

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
September 8, 2011
Sacramento Convention Center

MINUTES

Presiding: John Tavaglione, President

1. ROLL CALL

Alameda	Keith Carson	Plumas	absent
Alpine	Terry Woodrow	Riverside	John Tavaglione
Amador	Louis Boitano	Sacramento	Susan Peters
Butte	Maureen Kirk	San Benito	Margie Barrios
Calaveras	Merita Callaway	San Bernardino	absent
Colusa	Kim Dolbow Vann	San Diego	Greg Cox
Contra Costa	Federal Glover	San Francisco	absent
Del Norte	Finigan/Sullivan	San Joaquin	absent
El Dorado	Norma Santiago	San Luis Obispo	Bruce Gibson - audio
Fresno	Henry Perea - audio	San Mateo	absent
Glenn	John Viegas	Santa Barbara	Joni Gray
Humboldt	Mark Lovelace - audio	Santa Clara	Liz Kniss
Imperial	absent	Santa Cruz	absent
Inyo	Susan Cash	Shasta	absent
Kern	Jon McQuiston	Sierra	Lee Adams
Kings	Doug Verboon - audio	Siskiyou	absent
Lake	Anthony Farrington	Solano	Mike Reagan
Lassen	Jim Chapman	Sonoma	Valerie Brown - audio
Los Angeles	absent	Stanislaus	Vito Chiesa
Madera	Frank Bigelow - audio	Sutter	Larry Munger
Marin	Susan Adams - audio	Tehama	Robert Williams
Mariposa	absent	Trinity	absent
Mendocino	Carre Brown - audio	Tulare	Steve Worthley
Merced	Hubert "Hub" Walsh - audio	Tuolumne	Richard Pland - audio
Modoc	Jeff Bullock - audio	Ventura	Kathy Long - audio
Mono	absent	Yolo	McGowan/Rexroad
Monterey	Fernando Armenta	Yuba	Roger Abe
Napa	Brad Wagenknecht	Advisors: Marshall Rudolph, Nancy Watt, Susan Muranishi,	
Nevada	absent	Bruce Goldstein - audio	
Orange	John Moorlach		
Placer	absent		

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of June 2, 2011 were corrected to reflect that Supervisor Long's name had been misspelled. Minutes approved as corrected.

3. ENDORSEMENT OF COAST2COAST RX DISCOUNT DRUG PROGRAM

CSAC has been approached by Coast2Coast Rx, soliciting CSAC's endorsement of their discount drug card program, in exchange for the payment of a royalty for the endorsement and marketing support. Paul McIntosh indicated the royalty would amount to 40 cents per prescription. Coast2Coast competes directly with CVS/Caremark drug program which is endorsed by NACo. However, CVS/Caremark does not offer a royalty arrangement. CVS/Caremark is currently hosted by 25 California counties and Coast2Coast is currently hosted by 16 California counties. It is estimated that the royalties received from the Coast2Coast endorsement would equal at least 7% of current dues paid by California counties to CSAC, enabling CSAC to sustain current programs and services in the face of a declining state and national economy. While there are no guarantees that royalties would be sustained over the long haul, there are not commitments required of CSAC. Some concerns were raised regarding the perception that this arrangement may be viewed as CSAC receiving "kickbacks."

McIntosh requested authorization to enter into an agreement with Coast2Coast Rx for endorsement of the program in exchange for royalty payments.

Motion and second to authorize CSAC to enter into an endorsement agreement with Coast2Coast Rx.
Motion carried (8 'no' votes).

4. INDIAN GAMING: STATE COMPACTS & FEDERAL LAND INTO TRUST REFORM

CSAC has worked with the previous two Administrations on Tribal-State Gaming Compacts in an effort to mitigate the off-reservation impacts of casinos. CSAC staff, working with the County Counsel's Association, has been meeting with the Brown Administration and the Attorney General's Office since April as they consider various policy changes to the previous compact templates executed by Governors David and Schwarzenegger.

Consistent with existing policy, CSAC's main priorities to improve the mitigation and implementation outcomes under new and renegotiated compacts include: promoting local government-tribal mitigation agreements; ensuring that off reservation impacts of tribal casinos are fully mitigated; improving the integrity of tribal environmental review analysis; and providing adequate time for both comment on environmental documents and meaningful negotiations.

