

**APPROVED**  
**NCCC**  
**GOVERNING BOARD**  
**MINUTES**

**December 10, 2009**

The North Central Counties Consortium Governing Board met on the above date at 1:00 p.m. at the Yuba County Government Center in Marysville.

**ROLL CALL**

**Governing Board Members Present**

Roger Abe  
Carol Huchingson

Larry Munger  
Tracey Quarne

**Governing Board Members Absent**

Tom Indrieri

**PUBLIC COMMENT**

There were no comments from the public.

**APPROVAL OF MINUTES**

*September 17, 2009 Meeting:* On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board approved the minutes of the September 17, 2009 meeting as submitted.  
*Motion Carried.*

*December 3, 2009 Meeting:* Carol Huchingson had questions and requested clarification on areas of discussion. On page 1 describing Governing Board action on amending the Joint Powers Agreement (JPA), Carol Huchingson recalled of that discussion that NCCC's legal advisors and/or staff would draft language for the Board's consideration today. Ms. Huchingson thought that was what the Board was approving in that motion. Ms. Huchingson referred to the bottom of page 3 where the Board took additional action on the language that was to be drafted. She recalled Tracey Quarne making it clear that it would be the intent of the Board to try to make that amendment to the JPA effective today. Ms. Huchingson referred back to discussion on page 1 where it was stated that "...the Governing Board defines the agreement; therefore, the Governing Board may approve changes to the JPA, and then the Boards of Supervisors agree whether or not to adopt the agreement." Ms. Huchingson believed that was in conflict with Governing Board action on page 3 where the amendment would become effective today because any change approved today would not be effective until the Boards of Supervisors took action.

Francene Kennedy clarified that the first action is the Board accepting their desire to change the language to have a member of the Board of Supervisors, and not a representative, sit on the Governing Board. The Board then directed staff to draft appropriate language so stating this for the Board's consideration today. Ms. Kennedy said NCCC legal counsel would be addressing this issue later in the meeting along with NCCC's WIA Consultant as well as the approval process by the individual Boards of Supervisors.

Tracey Quarne noted that the topic under discussion at the moment was if these minutes accurately reflect what was discussed and how it was discussed on the business conducted by the Board. Mr. Quarne was of the opinion that the minutes accurately reflect what was said, how it was said and what was intended. He stated that when the Board revisits the issue at its agenda time, then the argument about the approval process by the Boards of Supervisors can be raised. Carol Huchingson responded that she would not be in favor of approving these minutes because she heard it repeated at the December 3<sup>rd</sup> meeting that this was about the Governing Board having the authority to approve the JPA amendment effective today. If that's the case, then the Board's intention would be that each county Board would be required immediately after that action to have a Board of Supervisors member to this body, not later when each county Board takes it up on their agenda for approval. That was the discussion, she said, whether that was reflected in the minutes or not. Tracey Quarne, as the speaker of the motion in question, stated that the motion was accurately recorded; and added that the motion carried unanimously.

On a motion by Tracey Quarne, seconded by Roger Abe and carried on a roll call vote the Governing Board approved the minutes of the December 3, 2009 meeting as they read. *Motion Carried.* Carol Huchingson opposed.

### **APPROVAL OF AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT FOR THE NORTH CENTRAL COUNTIES CONSORTIUM**

John Chamberlin, NCCC's WIA Consultant, addressed the issues regarding amending the JPA, which were 1) The exact language change; 2) The ratification process by the member counties; and 3) The unknown issue of when and how the state will act on Lake County's request to leave the Consortium. Mr. Chamberlin suggested the Governing Board could consider one of two options. The first, the Board reviews the proposed language for section 3. *Members* of the JPA and if they agree with it, wait a month or two on the ratification process by the counties until the state determines what the makeup of the Consortium will be and what additional changes need to be made to the agreement if any. When all the necessary changes have been made, then go before the counties and have the all the changes ratified at once. Secondly, the Board could consider going before the counties twice; once for language approval on the *Members* section of the agreement, and a second time to ratify the changes needed after the state has made a decision on Lake County.

