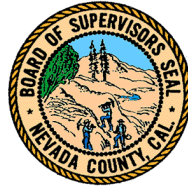


COUNTY OF NEVADA

STATE OF CALIFORNIA

Nate Beason, 1st District
Ed Scofield, 2nd District
Dan Miller, 3rd District (Chair)
Wm. "Hank" Weston, 4th District (Vice-Chair)
Richard Anderson, 5th District



BOARD OF SUPERVISORS

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Julie Patterson Hunter, Clerk of the Board
Richard A. Haffey, County Executive Officer
Alison Barratt-Green, County Counsel

SUMMARY MINUTES - Final

Date	Time	Location
Tuesday, June 7, 2016	9:00 AM	Board Chambers, First Floor Eric Rood Administrative Center 950 Maidu Avenue Nevada City, California

SPECIAL MEETING: 9:00 A.M.

Rollcall

The following Supervisors present:

Nathan H. Beason, 1st District
Ed Scofield, 2nd District
Dan Miller, 3rd District
Hank Weston, 4th District
Richard Anderson, 5th District

STANDING ORDERS:

Chairman Miller called the meeting to order at 9:00 A.M.

Pledge of Allegiance led by Mr. Victor Ferrera, Office of Emergency Services, Program Manager.

SCHEDULED ITEM: 9:01 A.M. Richard Haffey, County Executive Officer

- [SR 16-0465](#) Public hearing for the purpose of hearing written and oral comments from the public concerning the proposed Final Budget for Fiscal Year 2016/17 totaling approximately \$213,963,886.
 - Proposed budget presentation.
 - Presentation of budgets on the consent list.
 - Board selection of budgets to pull from the consent list for further discussion.
 - Motion of intent to adopt budgets remaining on the consent list.
 - Begin discussion of proposed budgets pulled from the consent list.

Proposed budget presentation.

ACTION TAKEN: Mr. Richard Haffey, County Executive Officer, provided a PowerPoint presentation and an overview of the Fiscal Year 2016/17 proposed County Budget. He reported that the budget is approximately \$197 million, and is more robust than in the past due to State Realignment which adds \$17.5 million to the amount, for a total budget of \$214 million. Nevada County's economy on the whole is doing better than the rest of the Country and most rural counties in the State of California. Mr. Haffey reviewed sales tax trends within the County that are expected to be approximately \$3.4 million. He explained that the County's largest and most stable revenue source is property taxes. The average yearly rate is 5.5%, although this year the County is projecting 6%. He reviewed the future forecast and explained that there will likely be another recession in 2019. Mr. Haffey reviewed the state of the General Fund balance and reserves, and reported that currently the County employees 786 FTE (Full Time Employees). Mr. Haffey explained that some of the challenges on the horizon include pension costs, the tepid economic recovery, a possible recession in 2019, and projects scheduled for Capital Facilities. He noted the increase to Nevada County's unfunded liabilities have been mitigated due to the Board's conservative policy actions, and have declined over the past three years due to the market; he was expecting the market to slow down, which will cause the unfunded liabilities to increase. Mr. Haffey recommended reserves be set aside in a Public Employee's Retirement System (PERS) reserve designation. He turned the presentation over to Mr. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer.

Presentation of budgets on the consent list.

ACTION TAKEN: Mr. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer, provided a PowerPoint presentation and in-depth report on the 2016/17 proposed budget. Mr. Polt reported that budget policies remain unchanged, and provide guidance for preparation of the budget by County departments. In terms of transparency, he noted that the proposed budget is available to members of the public on the County Executive Office's budget portal on the County's website. Mr. Polt explained that the proposed budget is scheduled for adoption on June 21, 2016, pending results of today's meeting. Mr. Polt concluded his presentation.

Board questioning and discussion ensued.

Chairman Miller thanked County staff for their efforts, and he opened the public hearing for public comment.

Mr. Richard Ulery, District II resident, provided comments regarding the budget and shared his concerns regarding the County's unfunded pension liabilities.

