carried, the Board of Supervisors introduced, and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta County Service Area No. 23-Crag View Water, Setting Forth Charges and Fees for Various Services, as amended.

COUNTY SERVICE AREA NO. 25-KESWICK WATER

INTRODUCTION OF AN ORDINANCE **SETTING FORTH CHARGES AND FEES FOR VARIOUS SERVICES**

This was the time set to conduct a public hearing to consider an ordinance which establishes service and late fees for County Service Area (CSA) No. 25-Keswick Water. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Moty/Morgan), and unanimously carried, the Board of Supervisors introduced and waived the reading of an ordinance of the Board of Supervisors of the County of Shasta CSA No. 25-Keswick Water, Setting Forth Charges and Fees for Various Services.

OAK TREE LANE PUBLIC ROAD DIVISION

ANNUAL PARCEL CHARGE REPORT FISCAL YEAR 2017-18 **RESOLUTION NO. 2017-077**

This was the time set to conduct a public hearing regarding the Oak Tree Lane Permanent Road division (PRD) and adopting Resolution No. 2017-077 which confirms the annual parcel charge report for Fiscal Year 2017-18. Public Works Director Pat Minturn presented a staff report and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

Clerk of the Board Courtney Mathews read ballots received into the record; all nine ballots received approved the annual parcel maintenance charge.

By motion made, seconded (Rickert/Moty), and unanimously carried, the Board of Supervisors received the annual parcel charge report; and in the absence of a majority protest, adopted Resolution No. 2017-077, which confirms the annual parcel charge report for Oak Tree Lane PRD for Fiscal Year 2017-18.

(See Resolution Book No. 59)

COUNTY SERVICE AREA NO. 3-CASTELLA WATER

BI-MONTHLY WATER RATE INCREASE

This was the time set to conduct a public hearing to consider enacting an ordinance on behalf of County Service Area (CSA) No. 3-Castella Water increasing the bi-monthly water rates. Public Works Director Pat Minturn presented a staff and recommended approval, amending the previously recommended base rate change from 20,000 to 8,000 gallons to be limited to 12,000 gallons. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

The public hearing was opened.

Ken Carr opposed a reduction in allocation, but was not opposed to rate increase for infrastructure.

James Heilman protested the water rate structure change, rate increase and the reduction in allocation.

Sarah Harvey opposed a reduction in allocation.

The public hearing was closed.

In response to questions by Supervisor Moty, Mr. Minturn confirmed rate increases are set to cover operational costs.

In response to questions by Supervisor Moty, Senior Deputy County Counsel David Yorton advised no notice needed to be given of change prior to hearing which amends the base rate from 8,000 to 12,000 gallons because it favors the consumer.

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In response to questions by Supervisor Baugh, Mr. Minturn reported on drinking water regulations and advised source water is from Castle Creek and is safe to drink.

In response to comments by the Board, Auditor-Controller Brian Muir recommended each CSA establishes contingency reserves going forward.

In response to questions by the Board, Mr. Minturn affirmed there was a boil notice given last year due to recharging the system after a broken line was repaired. Mr. Minturn reported that past capital improvements are still being paid off because they did not have a reserve and because of eligibility for State loans and grants due to being a low-income area. Mr. Minturn clarified the payments made on these improvements go to paying State loans and not current CSA service or maintenance.

Clerk of the Board Courtney Mathews read written protests received prior to the close of the public hearing into the record. Protest ballots received that had matching parcel owner or tenant name and Assessor's Parcel Numbers on record were counted as valid protests. Ballots that did not have matching parcel owner or tenant name and Assessor's Parcel Numbers were separated as being subject to further review, if necessary. Ballots received for a parcel where a protest ballot had already been counted were separated as being subject to further review, if necessary.

Clerk of the Board tabulated written protests; protests received numbered 54. The total needed for a valid protest was 51; a majority protest was received, preventing the Board from taking action on the proposed bi-monthly water rate increases.

In response to questions by Supervisor Kehoe, having received a majority protest preventing a rate increase, Mr. Minturn recommended curtailing expenditures to meet existing revenues.

In response to questions by Supervisor Moty, Counsel Yorton advised in order to propose a new rate increase and base allocation to CSA No. 3-Castella Water, a new rate study would need to be conducted or the Board could use the same rate study, with notice that amends only the base allocation, giving the 45-day routine notice to consider the proposed rate increase and change in base allocation.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors directed staff to come back with plan to cut expenses to meet existing revenues for CSA No. 3-Castella Water.

