CSAC EXECUTIVE COMMITTEE

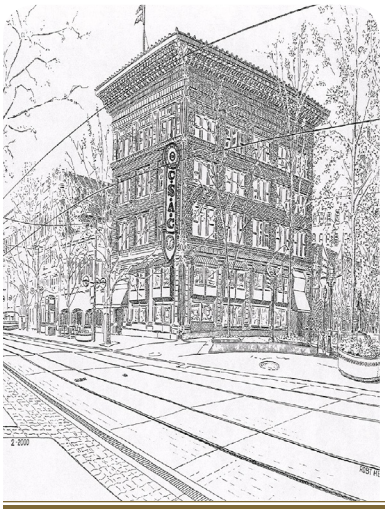
BRIEFING MATERIALS

Thursday, August 1, 2019

10:00 a.m - 1:30 p.m





Meeting Location:

1415 L Street, Suite 780 (7th Floor), Sacramento

(800) 867-2581 code: 7500508#

California State Association of Counties

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE MEETING
Thursday, August 1, 2019 | 10:00 AM – 1:30 PM
1415 L Street, Suite 780 (7th Floor)
Conference Line: (800) 867-2581 Code: 7500508#

AGENDA

Presiding: Virginia Bass, President

10:00 AM **PROCEDURAL ITEMS**

1. Roll Call *Page 1*
2. Approval of Minutes from April 4, 2019 *Page 2*

SPECIAL PRESENTATION

3. Governor's Office Update
4. Strategic Communications / Advocacy *Page 5*
   - *Brandon Castillo | Bicker, Castillo & Fairbanks Public Affairs – Partner*

ACTION ITEMS

5. Approval of Supervisor Miles Menetrey (Mariposa County) appointment to the CSAC Board of Directors *Page 6*
   - *Graham Knaus | CSAC – Executive Director*
6. Approval of Policy Priorities for Federal Transportation Reauthorization Bill *Page 7*
   - *Darby Kernan | CSAC – Deputy Executive Director, Legislative Affairs*
   - *Chris Lee | CSAC – Legislative Representative*

11:30 AM **LUNCH**

12:00 PM **INFORMATION ITEMS**

7. CSAC Legislative Priorities
   - *Darby Kernan | CSAC Deputy Executive Director, Legislative Affairs*
     - AB 1054 (Chapter 79, Statutes of 2019) – Wildfire & Utility Liability Package *Page 13*
     - County Impact of California's Next Health and Behavioral Health Waiver(s) *Page 15*
8. CSAC Finance Corporation Report *Page 19*
   - *Supervisor Leonard Moty | CSAC Finance Corporation – President*
9. CSAC Operations & Member Services / California Counties Foundation Update *Page 22*
   - *Manuel Rivas, Jr. | CSAC – Deputy Executive Director, Operations & Member Services*
10. Information Items without Presentation
    - CSAC Litigation Coordination Report *Page 25*
    - Executive Committee 2019 Calendar of Events *Page 30*
      - CSAC Board of Directors Meeting | September 5, 2019 | Sacramento
      - White House Visit | September 12, 2019 | Washington, D.C.
      - Executive Committee Retreat | October 2 – 4, 2019 | Santa Cruz County
      - CSAC Regional Meeting – Resiliency | October 10 | Sonoma County
11. Public Comment

1:30 PM **ADJOURN**

**If requested, this agenda will be made available in appropriate alternative formats to persons with a disability. Please contact Valentina Dzebic at vdzebic@counties.org or (916) 327-7500 if you require modification or accommodation in order to participate in the meeting.*

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CALIFORNIA STATE ASSOCIATION OF COUNTIES

EXECUTIVE COMMITTEE

2019

PRESIDENT:	Virginia Bass,	Humboldt County
1ST VICE PRESIDENT:	Lisa Bartlett,	Orange County
2ND VICE PRESIDENT:	James Gore,	Sonoma County
IMMEDIATE PAST PRESIDENT:	Leticia Perez,	Kern County

URBAN CAUCUS

Keith Carson, Alameda County
Carole Groom, San Mateo County
Kelly Long, Ventura County
Buddy Mendes, Fresno County
Mark Ridley-Thomas, Los Angeles County
Chuck Washington, Riverside County
Bob Elliott, San Joaquin County (alternate)

SUBURBAN CAUCUS

Luis Alejo, Monterey County
Bruce McPherson, Santa Cruz County
Leonard Moty, Shasta County
Erin Hannigan, Solano County (alternate)

RURAL CAUCUS

Ed Valenzuela, Siskiyou County
Terry Woodrow, Alpine County
Craig Pedersen, Kings County (alternate)

EX OFFICIO MEMBER

Ed Scofield, Nevada County, Treasurer

ADVISORS

Bruce Goldstein, County Counsels Association, Past President, Sonoma County
Birgitta Corsello, California Association of County Executives, President, Solano County

As of 12.19.2018

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
April 4, 2019
Capitol Event Center | Sacramento
Conference Line: (800) 867-2581 | Code: 7500508#

MINUTES

1. Roll Call

OFFICERS
Virginia Bass | *President*
Lisa Bartlett | *1st Vice President*
James Gore | *2nd Vice President*
Leticia Perez | *3rd Vice President*

CSAC STAFF
Graham Knaus | *Executive Director*
Manuel Rivas, Jr. | *Deputy Executive Director, Operations & Member Services*
Darby Kernan | *Deputy Executive Director, Legislative Services*

SUPERVISORS
Luis Alejo | *Monterey County*
Bob Eliott | *San Joaquin County*
Carole Groom | *San Mateo County*
Erin Hannigan | *Solano County*
Bruce McPherson | *Santa Cruz County*
Leonard Moty | *Shasta County*
Craig Pedersen | *Kings County*
Ed Scofield | *Treasurer, Nevada County*
Ed Valenzuela | *Siskiyou County*
Chuck Washington | *Riverside County (remote)*
Terry Woodrow | *Alpine County*

ADVISORS
Bruce Goldstein | *County Counsels Association, Sonoma County*

2. Approval of Minutes from January 17, 2019

A motion to approve the minutes from January 17 with minor edits to the roll call made by Supervisor Pedersen; second by Supervisor Bartlett. Motion carried unanimously.

3. Economic Development Opportunity Zones

Gurbax Sahota, President and CEO of the California Association for Local Economic Development, and CSAC staff presented an update on the Opportunity Zones program. The program was created by Congress as part of the Tax Cuts and Jobs Act of 2017 and it gives investors tax breaks on capital gains earned on investments in areas designated by the Opportunity Zones. Investments need to be made through a Qualified Opportunity Fund, which are subject to compliance requirements. Almost 100% of California counties have a designated Opportunity Zone. The governor proposed maintaining the treatment of capital gains on investments in affordable housing and green technology. The investments can vary from building housing to business or programs. Staff provided a map to the executive committee of designated qualified opportunity zones.

4. Consideration of the CSAC Budget for FY 2019-20

The Executive Committee was presented CSAC's proposed budget for Fiscal year 2019-20 by Supervisor Ed Scofield, CSAC's Treasurer. Highlights of the proposed budget include: no dues increases for the sixth consecutive year; An increase in the Finance Corporation Participation Program contribution to $4.3 million; $525,000 net revenue expected from the Corporate Associates Program; projected increase of $125,000 in administrative revenue fees for staff and resources for county welfare data systems management support; Salaries and benefits reflect increased retirement

contribution rates and benefit cost increases; $40,000 increase in the budgeted contribution to the California Counties Foundation; $250,000 contribution to the Capital improvement Fund; a projected $5.7 million in the Operational reserve by the end of FY 2019-20. Supervisor Scofield and staff recommend moving forward with support for the proposed budget.

A motion to approve the CSAC Budget as presented made by Supervisor Valenzuela; second by Supervisor Hannigan. Motion carried unanimously.

5. CSAC Finance Corporation Report

Shasta County Supervisor Leonard Moty, President of the CSAC FC updated the Executive Committee on the health of the corporation, which remains strong. The CSAC FC will have their Annual Meeting later this month and is looking forward to welcoming their new Board Members.

Eric Westrom from Synoptek addressed the Executive Committee. Synoptek has been the long-time IT services for CSAC, as well as a valued platinum partner for the CSAC FC. Eric shared a new initiative that CSAC EIA and Synoptek are working on, which is offering cyber security to counties. They will be providing tools and educating counties on how to manage those tools to maintain the highest levels of security. Synoptek has conducted educational webinars and will continue to provide education to counties on their cyber security.

6. CSAC Legislative Update, State & Federal Priorities

The CSAC Legislative team outlined the state and federal priorities to the Executive Committee. The Legislative team has been working closely with the Administration to develop advocacy on new bills being proposed.