Mr. Eddie Garcia, District II resident, thanked the Board for what he sees to be fiscal responsibility of the Board and staff. He complimented the County Executive Office for the fantastic job they have done. He asked for clarification of the Realignment funds. Mr. Haffey responded that from time to time, the State 'realigns' programs to the Counties, so instead of the State providing a service, the counties provide the service. For example, in 2011 the State released prisoners from State prison to county jails or community programs, providing 65 cents on the dollar. Mr. Haffey noted that the State recognizes that counties are more efficient than State government and can provide the services in a more economically efficient manner

Mr. Garcia asked for clarification of staff's statement that the property transfer tax is a leading indicator of future revenues. Mr. Haffey responded that the activity is an indicator; it is not tied to the property tax itself. The County looks at that as an indicator that if there are less transfers going on the County may be heading towards a different situation, or if there are more transfers going on and the housing market gets hot, this would also be a concern.

Mr. Donn Coenen, District II resident, asked about the State Water Resources Control Board, and if the County is experiencing the unforeseen regulations as he is seeing. Mr. Haffey responded that they are not exempt from the same regulations. Supervisor Beason reported on his experiences with the State Water Resources Control Board regulations and the impacts on the County including small wastewater treatment plant regulations. He suggested that members of the public should attend a meeting of the Water Board to share their concerns. Mr. Coenen stressed that he is not able to comply with the regulations due to the costs and may have to go out of business.

Ms. Roo Cantada, Executive Director, San Juan Ridge Community Library, and employee of Twin Ridges Elementary School District, spoke to the need for additional funding for the North San Juan Library. She asked the Board to consider this when voting for Library services.

There being no further public comment, Chairman Miller closed public comment portion of the public hearing.

Board selection of budgets to pull from the consent list for further discussion.

ACTION TAKEN: Staff recommended the Community Development Agency (CDA) budgets be pulled for discussion. Supervisor Beason requested the Public Safety Augmentation Budget (Proposition 172) and the associated resolution be pulled from the consent budget for discussion.

MOTION: Motion of Intent made by Supervisor Weston, seconded by Supervisor Anderson to approve the consent budgets, less the entire Community Development Agency (CDA) budget and the Public Safety Augmentation (Proposition 172) budget.

ITEMS PULLED FROM THE CONSENT CALENDAR:

Public Safety Augmentation (Proposition 172) budget.

ACTION TAKEN: Mr. Polt introduced and reviewed the Public Safety Augmentation Budget Unit, known as the Proposition (Prop) 172 budget. He reported that it is a one-half cent State sales tax that is received from the State. A portion of the funds are distributed by the County to Cities, Fire Districts and County Departments. Mr. Polt explained that of the portion set aside for Fire Districts, approximately \$15,000 is allocated to the County Office of Emergency Services (OES). An additional \$15,000 of the funds apportioned to County Departments is also allocated to OES as a dollar match to provide a total of \$30,000 for fire protection services through contract with Fire Safe Council of Nevada County. Mr. Polt noted that additional Prop 172 funds are used to provide for two inspectors who operate under supervision of CalFire, through OES, as well as the County Fire Planner.

Supervisor Beason explained that he has the same concerns as last year regarding allocating Prop 172 that is meant for public safety organizations to the Fire Safe Council. Supervisor Beason commented that it appeared that some of last year's expenditures might indicate that the money was not quite as necessary, and this year their budget has grown to almost twice what it was when the initial allocation was approved. He questioned whether this is a necessary expenditure since their budget has increased in the recent years. Supervisor Weston responded that the Fire Safe Council's operating budget has not increased; the increase in budget is due to grant money that they receive. He explained that the point of the \$30,000 allocation was to keep their doors open; the grant funding just passes through their budget and is provided to contractors for fire prevention services. Since the Fire Safe Council is providing fire prevention services on behalf of the fire districts, the districts are allocating the \$15,000 for these services. Supervisor Beason stressed that the monies were originally allocated to assist them at a time when they were barely able to conduct daily operations; now it appears that they are doing pretty well. He asked at what point would the disbursement to the Fire Safe Council no longer be necessary. Supervisor Miller stressed that the Budget Subcommittee felt the monies are relevant due to the Fire Safe Council being an important component in reducing the fire threat in the County. Supervisor Beason shared concerns that firewise communities give very little in donation to the Fire Safe Council and he thinks they could do better. He believes the Fire Safe Council provides a valuable service, but noted that there are other organizations in need of funding, such the North San Juan Library, and Hospitality House.