Francene Kennedy pointed out that the entire application process would not be completed in two months but with the December 31<sup>st</sup> submission deadline, the state will know if an application for redesignation has been submitted and it would be a clear indication that by July 1 there would be either four counties governing four counties or four counties governing five counties.

Tracey Quarne added that the action taken by all 5 Governing Board members on December 3<sup>rd</sup> to change the language was more than a language change; it's more of a representation change. The intended action was that representation requirements change immediately. The Board must consider whether to wait a couple of months or approach the county Boards of Supervisors twice instead of once. Mr. Quarne stated he would like to satisfy the intention of this Board to ratify and that the change be effective if not immediately, as soon as possible.

Andrew Compoginis, NCCC's legal counsel, presented the proposed change to the language in section 3, subparagraph a) of the JPA concerning the eligibility of the Governing Board members. The proposed change requires that each Governing Board member be a Supervisor of the respective counties. Under subparagraph a) of this section where the representatives of the five counties are listed it currently reads, "One member chosen by the Board of Supervisors of each respective county." The revised language would read, "One member of the Board of Supervisors of each respective county." Mr. Compoginis stated that this does not address representation just the eligibility of each Governing Board member.

Mr. Compoginis addressed the proposed change to subparagraph b) of the same section confirming the eligibility requirements of the Governing Board members listed in subparagraph a) to read, "The Board of Supervisors of each of the five represented counties listed above shall appoint one of its Supervisors to the Governing Board as well as one alternate Supervisor for each respective appointee."

Carol Huchingson asked John Chamberlin to re-address the factors to be considered and possibly change if Lake County's request is approved by the state. Mr. Chamberlin noted two alternatives: 1) Lake County remains within the NCCC and elects not to be a member of the Governing Board; and 2) Lake County leaves this workforce area and joins another, which is the state's decision. Based upon those alternatives there are quite different modifications to the agreement that Mr. Chamberlin could not anticipate the exact language to use. He noted that it's not without precedent in California or other states to have a workforce area Governing Board serve areas or a county that is not represented on their Governing Board.

Francene Kennedy pointed out that the Governing Board has accepted Lake County's letter to withdraw from the NCCC JPA effective June 30, 2010. Carol Huchingson stated that Lake County cannot withdraw if the state does not approve them to join another area. If this occurs, then Lake County stays in the JPA and maintains its voting rights. Mr. Compoginis asserted that the letter of withdrawal once accepted becomes effective upon the end of the fiscal year. Mr. Chamberlin said given the Board's action, if the state decides that Lake County remains with NCCC, four counties would then govern the 5-county area. Carol Huchingson said the letter stated Lake County's intention to withdraw from NCCC on June 30, 2010 and that intention is conditional upon the state approving their application.

Francene Kennedy stated that condition had not been discussed or mentioned in the letter and recalled that in conversation on December 3<sup>rd</sup>, Tracey Quarne offered up opportunities asking Lake County if they were sure they wanted to withdraw with or without another area to join. Carol Huchingson's response to Mr. Quarne on December 3<sup>rd</sup> was "that it was presumptuous to assume that they did not have a new area; however, Lake County was choosing to leave the

governing entity as of June 30, 2010.” Tracey Quarne concurred with Ms. Kennedy’s comments and said the letter did not state that condition and he quoted the following from the December 3<sup>rd</sup> minutes:

“Tracey Quarne pointed out that if the Governing Board accepts Lake County’s letter of intent effective June 30, 2010, then Lake County would cease to have representation on the Governing Board as of that date. However, the Governing Board may very well be the conduit of funds for Lake County after June 30, 2010. Given those circumstances, would the Governing Board be out of compliance with the joint powers agreement if NCCC were operating under a four-member board when the agreement calls for a five-member board.”

“Tracey Quarne raised the question if it would be more prudent for the Governing Board to accept Lake County’s letter effective June 30, 2011 instead of June 30, 2010. Mr. Quarne felt that it would be a disservice to Lake County for the Governing Board to accept a letter effective June 30, 2010, and effectively denying Lake County a voice on the Board, which would have fiscal directive to program operations in Lake County.”

Based on the Board’s discussion above, it was noted again that on December 3<sup>rd</sup> the Governing Board accepted Lake County’s letter to withdraw governance as of June 30, 2010.