Administration of Justice: Staff is opposing a bill that would impact fines and fees in the criminal justice system and is working on developing advocacy around the system.

Resiliency: The 901 Commission has continued to meet throughout the state, with CSAC staff intricately involved. The topic of inverse condemnation has been discussed and staff is working closely with the Governor's office to ensure that it doesn't get placed on the 5 point plan being released soon. CSAC continues to partner with insurers, local governments, and consumer attorneys to work on this issue.

Homelessness: The Governor is focusing on homelessness in the May Revise. CSAC has partnered with UCC and RCRC to show that all counties and statewide associations are working on homelessness together. Staff has asked for flexibility with funding and requested partnerships with the COC.

With the housing crisis once again at the top of CSAC's priorities, staff presented and recommended a support position on Senator Mitchell's new housing bill. SB 329, the Housing Opportunities Act, which was co-sponsored by Los Angeles County, would amend the Fair Employment and Housing Act to ensure that housing vouchers be included in California's prohibition on discrimination based on source of income.

A motion to approve CSAC's endorsement of SB 329 made by Supervisor Bartlett; second by Supervisor Alejo. Motion carried unanimously.

7. **CSAC Operations & Member Services Update**

Staff presented an update on the operations and member services team and the California Counties Foundation. The Executive Committee reflected on the hugely successful Regional Meeting that took place in March in Monterey County which focused on housing and the homelessness crisis. Supervisors felt hopeful and positive at the end of the meeting and will work on planning the next Regional Meeting. The CSAC Legislative Conference is coming up at the end of April. Staff reported that Governor Newsom will be at the conference and will open the general session. CSAC will continue to keep all registrants and counties informed of all updates and changes in regards to the conference. The communications team continues to promote CSAC's legislative priorities, as well as the Connecting the Unconnected initiative led by NACo President Supervisor Greg Cox from San Diego County. The California Counties Foundation has received an increase in funding to maintain the 5 campuses throughout the state that we currently have. The Foundation board is considering a partnership with San Bernardino County to offer an MBA program with CSUs.

8. **County Delegation China Trip**

Del Christensen from the Bay Area Council presented on his organization which works on policy issues in Northern California, such as housing, transportation, and other issues. The top priorities for the Bay Area Council are Housing, Commute, Workforce Housing and Water Supply. The council has four offices in China to help their companies access the market in China and bring investment back to the Bay Area, and has maintained extremely positive relationships within China. The Council attended the 2018 China International Import Expo (CIIE), where China opened up to buy goods from outside of China. The booth was branded as the California State Trade booth, which obtained great media coverage and promoted the sale of many goods. The Council has had some extremely successful trips to China, many of which included top CA Government officials. The council would like to invite CSAC members to join the statewide trade effort with China. The trip would be from November 1 – 10 and would include a visit to Beijing, Shanghai (where the CIIE expo will take place), Nanjing, and Hangzhou. The fee would be $6000 per attendee, which would cover all logistics, meals, accommodations, etc., with the exception of airfare. The council hopes to bridge the gaps between businesses in California that wish to access Chinese markets. The Council wants to know who will attend by the end of June.

9. **Upcoming Events**
    a. **CSAC Legislative Conference / Board Meeting: April 24 – 25 in Sacramento**
    b. **NACo Western Interstate Region (WIR) Conference**
        i. May 15 – 17, 2019 in Spokane, WA
        ii. May 13 – 15, 2020 in Mariposa County, CA
    c. **CSAC Regional Meeting: June, TBA**

10. **Information Items without Presentation**

Call to action from Supervisor Gore encouraging everyone to get their local hazard mitigation plan and present it to their Board of Supervisors to ensure that everyone is on the same page. This will allow the community to be prepared for all emergencies across the board, be it a fire, flood or active shooter situation.

Meeting was adjourned. The next Executive Committee Meeting will convene in Sacramento on August 8, 2019.

August 1, 2019

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TO: Members, CSAC Executive Committee

FROM: Graham Knaus | CSAC Executive Director
Darby Kernan | CSAC Deputy Executive Director of Legislative Affairs
Manuel Rivas, Jr. | CSAC Deputy Executive Director of Operations & Member Services

SUBJECT: Conversation on Strategic Communications / Advocacy for CSAC

The 2018 election brought a new Governor, as well as Democratic supermajority control in both houses of the State Legislature. CSAC and our counties now find ourselves in the position of educating a new Administration and Legislature on the important role that counties play in collaborating with the State to deliver a broad variety of programs to our shared constituents, including safety net services for many of the most vulnerable California residents.

CSAC and counties developed strong partnerships with Governor Brown's Administration over the last eight years. While counties and the Administration did not always agree, concerted efforts to address major policy issues through state and county collaboration provided an opportunity to build trust and develop positive working relationships. Through his decades of political experience at both the state and local level, Governor Brown also had a firsthand understanding of the importance of intergovernmental partnerships, as well as a philosophical perspective that recognized the value of local decision-making authority in addressing complicated policy issues in a state as diverse as California.

Governor Newsom benefits from the perspective that his local government experience was in the only consolidated city and county in California. Moreover, there are currently 14 legislators who are former county supervisors and 11 supervisors who are former state legislators. At this point in the new Administration and Legislature, it is critical for CSAC to begin strategically enhancing the profile of the state-county partnership and the valuable services that county governments provide. This effort should draw upon strengthening natural partnerships with the Governor and members of the legislature who best understand the importance of county government, while also proactively seeking collaborative opportunities to advance a positive, shared agenda.

As CSAC engages in critical battles in the Legislature on IHSS, homelessness, affordable housing, behavioral health, wildfire preparedness, restructuring of tax codes, and criminal justice reforms, the importance of educating state officials about county services has become more apparent. Often times state elected officials are making policy decisions that impact counties and the programs they deliver without fully understanding how it will affect services as well as and the constituents who rely upon these programs– particularly California's vulnerable populations.

Successfully addressing these vital policy issues and bolstering critical services for Californians appears likely to stay at the top of the agenda for the current Administration and Legislature. As CSAC positions itself as an indispensable partner to the state in tackling these complex policy issues, we must focus on a proactive effort to strategically educate the Administration, legislators, their staff, political media and other Sacramento political insiders about the value counties provide and seeking opportunities for mutually beneficial partnerships. In addition to direct benefits of proactive efforts to address shared policy goals, this work will better position CSAC in its lobbying efforts in the Capitol across all policy areas.

Mariposa County
Board of Supervisors

District 1 ... ROSEMARIE SMALLCOMBE
District 2 ..... MERLIN JONES
District 3 ..... MARSHALL LONG
District 4 ..... KEVIN CANN
District 5 ..... MILES MENETREY

DALLIN KIMBLE
County Administrative Officer

RENÉ LAROCHE
Clerk of the Board

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May 15, 2019

California State Association of Counties
Attn: Elizabeth Howard, Legislative
Analyst for Administration of Justice
1100 K Street, Suite #101
Sacramento, CA 95814

Sue Ronkowski
California State Association of Counties
1100 K Street, Suite # 101
Sacramento, CA 95814

Dear Ms. Howard and Ms. Ronkowski:

At the May 7, 2019 meeting of the Mariposa County Board of Supervisors, Supervisor Marshall Long's resignation was accepted and Supervisor Miles Menetrey was selected to serve as a representative to your organization during 2019, with Supervisors Rosemarie Smallcombe, Merlin Jones, Marshall Long, and Kevin Cann designated as alternates. Therefore, should an occasion arise in which Supervisor Menetrey is unable to attend an organization meeting or event, one of the alternates will be attending in such an absence.

Should you have any questions regarding this matter, please feel free to contact me.

Very truly yours,

Tracy Dauthieu, Deputy
Rene' LaRoche
Clerk of the Board

RL:tg

cc: Rosemarie Smallcombe, District I Supervisor
Merlin Jones, District II Supervisor
Marshall Long, District III Supervisor
Kevin Cann, District IV Supervisor
Miles Menetrey, District V Supervisor

August 1, 2019

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To: Members, CSAC Executive Committee

From: Darby Kernan | CSAC Deputy Executive Director for Legislative Affairs
Chris Lee | CSAC Legislative Representative

SUBJECT: Approval of Policy Priorities for Federal Transportation Reauthorization Bill – ACTION ITEM

Recommendation. Approve recommended policy priorities for reauthorization of the federal surface transportation bill.

Background. Congress passed and President Obama signed the Fixing America's Surface Transportation Act ("FAST Act") on December 4, 2015. The FAST Act was the first long-term transportation reauthorization bill in several years. It funds surface transportation programs—including, but not limited to, Federal-aid highways—at over $305 billion for fiscal years (FY) 2016 through 2020. In addition to funding surface transportation programs, the FAST Act made other transportation-related policy changes, including authorizing a pilot program for state and federal environmental law reciprocity that was long-sought by CSAC. Changes like CEQA-NEPA reciprocity will allow California to stretch each additional federal transportation dollar further.