Supervisor Anderson asked for clarification regarding the County's policy for funding non-profits. He suggested that this issue should be re-visited at the next Board workshop. Supervisor Miller agreed that this is an important issue that should be added to the workshop calendar.

Supervisor Scofield added that fire safety is a very important issue for Nevada County and he believes the Fire Safe Council is a tool the Board needs to support. He was ready to make a motion.

MOTION: Motion made by Supervisor Scofield, seconded by Supervisor Anderson to pass the Public Safety Augmentation (Proposition 172) budget. On a roll call vote the motion passed unanimously.

Prior to taking a short break, Chairman Miller recessed as the Board of Supervisors and convened as the Nevada County Sanitation District No.1 Board of Directors.

Following the short break, Chairman Miller called the meeting to order.

SCHEDULED ITEM: 10:30 A.M.

Special meeting of the Board of Directors of the Nevada County Sanitation District No. 1.

Call meeting to order. Chairman Miller called the meeting to order. All Directors present

2. [SR 16-0466](#) Public hearing to consider oral and written comments concerning proposed Fiscal Year 2016/17 budgets for Zones 1-12 totaling \$13,797,847. (No rate increases proposed.)
- The Nevada County Sanitation District No. 1 Labor, Shared Operation, Maintenance, Capital Acquisition and Improvement Budget.
 - Lake Wildwood, Zone 1; Lake of the Pines, Zone 2; North San Juan, Zone 4; Gold Creek, Zone 5; Penn Valley, Zone 6; Mountain Lake Estates, Zone 7; Cascade Shores, Zone 8; Eden Ranch, Zone 9; Higgins Village, Zone 11; and Valley Oak Court, Zone 12, Operation, Maintenance, Capital Acquisition and Improvement Budgets, for Fiscal Year 2016/17.
 - North San Juan Sewer Assessment Budget for Fiscal Year 2016/17.
 - Motion of intent to adopt the Sanitation District No. 1 budget totaling \$13,797,847.

Approved.

ACTION TAKEN: Mr. Polt, Deputy County Executive Officer/Chief Fiscal Officer, introduced the Nevada County Sanitation District No. 1 budgets for Board review, totaling \$13,797,847.

Mr. Steven Castleberry, Director of Public Works, pointed out that Sanitation District revenues come solely from the rate-payers, as a fee-for-service. Revenues are stable because the budget does not include any rate increases in the upcoming Fiscal Year. In general, most of the zones are adding fund balance, which means they are spending less than the revenue that is coming in. This allows future costs to be absorbed before there is a need for rate increases. Mr. Castleberry reported on a couple of issues: 1) an anticipated rate increase within the next five years for Gold Creek, Zone 5, which consists of a single property owner located in Alta Sierra; and 2) issues relating to water quality and finances in Cascade Shores, Zone 8. Public Works is actively working on a solution and will be returning with proposed solutions at the upcoming Board meeting to move that zone toward fiscal health. Mr. Castleberry reviewed possible consolidation of Penn Valley, Zone 6, with Lake Wildwood, Zone 1, and Valley Oak Court, Zone 12, which is not reflected in the current proposed budget. Staff will return to the Board at a later with proposed rate reductions for Lake Wildwood. No increases are expected. Mr. Castleberry recommended moving ahead with the proposed budget and asked for any questions.

Director Weston asked if Valley Oak property owners will have to pay upfront hook-up fees. Mr. Castleberry responded that there will not be an upfront hook-up fee for Valley Oak residents. He explained that in Lake Wildwood, the hook-up costs will be spread over a period of time. Valley Oak rates will reflect the same capital costs as Lake Wildwood's. The hook-up fee will be included as part of their rate.

Director Beason asked about standby charges. His understanding was that those who have the infrastructure, but are not operating within the system all pay standby charges. Mr. Castleberry responded that Director Beason was correct. Properties who want to reserve their place in line to hook-up to the system do pay standby charges.

Chairman Miller opened the public hearing for public comment. There being none, he closed public comment period.