There are a few issues being proposed that are not explicitly provided for in CSAC policy. Staff outlined those proposals as follows:

- a. Create a regulatory fund for State oversight activities and the mitigation of impacts on state services and infrastructure.
- b. Create a County Gaming Mitigation Fund for the purposes of mitigating defined public health and safety impacts of gaming operations.
- c. Defines an "Impacted City" as any city in which a gaming facility is located or whose boundary is ¼ miles from the boundary of a gaming facility.
- d. State Designated Agency amended to include "political subdivision of the state".
- e. Requires tribes to share design and building plans with the county for health and public safety purposes.
- f. Tribes must establish a program to ensure that delinquent child support judgment payments are deducted from per capita benefits.
- g. Amends the arbitration provisions to allow the Governor's Special Master to substitute for an arbitrator.

h. Prohibits the sale of alcohol on the casino floor and provides for liability for the tribe related to injuries from drunk drivers leaving the facility.

Motion and second to approve additional policy that supports the proposed changes to the existing compacts as outlined above, especially supporting the County Gaming Mitigation fund, with an amendment to change "impacted city" to "impacted community" in order to address issues where neighboring counties are also affected. Motion carried unanimously.

CSAC formed the Multi-State Fee-to-Trust Coalition in response to the 2009 Supreme Court decision in *Carcieri v. Salazar*, which held that the Secretary of Interior lacks authority to take land into trust for Indian tribes that were not under federal jurisdiction at the time of the passage of the Indian Reorganization Act of 1934. The decision created a unique opportunity for Congress to address long-standing, fundamental deficiencies in the federal Fee-to-Trust process. CSAC and its other state association partners from New York, Wisconsin, and Idaho, have been working over the past two years to develop a legislative proposal to achieve our mutual policy goals. These goals, consistent with established CSAC policy on the Fee-to-Trust process, include: adequate notice and transparency; meaningful consultation; and judicially enforceable intergovernmental agreements.

The Coalition has developed a number of concepts to meet these policy goals. Given the unique conditions in California with respect to tribal gaming, such as the large number of tribes and casinos, CSAC and representatives of the County Counsel's association have outlined a reform approach that they believe is politically viable. Staff reviewed details of the proposal as contained in the briefing materials.

Staff was directed to make the following amendments to the proposal: include a request that counties receive notice of a trust land application at the same time the Secretary of Indian Affairs is notified; and strengthen economic self-sufficiency language. Final language will be brought back to the Board of Directors for review.

Motion and second to approve Fee-to-Trust reform proposal as amended. Motion carried.

5. 2011 REALIGNMENT: CONSTITUTIONAL PROTECTIONS & FISCAL STRUCTURE

Paul McIntosh outlined direction given by the Executive Committee at its August meeting which was to begin to explore all viable options for counties to achieve the constitutional protections promised by the Governor and necessary for counties to make realignment successful. Staff endeavored to accomplish the Executive Committee's direction and met with a variety of campaign professionals to ascertain the options for a path forward. Staff distributed a memo outlining those options and requested direction from the Board of Directors on next steps. Staff also distributed an editorial from the *Los Angeles Times* urging the Governor and Legislature to provide constitutional protections for Realignment and urged individual counties to submit similar editorials to local papers.

A lengthy discussion ensued regarding options and steps to take to achieve constitutional protections for Realignment.

Motion and second to proceed with recommended next steps in the following **priority** order: 1. Draft and submit a realignment only measure. 2. Conduct polling and voter research to get a better understanding of voter priorities. 3. Engage in a public awareness campaign. 4. Continue to urge the Governor to build a coalition around a single measure that includes appropriate protections and dedication of revenue for counties. 5. Begin building a coalition around constitutional protections for counties. 6. Develop a strategy for building a legislative coalition of former county supervisors. In addition, CSAC should work with county counsels to develop a litigation strategy. Motion carried (1 'no' vote).

Staff was directed to assist counties with organizing local campaigns to hold legislators who are former county supervisors accountable for their lack of support for counties.

6. PENSION REFORM UPDATE

At the Government Finance & Operations (GF&O) policy committee meeting in June 2011, staff provided an update on various pension reform proposals that would apply to public employees, including county employees. Following significant discussion, the Committee directed staff to provide a pension reform update to the CSAC Board of Directors. A detailed summary of those proposals was contained in the briefing materials.