While the FAST Act provided five years of funding, it did not increase transportation revenues in order to address the structural shortfall in the federal Highway Trust Fund (HTF). The HTF relies on federally-imposed fuel taxes of 18.4 cents/gallon on gasoline and 24.4 cents/gallon on diesel fuel. These rates are not adjusted for inflation and were last increased by the federal government in 1993.

In California, federal surface transportation funds under the FAST Act amount to about $5.6 billion in annual revenue to the State Highway Account. Approximately 60% of those funds are allocated to state highway projects, with the other 40% are allocated to federally-eligible projects sponsored by regional and local governments. In addition to funding allocated through regional transportation planning agencies, counties are eligible to receive federal transportation funds directly from the State in the form of grants for bridge projects, safety improvements, and active transportation projects.

The FAST Act doesn't expire until September 30, 2020, but committees in both houses of Congress have already begun policy discussions around reauthorization priorities. In April 2019, CSAC convened a working group of the County Engineers Association of California, including representatives of urban, suburban and rural counties, to provide technical feedback on reauthorization priorities. The initial draft developed by the working group was reviewed and approved by the Housing, Land Use and Transportation Policy Committee on June 7, 2019.

Policy Considerations. Given the long-term insolvency of the federal highway trust fund, a federal transportation funding fix continues to be the top priority for CSAC. To simply keep up with the pace of inflation, the spending levels authorized by the FAST Act would need to increase by $114 billion over the course of a new six-year surface transportation reauthorization bill. At the same time, it is crucial that federal transportation programs provide long-term funding stability for transportation projects that can take multiple years to plan and construct. CSAC's adopted policy supports a variety

of new user-based revenues sources, from increasing the federal gas tax to assessing a user fee that more accurately charges motorists for their use of the system.

California has joined cities, counties, regions and states across the country to increase infrastructure funding. Senate Bill 1 (Beall, 2017), invests $54 billion over the next decade to fix roads, freeways, bridges, and as well as funding transit, safety programs and active transportation in every community in California. In addition, over 88% of the state's population lives in a county that has approved special taxes to fund regional transportation improvements, raising nearly $200 billion over the next 30 to 40 years. California needs a strong federal partner to make needed "fix it first" investments to preserve our existing assets, deliver transportation infrastructure improvements that will create jobs, increase safety, improve mobility, address emerging issues including climate change resiliency, and keep the economy growing. This can only happen with a long-term funding fix for the federal HTF.

In addition to the overarching need to address the long-term funding of the HTF, local bridge rehabilitation and replacement, emergency relief projects, and safety projects continue to be acute needs for county road systems in California. Specific priorities recommended for these key items include:

- **Restore the Highway Bridge Program.** Provide dedicated revenue for local bridges on the federal aid highway system, either by creating a set-aside similar to the "off-system" highway bridge set-aside or by restoring the Highway Bridge Program as a core program. California essentially maintained the Highway Bridge Program, which was eliminated as a standalone program under a prior transportation authorization bill. The state has continued to allocate approximately $300 million in federal funds to local bridge projects each year from the National Highway Performance Program and Surface Transportation Block Grant Program. Nevertheless, local bridge funding needs are acute and additional funding, as well as a dedicated program, is well warranted. California cities and counties own over 12,000 bridges, of which 829 need to be replaced and 1,834 need rehabilitation. Based on a conservative estimate from the 2018 Local Streets and Roads Needs Assessment, local agencies in California face a $2.6 billion shortfall for bridge repair and rehabilitation over the next decade.

- **Ensure Eligibility for Emergency Relief Projects.** Provide relief for local agencies impacted by disasters by extending the statutory limit for emergency relief projects under the Federal Highways Administration (FHWA) to six years with the possibility of additional one-year extensions for just cause. In California, seven counties have 129 FHWA emergency relief projects worth over $80 million related to severe winter storms in 2017. These emergency relief projects could lose funding without the extension granted by this policy proposal. CSAC recently co-sponsored a National Association of Counties policy resolution on this topic and CSAC's federal representatives have worked with members of the California delegation to introduce amendments to achieve this change. While attempts to attach amendments to other bills have been unsuccessful, the best opportunity to secure the change will be in the context of the reauthorization bill.

- **Focus on Safety.** Increase funding for safety infrastructure projects on the existing transportation system. Programs/projects must be aimed at reducing the greatest number of fatalities regardless of ownership of the system. Reauthorization should ensure that the rural road system, which is largely managed by counties and where fatality rates are the highest, retains dedicated funding. Counties face significant needs to retrofit their roads to better accommodate active transportation by cyclists and pedestrians, especially as accident rates for

these modes of transportation increase. Accordingly, the reauthorization bill must promote bicycle and pedestrian safety programs and increase funding for these project types.

Action Requested. The Housing, Land Use and Transportation policy committee recommended approval of the priorities at a special meeting on Friday, June 7. CSAC staff request that the Executive Committee approve the attached federal transportation reauthorization policy priorities, which will be referred to the CSAC Board of Directors for final approval at their September meeting.

Staff Contacts.
Chris Lee, (916) 327-7500 Ext. 521 or clee@counties.org.

Attachments.
1) Draft FAST Act Reauthorization Priorities

California State Association of Counties

******DRAFT******

CSAC PRIORITIES FOR FAST ACT REAUTHORIZATION

Pending Approval by CSAC Board of Directors

FAST Act Reauthorization Priority: Increase Federal Revenues for Transportation Infrastructure

Without immediate bold action by Congress, the Highway Trust Fund will continue to face insolvency. Existing federal revenues continue to fall short of meeting the funding needs to bring our nation's surface transportation infrastructure into the next century. Our future economic prosperity, , and our dedication to the health, safety, and welfare of the traveling public and all Americans demands a significant reinvestment into the transportation network. **CSAC urges Congress to enhance revenues for investment in our national transportation infrastructure.**

The California State Association of Counties (CSAC) – the unified voice of California's 58 counties – believes that until the funding issue is addressed, we will not make significant progress in improving our critical transportation infrastructure. California has joined states around the country in taking action to address its transportation infrastructure funding needs. The landmark Road Repair and Accountability Act of 2017 provides over $5 billion annually to fix local roads, state highways and bridges and invest in transit and active transportation. At the regional level, over 80% of California's residents live in a county where voters have approved a dedicated local transportation tax measure. Despite these significant investments, California still depends upon a strong federal partnership to meet our transportation infrastructure needs.

The demands on our infrastructure are relentless – Californians log 300 million vehicle miles traveled annually, more than the current system was ever intended for. Local agencies in California own over 12,000 bridges, of which 829 need to be replaced and 1,834 need rehabilitation. At the same time, federal sources of revenue are declining due to necessary improvements in fuel economy and electric vehicle technology. In order to address pressing environmental concerns ranging from air quality and climate change to impacts on our water resources and energy demands, the nation must continue its work to advance technological improvements in fuel economy, alternative vehicles such as zero emissions vehicles, and reduce the amount people must drive to access work, school, home, services, and recreation. These challenges will only exacerbate our current funding dilemma.

CSAC's policy supports a variety of new revenues sources from increasing the federal gas tax to assessing a user fee that more accurately charges motorists for their use of the system than traditional revenues sources. Failing to address the severe funding issue within the next reauthorization effort will only negatively impact the condition of our system, our economy, our environment, and the overall quality of life for Americans. Increased revenue is our utmost priority for FAST Act reauthorization.

Once Congress addresses the funding issue, CSAC submits the following additional policy and programmatic priorities for consideration by Congress.

FAST Act Reauthorization Priority: Restore the Highway Bridge Program

- Provide dedicated revenue for on-system highway bridge projects, either by creating a set-aside similar to the off-system highway bridge set-aside or restoring the Highway Bridge Program as a core program.
- Increase dedicated funding for preventative maintenance on, and replacement of, bridges. This is a critical safety issue.

FAST Act Reauthorization Priority: Emergency Relief Projects

- Provide relief for local agencies impacted by disasters by extending the statutory limit for emergency relief projects under the Federal Highways Administration to six years with the possibility of additional one-year extensions for just cause.

FAST Act Reauthorization Priority: Focus on Safety

- Increase funding for safety infrastructure projects on the existing transportation system.
- Programs/projects must be aimed at reducing the greatest number of fatalities regardless of ownership of the system.
- Ensure the rural road system, where fatality rates are the highest, retains dedicated funding.
- Promote and increase funding for bicycle and pedestrian safety projects and programs.

Fast Act Reauthorization Priority: Fix-it-First

- Provide increased funding for maintenance and preservation of the existing system. Reinvesting in the system now prevents exponentially higher costs down the road.