MOTION: Motion of Intent made by Director Weston, seconded by Director Scofield to adopt the Sanitation District No. 1 budget. On a roll call vote the motion passed unanimously.

Adjournment.

ACTION TAKEN: Chairman Miller adjourned as the Board of Directors of the Nevada County Sanitation District No. 1 and reconvened as the Nevada County Board of Supervisors.

SCHEDULED ITEMS: 11:00 A.M.

3. [SR 16-0452](#) Public hearing to consider a revised Community Development Agency (CDA) Fee Schedule for Fiscal Year 2016/17.

Resolution to establish a revised Community Development Agency fee schedule to replace the existing fee schedule for the Building, Environmental Health, Public Works, Agriculture and Planning Departments, including the Code Compliance and County Surveyor Divisions, effective August 6, 2016.

Motion of Intent to adopt Community Development Agency budgets.

Adopted.

Enactment No: RES 16-218

ACTION TAKEN: Following a short break, Chairman Miller called the meeting to order and introduced the agenda item.

Mr. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer, reported that at the Board's January Workshop, the Board directed staff to review various departmental fees and to create a regular process for reviewing these fees in the future. Mr. Polt explained that the County Executive Office, County Counsel and Auditor-Controller have completed some significant work in that respect and three departments have gone through this new fee-review process. Community Development Agency (CDA) fees were reviewed and are included in this year's budget proposal. Sheriff's Office and Public Health were not pulled from consent because their fees are not included in the current budgets. Staff pulled the CDA budget item from consent due to the fees being included as part of the budget.

Mr. Daniel Chatigny, CDA Chief Fiscal Officer, provided a PowerPoint presentation regarding CDA's revised fee schedule. He reviewed the history of CDA fees and showed a break down of what the collected fees pay for in the County. Mr. Chatigny reviewed allocations of the building permit fees, and compared Nevada County's to those charged by Yuba and Placer counties. He stressed that Nevada County is very competitive with respect to fees charged for new residential building permits. Mr. Chatigny noted that Environmental Health permitting costs are also fairly competitive. He reported that Planning Department's costs are the lowest for Conditional Use Permits and in the middle for a building permit review. The comparison also shows that Nevada County has the lowest cost for County Surveyor fees. Mr. Chatigny reported that the proposed fee schedule was reviewed and approved by the Budget Subcommittee and it was presented in advance to the Nevada County Contractor's Association for their input. He concluded his report and was ready to answer any questions that the Board might have.

Board questioning ensued.

Supervisor Beason asked about the fees for current and long-term planning. He wanted to confirm the use of General fund monies for long-term planning due to the "general community benefit." Mr. Chatigny responded that Supervisor Beason is correct and that most of the long-term planning activity that takes place in the Planning Department is funded by the General fund.

Supervisor Anderson shared his concerns that the costs are for processing permits and they don't generate monies for the General fund. Mr. Chatigny responded that Supervisor Anderson is correct.

Supervisor Anderson noticed that Exhibit "A" of the staff report shows that three departments are utilizing fund balance to keep the cost down. He was concerned about using fund balance in that manner because it is a subsidy that might be financed by the general taxpayer versus the applicant who is paying the fee. He urged staff to watch out for this in future budgets.

Chairman Miller opened the public hearing for public comment. There being none, Chairman Miller closed the public comment period.

Supervisor Scofield asked if on long-term projects, did staff keep track of their time beyond the amount covered by fees? Mr. Chatigny responded that yes, they track multiple levels of fee activity, including administrative activity, and staff could provide an analysis if Supervisor Scofield needed the information.

Supervisor Anderson expressed his appreciation to the County Executive Office for working on the systemization of fee increases to keep pace with changes in service costs.

MOTION: Motion of intent made by Supervisor Scofield, seconded by Supervisor Anderson to adopt the entire Community Development Agency (CDA) budget. On a roll call vote the motion passed unanimously.

MOTION: Motion made by Supervisor Anderson, seconded by Supervisor Scofield to adopt Resolution 16-218, establishing the Community Development Agency (CDA) Fee Schedule. On a roll call vote the motion passed unanimously.

4. [SR 16-0460](#) Public hearing to consider a revised Public Health Fee Schedule for Fiscal Year 2016/17.