RESOURCE MANAGEMENT**PLANNING DIVISION****ZONE AMENDMENT: OLD 44 VENTURES, LLC**
ZONING ORDINANCE NO. 378-2042

This was the time set to conduct a public hearing to consider enacting Zoning Ordinance No. 378-2042 which amends Ordinance No. 378, a portion of the Shasta County Zoning Plan, Zone Amendment 15-007. Resource Management Senior Planner Lio Slazar presented a staff and recommended approval. The Notice of Public Hearing and the Notice of Publication are on file with the Clerk of the Board.

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

By motion made, seconded (Rickert/Moty), and unanimously carried, the Board of Supervisors took the following actions regarding Zone Amendment 15-007, Old 44 Ventures, LLC (Palo Cedro area), which would rezone a 1.02 acre parcel on the west side of Deschutes Road, 0.2 miles south of Logero Lane, from the Community Commercial (C2) zone to the Commercial-Light Industrial-Design Review (CMDR) zone: Adopted the California Environmental Quality Act (CEQA) determination of a Negative Declaration with the findings as set forth in Planning Commission Resolution No. 2017-022; adopted the rezoning findings; and introduced, waived the reading of, and enacted Zoning Ordinance No. 378-2042 of the Board of Supervisors of the County of Shasta amending Ordinance No. 378, a portion of the Shasta County Zoning Plan, Zone Amendment 15-007 (Old 44 Ventures, Palo Cedro), as set forth in Planning Commission Resolution No. 2017-022.

(See Zoning Ordinance Book)

12:32 p.m.: The Shasta County Board of Supervisors recessed and convened as the Shasta County Water Agency.

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SPECIAL DISTRICTS/OTHER AGENCIES REGULAR CALENDAR

SHASTA COUNTY WATER AGENCY

WATER AGENCY LOAN

COUNTY SERVICE AREA NO. 6-JONES VALLEY WATER

In response to questions from Supervisor Moty, Public Works Director Pat Minturn clarified the recommended loan is coming from the Water Agency not the Shasta County General Fund.

In response to questions from Supervisor Rickert, Mr. Minturn advised that if CSA No.6-Jones Valley Water cannot pay back the loan, the General Fund could be used if they do not return to solvency.

In response to questions by Supervisor Baugh, Mr. Minturn advised if the Water Agency does not make loan, the Board of Supervisors and the Water Agency would need to make other arrangements to satisfy the \$28,001.11 expenditure that has already been paid from Water Agency funds. Mr. Minturn was uncertain the legal parameters for which CSA No. 6-Jones Valley Water would reach insolvency that the State of California would take over the CSA.

In response to questions by Supervisor Baugh, County Executive Officer (CEO) Larry Lees advised the expenditure has been made, the Auditor will make sure we have the legal mechanism in place to transfer money to pay bill, and at the direction of the Board CSA No. 6-Jones Valley Water will be held accountable to pay money back to the Water Agency. In the event the loan could not be repaid, and debts increased, CEO Lees and Senior Deputy County Counsel David Yorton were also uncertain as to the threshold of debt at which the State would take over CSA No. 6-Jones Valley Water.

In response to questions by Supervisor Baugh, Auditor-Controller Brian Muir confirmed the decision to loan \$20,000 to CSA No. 6-Jones Valley Water did not need to be made at the present meeting.

In response to questions by Supervisor Moty, Mr. Minturn reported on expenses and funds allocated to CSAs.

By motion made, seconded (Moty/Baugh), and unanimously carried, the Board of Supervisors postponed to a date uncertain, voting to approve and authorize a loan of \$20,000 from the Water Agency Administration fund to the County Service Area (CSA) No. 6-Jones Valley Water fund.

Supervisor Kehoe requested staff provide a comprehensive report on establishing a contingency reserve for CSAs.

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In response to comments by the Board, Mr. Muir recommended correcting and addressing negative balances and waiting to see if balance improves.

By consensus, the Board of Supervisors directed staff to identify threshold of insolvency at which State would take responsibility for managing CSA.

12:51 p.m.: The Shasta County Water Agency adjourned and reconvened as the Shasta County Board of Supervisors.

12:52 p.m.: The Board of Supervisors adjourned.

Chairman

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By _____
Deputy