FAST Act Reauthorization Priority: Streaming Project Delivery & Environmental Review

- Support streamlining of federal regulations to facilitate more expeditious project delivery.
- Ensure that federal project oversight is commensurate to the amount of federal funding.
- Extend the at-risk project pre-agreement authority available for transit projects to highway projects for non-construction activities and for construction activities once environmental review is complete.

FAST Act Reauthorization Priority: Increase Flexibility to Meet State, Regional, and Local Needs

- Maximize the use and flexibility of federal funds by not requiring minimum federal matches.
- Eliminate the need to program multiple phases for small projects.
- Eliminate need for TIP programming for air quality neutral projects.

FAST Act Reauthorization Priority: Assistance for Data Collection

- Provide funding, training, tools, and uniform standards for the collection of roadway and traffic data specifically for the local and rural roadways, including assistance and funding for data collection required by federal performance management rules.
- Provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change in long-range transportation plans.

FAST Act Reauthorization Priority: Improve Environmental Stewardship & Address Climate Change

- Provide financial incentives to States that adopt and set greenhouse gas (GHG) emissions reductions targets and programs to accomplish those targets.
- Provide incentives in current programs and/or provide new funding sources for climate change neutral or friendly transportation projects and programs.
- Provide financial incentives for rural sustainability.

- Provide financial support for regional and countywide planning processes that integrate transportation and land use planning to reduce GHG emissions.
- Provide funding for retrofitting equipment and for alternate fuel infrastructure.

FAST Act Reauthorization Priority: Maintain Funding for Federal Lands Access Program (FLAP)

- Maintain funding for the FLAP for projects that provide access to, are adjacent to, or are located within Federal Lands.

For more information regarding these priorities and principles, please contact:
Joe Krahn, Paragon Government Relations, (202) 898-1444
Chris Lee, California State Association of Counties, (916) 650-8180

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August 1, 2019

TO: Members, CSAC Executive Committee

FROM: Darby Kernan | CSAC Deputy Executive Director or Legislative Affairs
Cara Martinson | CSAC Senior Legislative Representative & Federal Affairs Manager

SUBJECT: AB 1054 (Chapter 79, Statutes of 2019) – Wildfire & Utility Liability Package

AB 1054 passed out of the Legislature and was signed by the Governor last month. This bill, authored by Assembly Members Holden, Mayes and Burke addresses several significant issues arising from utility- caused wildfires, picking up where SB 901 (Chapters 626, 2018) left off. AB 1054 takes the additional step of enforcing safety standards on utilities, and assessing when and how costs arising from utility-caused wildfires can be passed on to ratepayers. AB 1054 also provides tools for utilities to manage liabilities, including options for debt management and a more substantial catastrophic wildfire fund. The bill accomplishes all of this while protecting the rights of victims, balancing the impacts on ratepayers, and holding utilities accountable.

CSAC was a key supporter of this measure and worked alongside a strong coalition to ensure that victim's rights were protected and the bill would help to protect future victims in the event of a utility-caused wildfire. CSAC has been working with the Administration over the year to increase coordination between the state and local governments for disaster recovery, preparedness and resiliency efforts. AB 1054 is an important step in an ongoing effort to keep California protected against and prepared for future disasters. CSAC will continue to advocate on a number of bills that work towards this goal, as well as engage our membership through the CSAC Resiliency Advisory Board. The following is a summary of AB 1054:

Legal Protections for Victims

- AB 1054 protects victims, leaving the legal standard of inverse condemnation in place. The bill does not include any changes to trial court proceedings which consider damages for wildfire victims.

Safety Measures

- Creates new and enhanced safety oversight of utilities.
- Creates an annual, enforceable Utility Safety Certification administered by wildfire experts.
- Ties utility executive compensation to safety performance measures.
- Requires IOUs to create an aggregate $5 billion safety and wildfire mitigation investment over a period of five years, without profit on such expenditures.

Cost Recovery/ Prudent Manager Standard

- Protects future victims and rate payers by creating a more objective, understandable and measurable standard for assessing cost recovery from utility-caused wildfires.
- Provides utilities and others with a clear and fair standard and process to know when costs are recoverable from a utility- caused catastrophic wildfire.

Wildfire Fund

- Creates a mechanism for utilities to stabilize their financial health, promotes delivery of safe and affordable energy and incentivizes resolution of claims to current wildfire victims.
- Requires contributions from IOUs and requires $1 Billion commercial insurance “deductible” for each IOU.
- Fund can only be used for IOU-caused fires and reimbursed by IOUs if the utility was negligent.
- PG&E must exit bankruptcy and fully resolve and make whole its 2017-18 wildfire victims by June 30, 2020 to access fund.

August 1, 2019

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TO: Members, CSAC Executive Committee

FROM: Graham Knaus | CSAC Executive Director
Darby Kernan | CSAC Deputy Executive Director, Legislative Affairs
Farrah McDaid Ting | CSAC Legislative Representative

SUBJECT: County Impact of California's Next Health and Behavioral Health Waiver(s)

Introduction. California's counties play an indispensable role in the state's Medicaid program, called Medi-Cal, which provides health care coverage to low-income residents. Counties not only partner with the state to administer many of the functions of Medi-Cal, including eligibility functions, but also support the public health care safety net by financing and operating nonprofit public hospitals, health plans, and behavioral health plans.

While the state serves as the administrator of Medi-Cal, it is this partnership with counties – both contractual and fiscal – that ensures all qualified residents have access to the health and behavioral health care they need.

Much of the state's Medicaid program operates under federal waivers, which allow the state to deviate from federal regulations or requirements to meet the needs of its population. Counties depend heavily on the federal waivers negotiated between the state and the Centers for Medicare and Medicaid Services (CMS) to help finance public hospitals, operate MHPs, improve care, and coordinate innovative programs such as Whole Person Care. For counties, it is imperative for the state to continue to request waivers and financing for county safety net health services.

In 2020, the terms of two of the state's main Medicaid waivers, the Section 1115 Medicaid 2020 Waiver and the 1915b Medi-Cal Specialty Mental Health Services Waiver, simultaneously expire. The Department of Health Care Services (DHCS), which serves as the state's single point of contact with CMS, has undertaken an external stakeholder process on the waivers, while also conducting an internal waiver planning and drafting process.

Key Issues. Counties must prepare for this process by identifying and developing priorities for the new waivers and, most importantly, fully vetting the attendant fiscal implications associated with new ideas, new waivers, or even the scenario in which the state declines to engage in new or renewed waivers.

Please see next page for significant priorities.

Significant initial counties priorities include:

- Preserving the nearly $7 billion in federal financial participation for county public hospitals and health systems under the current Medi-Cal 2020 waiver. These funds are absolutely critical for county public hospitals. Waiver funding and innovations have also helped transform county public hospitals into innovative health hubs rather than providers of last resort. Waiver funding also includes incentives for system transformation and improved patient care, both of which ultimately achieve cost savings and better health outcomes.

- Advancing behavioral health care and integration of services at the county level with the continuation of the 1915b Medi-Cal Specialty Mental Health Services Waiver, which designates county MHPs as the single provider of Medi-Cal Specialty Mental Health Services. Counties have made significant investments in the behavioral health system under the current 1915b Waiver, and stand ready to continue to transform behavioral health services to improve access, ensure quality care, and address the needs of unique populations in the state, such as foster youth, those living without shelter, and those involved with the criminal justice system.

- Protecting county Medi-Cal eligibility functions, systems, and financing to ensure timely, accurate eligibility for all who qualify. This includes continued innovations to improve accuracy and data gathering, as well as training assistance and improved communication between the state and counties.

- Sustaining and building upon innovative waiver programs and funding, such as Whole Person Care (WPC) and the Drug Medi-Cal Organized Delivery System (DMC-ODS).

- Seeking new waiver authority offered by the federal government to access new funding for inpatient residential treatment in facilities designated as Institutes for Mental Disease (IMD). These types of facilities represent the highest and most intensive level of inpatient psychiatric care, and are the single most expensive service for MHPs. By obtaining an IMD waiver, the state will assist counties with the costs of this level of care, while also working together to shore up the entire continuum of mental health care to help avoid IMD placements in the first place.

Next Steps. CSAC must take a number of immediate actions to communicate and advocate for counties on waivers in 2019 and 2020: convene experts to identify key priorities, develop and evaluate fiscal models, and engage with the state, other stakeholders, and the Legislature on the importance of waiver funding for county safety net health and behavioral health systems.

More detailed reference information is included below, including a list of current waivers, a rough timeline, and additional resources.