Resolution to establish a revised Fee Schedule for the Nevada County Public Health Department, effective July 7, 2016, and amending Resolution 14-318.

Adopted.

Enactment No: RES 16-219

ACTION TAKEN: Ms. Jill Blake, Public Health Director, reviewed the proposed revised Public Health Fee Schedule.

Board questioning ensued.

Supervisor Anderson wanted to clarify if these fees are the first step in the new process of fee review and if the Board will be getting further updates in the future. Mr. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer responded that Supervisor Anderson is correct.

Chairman Miller opened the public hearing for public comment. There being no public comment, Chairman Miller closed the public comment period.

MOTION: Motion made by Supervisor Beason, seconded by Supervisor Weston to adopt Resolution 16-219, establishing a revised Fee Schedule for the Nevada County Public Health Department. On a roll call vote the motion passed unanimously.

- 5a. [SR 16-0410](#) Public hearing to consider recommendations to adopt a resolution that would approve a revised fee schedule for the Sheriff's Office and introduction of an ordinance amending sections of the General and Administrative Codes pertaining to certain Sheriff's Office fees.

Resolution to establish a revised fee schedule for the Sheriff's Office, effective August 7, 2016, and to rescind Resolution 93-545.

Enactment No: RES 16-220

- 5b.** [SR 16-0485](#) (Introduce/Waive further reading) An Ordinance amending Section G-IV 9.1 of Article 9 of Chapter IV of the General Code pertaining to concealed firearms license fees; Section A-II 24.1 of Article II of Chapter 24 of the Administrative Code pertaining to Coroner fees for transportation of bodies; Section A-II 24.15 of Chapter II of Article 24 of the Administrative Code pertaining to explosive permit fees; and Section G-IX 9.3 of Article 9 of Chapter IX of the General Code pertaining to speed zone permits at Boca Reservoir.
- Enactment No: ORD-2413

ACTION TAKEN: Mr. Martin Polt, Deputy County Executive Officer/Chief Fiscal Officer, mentioned that the item is comprised of an Ordinance and Resolution. The Ordinance currently provides authority for the fee, as well as the fee amount listed in the Ordinance itself. The intent is to remove the amount from the Ordinance so the Resolution would determine the amount. The Ordinance would remain operative for authority of the fee itself.

Ms. Alison Barratt-Green, County Counsel, clarified that the Board would need to make a motion to introduce and waive further reading of the Ordinance and a second motion to adopt the Resolution.

Mr. Rolf Kleinhans, Chief Fiscal/Administrative Officer, introduced the Sheriff's office proposed fee schedule.

Chairman Miller opened the public hearing for public comment. There being no public comment, Chairman Miller closed the public comment period.

MOTION: Motion made by Supervisor Scofield seconded by Supervisor Weston to introduce and waive further reading of the Ordinance. On a roll call vote the motion passed unanimously.

ACTION TAKEN: Chairman Miller read the title of the Resolution into the record.

Mr. Rolf Kleinhans, Chief Fiscal/Administrative Officer, reported that in 1993 was the last time there was a comprehensive fee update completed for the Sheriff's office. It has taken staff some time working with other departments to develop a more standardized approach to fee development. The Sheriff's fees are based on an hourly development cost model. Time studies are set up for each task; basically it is multiplication of the time spent times staff's hourly rates. He was confident they have developed a more standardized approach that will be used Countywide. He reviewed the fees being proposed for increase, most of which have not been increased since 1993 as mentioned, and in fact, one was set by statute by the State in 1967.

Board questioning ensued.

Chairman Miller provided an opportunity for public comment. There being none, Chairman Miller closed public comment.

MOTION: Motion made by Supervisor Weston, Seconded by Supervisor Scofield to adopt Resolution 16-220 establishing a revised Sheriff's office Fee Schedule. On a roll call vote the motion passed unanimously.

ADJOURNMENT:

ACTION TAKEN: There being no further business, Chairman Miller announced that this afternoon's session and the June 8, 2016 meeting were both cancelled, and adjourned the meeting at 11:29 A.M.

Signature and Attestation

Dan Miller, Chairman

ATTEST:

By:

Lelia Loomis, Deputy Clerk to the Board