Staff announced that the current legislative proposals will not be moving forward this legislative session and a conference committee will be created to look at pension reform in a broader context beginning in January. The Governor is interested in a cap on pensions, but CSAC does not have current policy regarding caps. Additional proposals will be brought to the GF&O committee in November. Staff was directed to send information to Board of Directors regarding which counties are offering two-tiered programs.

7. CSAC AGRICULTURE & NATURAL RESOURCES POLICY COMMITTEE REPORT

Supervisor Kim Vann, Vice Chair of the CSAC Agriculture & Natural Resources (ANR) committee, provided a report from the meeting held on August 18. CSAC and the Regional Council of Rural Counties have been working to develop a strategy to help counties create a better working relationship with the USFS and BLM to create a statewide voluntary MOA, outlining a structure under which counties and federal public land management agencies consent to communicate and work with one another.

To that end, the policy committee met as a subcommittee and took action to recommend a support position to the full ANR committee on a draft Memorandum of Agreement (MOA) between counties and the U.S. Forest Service (USFS) and Bureau of Land Management (BLM). This item will be brought to the Board of Directors at the annual meeting.

8. REPORT ON THREAT OF ZEBRA & QUAGGA MUSSELS

Supervisor Anthony Farrington provided a report on the Quagga and Zebra mussels (collectively called Dreissenids) which pose a serious risk to water bodies throughout the State. The Quagga mussels are native to the Baltic Region and first arrived in the United States via ballast water discharged into the Great Lakes by ocean freighters in the last 1980s. Infestation spread to the Colorado River and into Arizona, Nevada and California waterways. Supervisor Farrington indicated they impede distribution of municipal water supplies, agricultural irrigation and power plant operation. Mussels can impact recreation by limiting recreational opportunities, encrusting docks and beaches, colonizing recreational equipment including watercraft hulls, engines and steering components. Most areas of the state are vulnerable to future transport and contamination by Quagga and Zebra mussels because they are primarily transported by watercraft.

On August 16, 2011, the Lake County Board of Supervisors adopted a Resolution Requesting the Governor Declare a Statewide Emergency Resulting from Infestation of Dreissenid Mussels into the Water Bodies of the State of California. A copy of the Resolution was contained in the briefing materials. Supervisor Farrington requested that other counties adopt similar resolutions, in order to convey to the Governor the need for a uniformly applied strategy, formulated at the State and Federal levels, designed to ensure the Quagga and Zebra mussels are effectively contained and further contamination is prevented.

9. REPORT ON GREAT CALIFORNIA SHAKEOUT

Supervisor Bruce Gibson presented a report on the "Great California Shakeout" which is a statewide earthquake drill being held on October 20. He urged other counties to participate and distributed a list of parameters with links to various details concerning this important event.

10. PROPOSED JOINT SUMMIT ON STATE OF CALIFORNIA'S CONTINUED DYSFUNCTION

President Tavaglione outlined a proposal that was recently brought before the Riverside County Board of Supervisors by one of his colleagues, Supervisor Jeff Stone. The proposal was that 13 counties in Southern California should secede and create the State of Southern California. The Riverside Board expressed understanding and support for Supervisor Stone's frustration with the continued dysfunction of state government in California, but encouraged him to find an alternate route to resolve the issue and suggested he work with CSAC. Soon, thereafter, Supervisor Stone met with President Tavaglione, Paul McIntosh and representatives of the League of California Cities to discuss a statewide summit, which was another of Supervisor Stone's ideas. Caution was expressed against such a summit without a path from the summit that would enable frustrations expressed to be channeled into change. The meeting ended with the agreement that this issue would be brought to the Boards of Directors of CSAC and the League of Cities for discussion.

The consensus of the Board of Directors was that CSAC should not pursue this issue.

11. CSAC LEGISLATIVE REPORT

Staff announced that an end-of-session legislative report will be produced and distributed early next week.

12. OTHER ITEMS

Paul McIntosh announced that the CSAC Institute has created a Leadership Symposium for supervisors and county administrators which is an intensive three-day leadership practices learning experience designed to build capacities in collaboration and adoptive change to evaluate current challenges within counties. It will be held in San Jose on February 16 - 18 and there are 45 slots available. Board members are encouraged to attend. The costs of the instruction and course materials are being underwritten by several founding sponsors.

Meeting adjourned.