ADDITIONAL DETAILS

MEDI-CAL

California's Medicaid program – called Medi-Cal – is one of the largest in the nation, providing health and behavioral health care coverage to more than 13 million low-income state residents. The state expects to spend approximately $23 billion in state General Fund in fiscal year 2019-20 on Medi-Cal, which does not include county realignment expenditures on health and behavioral health services.

The Department of Health Care Services (DHCS) serves as the single state agency responsible for the Medicaid program in California, and must ensure fiscal solvency, program standards, and adherence to state and federal requirements.

COUNTY ROLE IN MEDI-CAL

Counties intersect with the Medi-Cal program in critical ways, including:

- Public Hospitals: Counties operate 15 public hospitals in 12 counties, which provide critical safety net health care access to their communities.
- Health Plans: Counties operate 16 County Organized Health Systems or Local Health Plans providing Medi-Cal managed care health coverage and services to 7.5 million Californians (70 percent of Medi-Cal caseload)
- Behavioral Health Services: Counties operate 56 Mental Health Plans (MHPs), which provide Specialty Mental Health Services, including mental health and substance use disorder services, to Medi-Cal enrollees.
- Eligibility: County human services agencies administer Medi-Cal eligibility responsibilities, including determining eligibility and annual renewals, on behalf of the state.

FEDERAL WAIVERS OF IMPORTANCE TO CALIFORNIA'S COUNTIES

NAME	TYPE	REGARDING	TIMELINE	DOLLARS	NOTES
California Medi-Cal 2020 Demonstration, "Medi-Cal 2020"	Section 1115 Medicaid Waiver	Public Hospital Financing (PRIME, Global Payments Program), Drug Medi-Cal (DMC-ODS), Whole Person Care, Dental Transformation Pilot	December 30, 2015 through December 31, 2020	approximately **$6.2** billion in FFP Must be budget neutral for the federal government	Current waiver: 40 counties in DMC-ODS 25 counties in WPC 12 counties with public hospitals
1915(b4) Medi-Cal Specialty Mental Health Services Waiver	Freedom of Choice Waiver	Allows state to mandate enrollment into County Mental Health Plans for Specialty Mental Health Services	July 1, 2015 through June 30, 2020	50% of actual cost of services	Could include care integration
Institutes for Mental Disease (IMD) Waiver	Section 1115 Medicaid Waiver Institutes for Mental Disease	Would allow CA to pull down federal dollars for IMD stays.		Must be budget neutral for the federal government	New waiver opportunity; state has yet to apply

TIMELINE

DATES	ACTION	NOTES
Fall 2018-Winter 2019	DHCS convened Coordinated Care stakeholder meetings for 30 total hours	CSAC participated
Summer 2019	DHCS appoints and convenes Behavioral Health Stakeholder Advisory Committee (BH-SAC)	CSAC is a member
September 2019	DHCS will release concept paper, likely for both 1115 and 1915b waivers	
September-December 2019	DHCS will convene stakeholders for input and seek public comment	CSAC is a member and will submit public comment
Jan-March 2020	DHCS will draft waiver application(s) and submit to CMS	
March – September 2020	Negotiations between DHCS and CMS on Special Terms and Conditions (STCs)	
June 2020	Existing 1915b waiver expires	
December 2020	Existing 1115 waiver expires	
Jan-July 2021	State legislation to implement STCs drafted and moves through legislative process as an urgency measure (2/3 vote)	

ADDITIONAL RESOURCES

List of all 9 current CA waivers: https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/Waiver-Descript-Factsheet/CA-Waiver-Factsheet.html#CA0336
DHCS Medi-Cal 2020 Waiver Page: https://www.dhcs.ca.gov/provgovpart/Pages/medi-cal-2020-waiver.aspx
CSAC Medi-Cal 2020 Waiver Page: https://www.counties.org/post/csac-resources (includes waiver updates, CSAC support letters, etc.)
CAPH Medi-Cal 2020 Waiver Page: https://caph.org/priorities/medi-cal-2020-waiver/
IMD Waiver Opportunity Letter: https://www.medicaid.gov/federal-policy-guidance/downloads/smd18011.pdf
DHCS 1915b Waiver Page: https://www.dhcs.ca.gov/services/MH/Pages/1915(b)_Medi-cal_Specialty_Mental_Health_Waiver.aspx
Whole Person Care Counties:
https://www.dhcs.ca.gov/services/Pages/WholePersonCarePilotApplications.aspx
Drug Medi-Cal Organized Delivery System Counties:
https://www.dhcs.ca.gov/provgovpart/Pages/County-Implementation-Plans-.aspx

-end-

August 1, 2019

TO: Members, CSAC Executive Committee

FROM: Leonard Moty | President
Alan Fernandes | Chief Executive Officer

SUBJECT: CSAC Finance Corporation Update

Mission Statement

To provide a broad array of finance, investment, insurance and purchasing services to benefit California counties and related public agencies.

Overview

The California State Association of Counties (CSAC) formed the CSAC Finance Corporation in 1986 to provide municipal finance service to counties. Since its inception the CSAC Finance Corporation has grown to be the premier provider of a variety of cost- saving programs and services to counties and other local governments throughout California.

CSAC Finance Corporation Commitment & Priorities

Dedicated to the business of improving public services for counties and their constituents.

- To Provide Financial Support to CSAC
- Create and Maintain Innovative Public Services and Products
- Collaborate with Complementary National and State Organizations
- Maintain Strong Relationships with our Service Providers

CSAC Finance Corporation Programs (See attached)

The next in-person CSAC Finance Corporation Board Meeting will occur next month in Orange County from September 18-20th. At this meeting, the CSAC Finance Corporation Board will be meeting to discuss new program development and will hold a joint session with the National Association of Counties to discuss existing and future partnerships in programs, including Nationwide, CalTRECS, Easy Smart Pay, and others.

Corporate Associates Program Presentation

Alan Fernandes, Chief Executive Officer
alan@csacfc.org or 916.650.8120

Jim Manker, Director of Business Development
jim@csacfc.org or 916.650.8107

The CSAC Finance Corporation offers value-added products and services to California's counties, their employees and retirees as well as other forms of local government. Our programs are designed to assist county governments in reducing costs, improving services, and increasing efficiency. Our offerings provide the best overall local government pricing and the revenue generated by the CSAC Finance Corporation supports CSAC's advocacy efforts on behalf of California's counties.

Program Summary

Financing

CSCDA	*Alan Fernandes*	*www.cscda.org*

The California Statewide Communities Development Authority (CSCDA) was created in 1988, under California's Joint Exercise of Powers Act, to provide California's local governments with an effective tool for the timely financing of community-based public benefit projects. Currently, more than 500 cities, counties and special districts have become Program Participants to CSCDA – which serves as their conduit issuer and provides access to an efficient mechanism to finance locally-approved projects. CSCDA helps local governments build community infrastructure, provide affordable housing, create jobs, make access available to quality healthcare and education, and more.

Deferred Compensation

Nationwide	*Alan Fernandes*	*www.nrsforu.com*

The Nationwide Retirement Solutions program is the largest deferred compensation program in the country for county employees. In California, over 65,000 county employees save for their retirement using this flexible, cost-effective employee benefit program. This program is the only one with a national oversight committee consisting of elected and appointed county officials who are plan participants. Additionally, an advisory committee comprised of California county officials provides additional feedback and oversight for this supplemental retirement program. Currently 30 counties in California have chosen Nationwide to help their employees save for retirement.

Investing

CalTRUST	*Alan Fernandes*	*www.caltrust.org*

The Investment Trust of California (CalTRUST) is a JPA established by public agencies in California for the purpose of pooling and investing local agency funds - operating reserves as well as bond proceeds. CalTRUST offers the option of five accounts to provide participating agencies with a convenient method of pooling funds – a liquidiy fund, a government fund, a money market fund, a short-term, and a medium-term. Each account seeks to attain as high a level of current income as is consistent with the preservation of principle. This program is a great option to diversify investments!

Discounted Prescription Drugs

Coast2CoastRx	*Jim Manker*	*www.coast2coastrx.com*

The Coast2Coast Discount Prescription Card is available at no-cost to the county or taxpayers and will save county residents up to 75% on brand name and generic prescription drugs. The Coast2Coast program is already being used by over 35 counties in California. Not only does it offer savings to users, your county will receive $1.25 from Coast2Coast for every prescription filled by a cardholder.

Cyber Security and Technology

Synoptek	*Alan Fernandes*	*www.synoptek.org*

The CSAC FC and Synoptek have partnered to offer a human firewall training program and fraud assessment. The human firewall program is a training program whereby a comprehensive approach is initiated that integrates baseline testing, using mock attacks, engaging interactive web-based training, and continuous assessment through simulated phishing attacks to build a more resilient and secure organization. Synoptek offers a wide range of security technology offerings to aid your county in remaining vigilant and secure.

