

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE

May 25, 2006
CSAC Conference Center, Sacramento

MINUTES

Presiding: Connie Conway, President

1. ROLL CALL

Connie Conway, President	Joni Gray, Santa Barbara
Richard Gordon, 2 nd Vice President	Mike McGowan, Yolo
Greg Cox, Immed. Past President	Valerie Brown, Sonoma (alternate)
Federal Glover, Contra Costa	Richard Vinson, Amador
John Tavaglione, Riverside	Bill Dennison, Plumas
Roger Dickinson, Sacramento	Ann Miller-Ravel, County Counsel advisor
Judy Case, Fresno	

2. APPROVAL OF MINUTES

The minutes of March 16, 2006 were approved as previously mailed.

3. REPORT ON INFRASTRUCTURE BOND PACKAGE

Will Kempton, Director of CalTrans, addressed the Board regarding the infrastructure bond package which will appear on the November statewide ballot. He indicated that Proposition 1B, which provides over \$20 billion for transportation, air quality and security projects, is the heart of the package. This measure contains \$4.5b for corridor improvements, \$1b for State Highway 99, \$4b for public transit and intercity rail, \$2b for California ports and trade infrastructure, \$2b for the State Transportation Improvement Program (STIP), \$2b for local streets and roads, \$1b for the state-local partnership account, \$750m for the State Highway Operation Preservation Program, \$1b for port-related projects and air quality emission reductions, and \$1b for transit safety and disaster preparedness.

Mr. Kempton announced that, as part of the implementation process, a stakeholder meeting would be scheduled to review the bond measure and identify stakeholder issues. He indicated that March 2007 is the deadline for identifying the first round of projects.

4. REPORT ON MAY REVISION OF THE GOVERNOR'S BUDGET

Mike Genest, Director of the State Department of Finance, presented a report on the Governor's Revised Budget. The May Revision includes an increase in projected state revenues of \$4.8 billion in the current year and \$2.7 billion in the budget year, for a two-year increase of \$7.5 billion. This unanticipated revenue will be used primarily to pay down the state's existing debt and settle litigation with the education community over Proposition 98 funding. Mr. Genest distributed a document that outlines the highlights of the May Revision

in support of local government. It notes that the Governor fully funded Proposition 42 in his January Budget. A significant portion of those funds will be dedicated to local roads and transit. A complete analysis of May Revision budget items pertaining to counties was prepared by CSAC staff and sent to all counties on May 12. Mr. Genest also reported that \$45 million has been set aside for special election reimbursement to counties, but the legislation is currently stalled in Senate Rules Committee.

5. CONSIDERATION OF INFRASTRUCTURE BOND PACKAGE

The Legislature passed a comprehensive infrastructure package of bills that would place \$37.3 billion in bonds on the November statewide ballot. The specific measures are:

Proposition 1A: amends the Constitution to limit the ability of the Legislature and Governor to divert Proposition 42 funds. The protections allow Proposition 42 to be suspended twice in any 10-year period and would require the funds to be repaid.

Proposition 1B: Provides \$20.025 billion for transportation, air quality and homeland security.

Proposition 1C: Provides \$2.85 billion for housing and strategic growth.

Proposition 1D: Provides \$10.416 billion for education.

Proposition 1E: Provides \$4.09 billion for flood protection.

Staff outlined the measures and reviewed CSAC's Principles on Infrastructure Investment and Strategic Growth.

Motion and second to support the five measures contained in the infrastructure bond package. Fresno County abstained. Motion carried.

6. CSAC FINANCE CORPORATION REPORT

Supervisor Greg Cox reported that this year's Finance Corporation rating agencies trip to New York was successful. He noted that the briefing materials compiled by staff for the trip are an excellent resource for supervisors and encouraged all Executive Committee members to utilize them. Finance Corporation revenues are up this year so it is anticipated that the contribution to CSAC's budget in FY 2007 will be over \$600,000. Contributions from the Finance Corporation allow CSAC to keep dues levels at a lower level. Sonoma County Treasurer Tom Ford, who currently serves as Finance Corporation President, is retiring at the end of the year, but will continue to serve as President.

7. NATIONAL ASSOCIATION OF COUNTIES (NACo) REPORT

Supervisor Valerie Brown reported that Sacramento County hosted this year's NACo Western Interstate Region (WIR) conference. Supervisor Brian Dahle from Lassen County was elected 2nd Vice President of WIR. Supervisor Bill Dennison was presented with the NACo Dale Sowards Award for public lands county official of the year.

Supervisor Roger Dickinson expressed thanks to Betty Flores of Sacramento County for coordinating the Sacramento County hosted events during the WIR conference.

All 58 California counties are now members of NACo. This is the first time California has been a 100% NACo member state. Achieving this status will greatly assist the campaign to elect Valerie Brown as NACo 2nd Vice President in 2006, by bringing the total number of votes from California to 977. There are currently three other candidates running for this office.

8. LEGISLATIVE UPDATE

Staff announced that CSAC has begun weekly state budget briefing calls with county administrative officers which will continue until a state budget agreement is reached. The CSAC Legislative Bulletin will now include a "Budget Watch" section.

The "Anderson" initiative is a draft ballot measure that would restrict the use of eminent domain and significantly restrict land use authority by state and local agencies. The measure has not yet qualified for the November ballot, but is expected to. The League of California Cities and the California Redevelopment Association have been working on an alternative measure to be placed on the November ballot. This measure, which must be placed on the ballot by the Legislature, would include a "poison pill" clause that ensures that if the alternative measure receives more votes than the "Anderson" initiative, the alternative measure would prevail. The draft alternative language is focused more narrowly to respond to concerns raised by the U.S. Supreme Court decision in Kelo vs. City of New London. CSAC has been asked to join the coalition and assist in developing the alternative measure as well as participating in a campaign to defeat the "Anderson" initiative if it does qualify for the November ballot. This issue will go before the CSAC Government Finance and Operations policy committee for consideration and then to the Board of Directors at the June meeting.

Staff reported on numerous issues contained in the May Revision relating to Health and Human Services programs.

The CSAC Administration of Justice policy committee will meet on June 5 to consider a booking fee proposal which was negotiated between the California Police Chief's Association and the California State Sheriff's Association. Staff indicated that the proposal, in its current form, does not benefit counties. A policy committee recommendation will be brought forward to the Board of Directors for consideration at the June meeting.

9. OTHER ITEMS

The CSAC Corporate Associates 4th Annual Bocce Ball Tournament is being held on June 14 in Sacramento. All Executive Committee members were encouraged to attend.

Meeting adjourned.