Property Tax Payment Portal

Easy Smart Pay *Alan Fernandes* *www.easysmartpay.net*

East Smart Pay is a product of Smart Easy Pay, a corporation formed by the CSAC Finance Corporation to help residents throughout California streamline their property tax payments. Through the Easy Smart Pay platform residents can pay their property taxes in installments via ACH or credit card with preferred processing fees. This program is currently being piloted in San Luis Obispo County

Revenue Collection

CalTRECS *Jim Manker* *www.csacfc.org*

The CSAC FC has joined with NACo FSC to develop the California Tax Recovery and Compliance System (CalTRECS) program to help counties collect outstanding debts in a timely, cost-effective manner. The debt offset service allows counties and other local government to compile and submit their delinquencies for offset against pending state personal income tax refunds and lottery winnings.

Cannabis Compliance

CCA *Alan Fernandes* *www.cca.ca.gov*

The California Cannabis Authority is a Joint Powers Authority established by county governments to develop and manage a statewide data platform. The platform will assist local governments that are regulating commercial cannabis activity by consolidating data from different channels into one resource to help local governments ensure maximum regulatory and tax compliance. In addition, the platform can help to facilitate financial services to the cannabis industry by linking willing financial institutions with interested businesses, and by providing critical data to ensure that all transactions and deposits are from legal transactions.

Information & Referral Services

211 California *Alan Fernandes* *www.211california.org*

The CSAC FC manages 211 California which is a network of the 211 systems throughout California. These critical agencies serve county residents by providing trusted connectivity to community, health, and social services. During times of disaster and recovery, 211 organizations are vital to assist residents find critical services and information.

CSAC Finance Corporation
Board of Directors

Leonard Moty, Shasta County – ***President***
Graham Knaus, CSAC – ***Vice President***
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Greg Cox, San Diego County
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Richard Forster, Amador County
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Susan Muranishi, Alameda County
Billy Rutland, Public Member
David Twa, Contra Costa County

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August 1, 2019

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TO: Members, CSAC Executive Committee

FROM: Manuel Rivas, Jr. | Deputy Executive Director of Operations and Member Services

SUBJECT: Operations and Member Services / California Counties Foundation

This memorandum highlights key activities within CSAC Operations and Member Services/California Counties Foundation.

Member Services

Regional Meeting – CSAC conducted its second Regional Meeting of 2019 on June 27. Held in Fresno County, the meeting's focus was on economic opportunities in the Central Valley. More than 70 county representatives (14 counties represented), corporate partners and CSAC issue experts attended the day-long event, which include panel discussions and interactive sessions among participants. The Institute for Local Government, of which CSAC is a parent organization, produced and moderated a very well-received panel discussion that spotlighted Federal Opportunity Zones. CSAC staff is now planning the Fall Regional Meeting, which will focus on resiliency and be held in Sonoma County in October.

Annual Meeting – CSAC staff is working on the 2019 Annual Meeting, scheduled for early December in the City/County of San Francisco. Work is well under way in selecting keynote speakers and workshop topics that could include off-site visits. Online registration is set to open in mid August.

NACo WIR Conference – CSAC has been working closely with Mariposa County and RCRC on hosting the 2020 NACo Western Interstate Region Annual Conference in Mariposa County. Marketing efforts are well under way as a booth was staffed during WIR's 2019 conference in Spokane, Wash., and at the NACo Annual Conference in Clark County, Nevada. Mariposa County Supervisor Kevin Cann currently serves as the 2019-20 WIR President.

Challenge Awards – While just finishing our videos and blogs spotlighting 2018 Challenge Award-winning programs, CSAC has kicked off the 2019 competition. More than 280 entries were received – the second most in the program's 25-year history. Judges are currently reviewing the entries and will come together in September to make final decisions. CSAC staff will then begin the process of setting up presentations at board meetings in award-winning counties.

Communications

Traditional Media – CSAC conducted a press conference with wildfire survivors in early July to spotlight our support for AB 1054. The conference was well-attended by Sacramento media, and included follow up by reporters unable to attend. CSAC continues to receive numerous inquiries from reporters regarding a wide variety of issues, including the state budget, behavioral health, housing, homelessness, and numerous pieces of legislation.

Social Media – CSAC's social media numbers have continued to grow. Between April and June, CSAC's tweets received 825,000 views. CSAC is on track to receive more than 3 million views in 2019. We continue to utilize Facebook, YouTube and Instagram on a daily basis to broaden our social media reach.

Video – In the last 10 weeks, CSAC Communications produced 25 videos. These included Challenge Award videos and promotional teasers, CSAC's AB 1054 press conference, Power Minutes focusing on key legislative and budget issues, Legislative Conference and Regional Meeting summaries.

"The County Voice" Blog – CSAC's blog continues to be updated on a weekly basis. In the past three months, we have profiled numerous innovative county programs, as well spotlighted a number of other key issues, including the CSAC Institute and Results First programs, the 2020 WIR Annual Conference in Mariposa County, foster care, child nutrition and fire safety.

California Counties Foundation

The California Counties Foundation (Foundation) is the non-profit foundation of CSAC that houses the CSAC Institute, the CSAC Support Hub for Criminal Justice Programming, and manages charitable contributions and grants to improve educational opportunities for county supervisors, county administrative officers, and senior staff. This memorandum highlights key activities and programs occurring within the Foundation.

CSAC Institute – The CSAC Institute for Excellence offers exemplary professional development opportunities for county managers, executives and elected officials. The program has grown from offering courses in one central location in Sacramento to five locations throughout the state as well as offering special programs that target specific audiences — elected officials, county executives, and new/aspiring department directors. This fiscal year the Institute will continue its work to provide continuing education opportunities through policy-based and leadership-focused courses and activities as described below.

County Campuses – The Institute held its final course in Orange County with 25 participants receiving their Executive Credential during the Orange County Board of Supervisors meeting on June 25, 2019. The Orange County campus will rotate to San Diego County in September 2019. The Tulare County Campus held its final course in July and we expect about 20 participants will receive their Executive Credential at the Tulare County Board of Supervisors meeting on August 13, 2019. The next session of Tulare County campus will begin in January 2019. The Santa Cruz and Shasta/Tehama campuses will end their respective program in October, and a new campus in Mendocino/Lake will start in January 2020.

Fall-Winter 2019 Course Schedule – The July-December session has begun. Classes will be offered in Sacramento, Santa Cruz, Orange, Shasta/Tehama and San Diego counties. This session, our curriculum focuses on financial management and county communications, along with offering popular Institute courses such as Realignment 101 and performance measurement and management.

New Supervisors Institute – The final session of the New Supervisors Institute was held July 18-19 in Sacramento. Nearly 30 newly elected County Supervisors received their certificate of completion. The group will reconvene during for a reunion breakfast during the Annual Meeting in San Francisco.

"So You Want to Be the County Executive" Seminar – This popular career development seminar is designed for those aspiring to or recently appointed as the CAO/CEO and will be held in February or

March 2020. The seminar examines the leadership practices, political skills, recruitment process and making the transition to becoming a County Executive. This is the ideal seminar for any senior manager who is considering the next step in their career.

CSAC Support Hub for Criminal Justice Programming – The CSAC Support Hub has been hard at work planning activities for the upcoming year and supporting counties through various steps of the Results First Process. Below are a few highlights:

Solano County: The Solano County Probation Department released their report and presented their findings to their Steering Committee (a working group of their Community Corrections Partnership) and their Community Corrections Partnership in April and to their Board of Supervisors in June. Their report was well received and included the following recommendations and next steps:

- Develop a county-wide evidence-based program and approach.
- Continue to collaborate cross-agency on standardizing evidence-based programming.
- Share inventory of evidence-based programs in an online format to create transparency.
- Build capacity within each agency to monitor and respond to fidelity concerns.

The CSAC Support Hub team will be working with Solano County in the coming weeks on a strategic planning meeting to help them implement these recommendations.

Nevada County: The Nevada County Probation Department released a report and presented findings to its Community Corrections Partnership in May. Their report included the following recommendations and next steps:

- Continue collaboration and expand data sharing across departments.
- Conduct a more in-depth analysis of programs to determine gaps and opportunities to increase utilization.
- Leverage services to maximize county capacity.
- Utilize the program inventory and Clearing House Database for program selection.
- Monitor program fidelity to maximize outcomes.

Nevada County's initial findings differed from other counties partially due to it being the first rural county included in the Results First project. The CSAC team plans to continue providing capacity around building a culture of evidence and collaboration in Nevada County taking into account their unique characteristics.

September 2019 Annual Summit: Our Annual Summit will take place on September 25-26 in Ventura County. At this summit, we will provide an overview and introduction to counties of our goal to support them in the development and realization of a strategic framework for data-driven and evidence-based practice. We will also work with counties to identify the best match between their needs and the resources we can provide to guide our work in the coming two years.

MEMORANDUM

TO: **Supervisor Virginia Bass, President, and Members of the CSAC Executive Committee**

FROM: **Jennifer Henning | Litigation Coordinator**

Date: **August 1, 2019**

SUBJECT: **Litigation Coordination Program Update**

This memorandum will provide you with information on the Litigation Coordination Program's new case activity since your April 4, 2019 Executive Committee meeting. Recent CSAC court filings are available on CSAC's website at: http://www.csac.counties.org/csac-litigation-coordination-program.

The following jurisdictions are receiving amicus support in the new cases described in this report:

COUNTIES	CITIES	OTHER AGENCIES
Alameda	Guadalupe	Barrett Business Services
Contra Costa	Los Angeles	LA County Metro Transportation Authority
Los Angeles		Metrolink
Orange (2 cases)		Paradise Irrigation District
Riverside		
San Bernardino		
San Diego		
San Joaquin		
San Mateo (2 Cases)		
Santa Clara		
Sonoma (2 Cases)		
Ventura		

Busker v. Wabtec
Pending in the California Supreme Court (filed Sept. 7, 2018)(S251135)
Status: Amicus Brief Filed July 15, 2019; Case Fully Briefed and Pending

Prior to this case, prevailing wage guidance and case law has determined that prevailing wage applies to field installation work but not on rolling stock, which is work performed on board transit (trains, buses, ferries, etc.). Plaintiff in this case sought prevailing wage in federal court for work he performed on board a Metrolink train. The trial court affirmed the law that prevailing wage does not apply to work on rolling stock. On appeal, the federal Ninth Circuit wanted a definitive answer to this state law question, and has therefore certified the question to the California Supreme Court. The Court will now

decide whether California prevailing wage law applies to rolling stock. CSAC has filed an amicus brief in support of Metrolink.

City of Los Angeles v. Superior Court (McDowell)
Pending in the Second Appellate District (filed Mar. 27, 2019)(B296555)
Status: Fully Briefed; Writ Petition Pending

This case involves a fire that broke out in a car garage in a single family home in Los Angeles. The garage had been illegally converted into several living units. A resident of the garage started the fire by setting flame to a pile of clothes, and unfortunately, one of the other residents died. The deceased resident's heirs sued the City of Los Angeles, alleging that City police officers and other City workers had been to the property dozens of times, and those visits "should have revealed that the premises were not safe for human occupancy" and that the garage did not comply with local and state codes. The City sought to have the case dismissed. In opposition, plaintiffs submitted the order from the Alameda County Superior Court ruling (adverse to the City of Oakland) in *In re Ghost Ship Litigation*, a case in which CSAC also filed an amicus letter. Offering no reasoning in its written order, the Los Angeles Superior Court declined to dismiss the case. The City is seeking a writ in the Court of Appeal, and CSAC has filed a letter in support of the writ.

County of Sonoma v. Gustely
36 Cal.App.5th 704 (1st Dist. May 31, 2019)(A153423), *request for publication granted* (June 24, 2019)
Status: Publication Request Granted; Case Closed

Defendant property owner failed to comply with a code enforcement abatement order that included abatement costs and civil penalties. The county filed this action to enjoin further violations and recover penalties. The property owner did not file a responsive pleading. The trial court entered a default judgment in favor of the county, but ordered penalties significantly lower than the amount ordered by the administrative hearing officer. On appeal, the First District held, in an unpublished opinion, that "this provision of the court's order, which alters a final administrative order, was entirely unexplained and provides respondent with a windfall he did not request, cannot be sustained." The court agreed with the county that the trial court lacked discretion to alter the administrative hearing officer's penalty order because the administrative order was final since the property owner did not file a timely writ or appeal, and there is no other mechanism for judicial review absent such a challenge. The court also found that even if the trial court could alter the penalty order, it could only do so after a finding of error, which the trial court did not make in this case. CSAC supported Sonoma County's publication request, which was granted.

Guillory v. Hill
--- Cal.App.5th ---, 2019 Cal.App.LEXIS 578 (4th Dist. Div. 3 May 31, 2019)(G054027), *request for publication granted* (June 26, 2019)
Status: Publication Request Granted; Case Closed

Plaintiffs won a civil rights claim against an Orange County Sheriff's Department investigator. Plaintiffs requested over $1 million in damages, but were awarded only $5,400, which was upheld in a separate appeal. As the prevailing party, plaintiffs then sought $3.8 million in attorneys' fees, which the trial court denied. In this unpublished opinion, the Fourth District upheld the zero fee award. Noting that plaintiffs are only entitled to "reasonable" attorneys' fee award in civil rights cases, the court concluded that awarding fees here would not be reasonable because: (1) plaintiffs obtained only de minimis success in their action; and (2) the fee request was made "in an almost 400-page motion crammed with obfuscating and questionable billing records." Orange County's publication request, which CSAC supported, was granted.

In re County Inmate Telephone Service Cases
Pending in the Second Appellate District (filed July 17, 2018)(B291341)
Status: Amicus Brief Due September 30, 2019

These consolidated cases were brought against the counties of Los Angeles, San Bernardino, Riverside, Orange, Ventura, Alameda, Santa Clara, San Mateo and Contra Costa. The cases challenge the county contracts with telephone service providers that have the exclusive right to provide telephone service in the counties' correctional facilities. Plaintiffs allege those service providers charge "grossly unfair and excessive phone charges" that amount to an unlawful tax, infringe on California constitutional rights of speech and association, and violate due process. The trial court ruled in favor of the counties, and the plaintiffs have appealed. CSAC will file an amicus brief in support of the counties that will address the implications of just how many people would be able to file suit against public entities if all the people who interact with its service providers were deemed taxpayers with standing to challenge the receipt of revenues beyond the cost of providing services.

Kaanaana v. Barrett Business Services
29 Cal.App.5th 778 (2d Dist. Nov. 30, 2018)(B276420), *petition for review granted* (Feb. 27, 2019)(S253458)
Status: Amicus Brief Due September 5, 2019

The Second District has found, in a 2-1 opinion, that contract workers who sorted recyclables at a county sanitation district facility were engaged in "public works" that would require the contractor to pay the workers according to the prevailing wage laws in the Labor Code. Under previous case and administrative law analysis, the types of work subject to prevailing wage requirements generally involved the construction or maintenance of public works infrastructure projects, but not the operation of existing facilities. The sanitation district sought Supreme Court, which CSAC support, and review was granted. CSAC will now file an amicus brief on the merits in support of the district.

Los Angeles County Metropolitan Transportation Authority v. Yum Yum Donut Shops
32 Cal.App.5th 662 (2d Dist. Feb. 26, 2019)(B276280), *petition for rehearing denied* (Mar.26, 2019), *request for depublication and petition for review denied* (June 12, 2019)(S255127)
Status: Case Closed

Yum Yum Donut Shops sought compensation under Code of Civil Procedure section 1263.510 for the loss of goodwill resulting from an eminent domain taking by the Los Angeles County Metropolitan Transportation Authority. The code requires the condemnee to establish its entitlement to good will. The trial court concluded that because Yum Yum had unreasonably rejected alternate locations proposed by the MTA, it was not entitled to compensation for goodwill. The Court of Appeal reversed, finding that section 1263.510 is intended to be remedial, meaning it should be liberally construed in favor of Yum Yum. As such, the court concluded that a condemnee is entitled to compensation for lost goodwill if any portion of that loss is unavoidable. CSAC supported MTA's efforts at depublication and Supreme Court review, but both were denied.

Mateos-Sandoval v. County of Sonoma
912 F.3d 509 (9th Cir. Dec. 21, 2018)(16-16122), *petition for rehearing en banc denied* (Feb. 21, 2019), *cert. petition pending* (filed May 22, 2019)(18-1466)
Status: Petition for Certiorari Pending in the US Supreme Court

This case challenges Vehicle Code section 14602.6, which provides for a 30-day vehicle impoundment when a driver is arrested for driving without a license. The Ninth Circuit Court of Appeals found in favor of plaintiffs in this case, concluding: (1) a local interpretation of state law was a separate policy sufficient to support county liability, even though the county was only enforcing State law; (2) even though an initial seizure does not violate the Fourth Amendment, the 30 day hold does violate the Fourth Amendment; and (3) the Legislature's rationale for the 30 day hold – deterring driving without a

license – is not "reasonable" for purposes of the Fourth Amendment. Sonoma County sought rehearing in the Ninth Circuit, which CSAC supported, but rehearing was denied. The County is now seeking US Supreme Court review, and CSAC has filed a brief in support.

Olivera St. Apartments v. City of Guadalupe

Unpublished Opinion of the Second Appellate District, 2019 Cal.App.Unpub.LEXIS 3333 (2d Dist. May 14, 2019)(B286285), *request for publication denied* (June 6, 2019)

Status: Case Closed

This unpublished opinion upholds a city's adoption of an urgency ordinance to allow the city to consider zoning changes. In the case, the city adopted a temporary moratorium on boardinghouses based on an inquiry and meetings discussing the possibility of converting an existing apartment building (500 sq feet per person) into a boardinghouse for agricultural workers (50 sq feet per person). The building owner challenged the ordinance arguing, among other things, that the ordinance was invalid because there was no urgency (i.e., the meetings and inquiry on the issue did not justify adoption of the ordinance). The Court of Appeal disagreed, concluding that the "urgency ordinance is . . .reasonably related to the legitimate governmental purpose of briefly prohibiting boardinghouses while it considered zoning changes." The court noted that the city ultimately decided to allow boardinghouses as permitted uses, "[b]ut that does not mean the City was remiss in imposing an urgency moratorium to consider the matter." CSAC requested that the opinion be made published, but the request was denied.

Paradise Irrigation Dist. v. Commission on State Mandates

33 Cal.App.5th 174 (3rd Dist. Mar. 20, 1019)(C081929), *petition for review denied* (June 19, 2019)(S255512)

Status: Case Closed

Several irrigation and water districts filed test claims before the Commission on State Mandates seeking reimbursement for mandates related to the Water Conservation Act and its implementing regulations. The Commission denied the claim. The Sacramento Superior Court affirmed for two reasons. First, the court determined that those claimants that do not collect or expend property taxes are not eligible to claim reimbursement. Second, the court concluded that because the claimant agencies have fee authority, Government Code section 17556 precludes finding costs to be mandated by the State. The court acknowledged that the ability to impose fees to implement the Water Conservation Act is subject to the majority protest process of Proposition 218. "However, the mere specter of a majority protest should not, by itself, negate a local agency's fee authority. While it is possible that a majority of the owners will protest a proposed fee, it is also possible that they will not." Thus, the court concluded that "in the absence of a showing that Petitioners have 'tried and failed' to impose or increase the necessary fees, the Commission properly concluded that Petitioners have sufficient fee authority to cover the costs of any mandated programs." The appellate court affirmed, concluding that the majority protest procedure does not undermine this authority because the District can exercise this authority without voter approval. CSAC supported the District's petition for Supreme Court review, but review was denied.

People v. J.H

Pending in the Third Appellate District (filed Oct. 25, 2018)(C088227)

Status: Case Fully Briefed and Pending

This case involves a restitution order issued 14 years ago in a juvenile criminal matter. The restitution for some $30,000 was ordered to compensate the victim of his crime (significant property damage resulting from vandalism and setting fire to property). The juvenile criminal defendant, J.H., is now an adult, and the county attempted to garnish his wages to collect on the restitution order. J.H. filed a motion to quash, arguing that the restitution order is like any other money judgment and is therefore subject to Code of Civil Procedure section 683.020, which provides for a 10 year enforceability

period if the order is not renewed. Here, since the restitution order was issued 14 years ago and has not been renewed, J.H. argued it could not be enforced. The trial court agreed, and quashed the San Joaquin County's attempt to collect on the order. The County has appealed, and CSAC has filed a brief in support of the County.

Sierra Club v. County of San Diego

Pending in the Fourth District Court of Appeal (filed Mar. 11, 2019)(D075478)

Status: Amicus Brief Due on September 3, 2019

Though this case has a long and winding procedural history, the gist of this iteration of the case is a challenge to the EIR adopted for San Diego County's climate action plan. The trial court ruled in favor of plaintiff, concluding that the County's decision to allow out of county offsets for greenhouse gas (GHG) emissions was inconsistent with the county's general plan. The court also found that the out-of-county offsets violated CEQA because the county failed to ensure they were enforceable and of sufficient duration, failed to study the cumulative impacts, and improperly delegated the decision on offsets to its planning director. The County has appealed, and CSAC will file a brief in support.

Wright v. County of San Mateo

Previously published at: 33 Cal.App.5th 931 (1st Dist. Mar. 29, 2019)(A153687), *request for depublication granted* (June 26, 2019)(S255534)

Status: Case Depublished and Closed

This case involves application of Revenue and Taxation Code section 69.5, which allows qualified homeowners over 55 to transfer the property tax basis of their principal residence to a replacement dwelling of equal or lesser value in the same county. In this case, plaintiffs wanted to transfer the property tax basis of their old home to a new residence under section 69.5. However, their lender required them to form a Limited Liability Company (LLC) and transfer title of their newly purchased lot to the LLC, as a condition of obtaining a construction loan for building their replacement home on that lot. After they completed the construction, but before they applied to be exempt from a new assessment, plaintiffs transferred title of their new home back to themselves, bringing it out of the LLC. The assessor denied the property tax basis transfer because the new lot was owned by the LLC when plaintiffs sold their old home (four months before they finished the new residence, moved in and deeded it to themselves out of the LLC), and per the face of the statute, that disqualified them from the transfer. Both the Assessment Appeals Board and the trial court agreed with the Assessor. The Court of Appeal, however, ignored the plain language of the statute to reach what it determined was a more equitable result and ordered the tax basis transfer granted. The County requested depublication, which CSAC supported, and the California Supreme Court granted the request.

2019
CSAC Calendar of Events | Executive Committee

JANUARY

1	New Year's Day
16	Rural County Representatives of California (RCRC) Board Meeting & Installation of Officers
16	**CSAC Executive Committee Orientation Dinner | Sacramento**
	6:30 PM Reception, 7:15 Pm Dinner | Esquire Grill – 13th & K Streets
17	**CSAC Executive Committee Meeting | Sacramento**
	10:00 AM – 2:00 PM | Capitol Event Center – 1020 11th Street, Sacramento
21	Martin Luther King, Jr. Day
30 – 31	**CSAC Executive Committee Platinum Forum | San Diego**

FEBRUARY

14	**CSAC Board of Directors Meeting |Sacramento**
	10:00 AM – 2:00 PM | Capitol Event Center – 1020 11th Street, Sacramento
18	President's Day
20	Rural County Representatives of California (RCRC) Executive Committee Meeting | Sacramento

MARCH

2 – 6	**NACo Legislative Conference | Washington, D.C.**
13	Rural County Representatives of California (RCRC) Board of Directors Meeting | Sacramento
TBD	**Regional Meeting | TBD**

APRIL

4	**CSAC Executive Committee Meeting | Sacramento**
	10:00 AM – 2:00 PM | Capitol Event Center – 1020 11th Street, Sacramento
24 – 25	**CSAC Legislative Conference | Hyatt Regency, Sacramento**
25	**CSAC Board of Directors Meeting | Hyatt Regency, Sacramento**

MAY

1	Rural County Representatives of California (RCRC) Board of Directors Meeting | Inyo County
15 – 17	**NACo WIR Conference | Spokane County, Washington**
22	Rural County Representatives of California (RCRC) Executive Committee Meeting | Sacramento
27	Memorial Day

JUNE

TBD	**Regional Meeting | TBD**
19	Rural County Representatives of California (RCRC) Board of Directors Meeting | Sacramento

JULY

4	Independence Day
10	Rural County Representatives of California (RCRC) Executive Committee Meeting | Sacramento
12 – 15	**NACo Annual Conference | Clark County, Las Vegas, Nevada**

AUGUST

1	**CSAC Executive Committee Meeting | Sacramento**
	10:00 AM – 1:30 PM | 1415 L Street, Suite 780 (7th Floor)
14	Rural County Representatives of California (RCRC) Board of Directors Meeting | Sacramento

SEPTEMBER

2 Labor Day

5 CSAC Board of Directors Meeting | Sacramento

10:00 AM – 2:00 PM | Capitol Event Center – 1020 11th Street, Sacramento

12 White House Visits | Washington D.C.

25 Rural County Representatives of California (RCRC) Board of Directors Meeting | El Dorado County

OCTOBER

2 – 4 CSAC Executive Committee Retreat | Santa Cruz County

Seascape Beach Resort | Aptos, CA

10 CSAC Regional Meeting | Resiliency

Sonoma County

14 Columbus Day

16 Rural County Representatives of California (RCRC) Executive Committee Meeting | Sacramento

NOVEMBER

11 Veterans' Day

13 Rural County Representatives of California (RCRC) Executive Committee Meeting | Sacramento

28 Thanksgiving Day

DECEMBER

3 – 6 CSAC 125th Annual Meeting | Hilton, San Francisco

5 CSAC Board of Directors Meeting | San Francisco

11 Rural County Representatives of California (RCRC) Board of Directors Meeting | Sacramento

18 – 20 CSAC Officers' Retreat | Napa County

25 Christmas Day

as of 12/12/18