Tracey Quarne stated the issue on the table at the moment is a proposed language change for who can sit on the Governing Board. Mr. Quarne made a motion to accept the language proposed by staff and counsel. Roger Abe second.

Under discussion, Carol Huchingson asked if the motion was made with the understanding that it’s going to the Boards of Supervisors for approval. John Chamberlin noted that it is up to each county to determine what form that approval takes.

The Chair recognized Anita Grant, Lake County Counsel. Ms. Grant stated that she was in attendance because she was concerned and had understood that there might be a circumstance where the Governing Board was going to attempt to amend effective immediately a material term of the JPA such as the composition of members without going back to the signatory counties of the agreement. Ms. Grant referred to the signature page of the JPA where it is signed and approved as to form and legal sufficiency, and said that this statement is signed by the county’s attorney and not the Board of Supervisors. In fact, she added, the Board of Supervisors could not commit its county to join a JPA just as to legal form and sufficiency. Ms. Grant asked for clarification that the agreement was going back to each signatory to the agreement to determine if there is approval for the change the Governing Board is recommending and that would be the only action that was going to be taken. The Chair answered in the affirmative and Mr. Compoginis added that it may be that the authority to make that ratification resides in the individual board members sitting on this Governing Board but that would be up to each individual county. Ms. Grant said that would depend of course on the type of agreement; unless the Board of Supervisors has a collateral agreement that gives someone else specific authority for those actions, but generally the agreement would have to go back to the full Board for any type of amendment.

Roger Abe asked if all the signatory counties or only a majority must agree on the amendment to the JPA. Ms. Grant stated that if there is no provision or circumstance, e.g., a majority or a super majority having the authority to amend the JPA, then under basic contract law it is strongly arguable that all parties would be required to agree to the amendment.

Tracey Quarne referred again to the Board's action, which carried unanimously, wherein all five Governing Board members voted to do this and to do it immediately. Carol Huchingson stated that as Lake County's representative, she agrees that each member of the Governing Board should be a member of the Board of Supervisors. However, she does object to a change being made at this level instead of it being approved by each Board of Supervisors. She considered if her Board would want to see a JPA amendment on the agenda once or twice in the next couple of months. It becomes a matter of efficiency, she said, because of the time necessary to accommodate each Board's meeting schedules to place the amendment on their agendas. It may not occur for a few months and in those few months we will probably know the answers to many other questions that need to be addressed as well. For the purpose of efficiency, she would prefer carrying the process through once. Roger Abe commented that the state's decision on Lake County's request may not be known for several months. Given that uncertainty, he would rather proceed with taking the first JPA amendment to the Boards of Supervisors now; when and if the state makes a decision on Lake County later on, then the Governing Board can move forward with amending the JPA again at that time.

***Board Action:*** On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board accepted the language amendment to section 3, subparagraphs a) and b) of the North Central Counties Consortium JPA as proposed and presented by staff and legal counsel. *Motion Carried.* Carol Huchingson opposed.

***Board Action:*** On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board directed that each representative of the Governing Board as currently seated to take this amendment to their respective county's Board of Supervisors for approval and ratification as soon as possible. *Motion Carried Unanimously.*

### **BRIEFING BY PORTER SCOTT ON DEVELOPMENT OF NEW EMPLOYEE HANDBOOK/ PERSONNEL POLICY**

Andrew Compoginis stated that over the past few months he and Francene Kennedy have been developing another form of employee handbook for NCCC employees. The current handbook is out of date and more applicable to a larger government entity; NCCC's original personnel policy was structured after the County of Sutter's personnel policy. Larry Munger noted that Sutter County's policy had been revised and thereby acknowledged it being outdated. After working through each policy, Mr. Compoginis and Ms. Kennedy have created a draft that is more streamlined and appropriate for NCCC.

However, after consideration of some of the benefits that have been provided employees in the past either through former policies or subsequent board resolutions, the issue of post retirement healthcare benefits should be addressed. A resolution was passed by this board on September

23, 2002 that would provide for healthcare coverage for NCCC retirees who meet the following eligibility requirements: 1) Must be at least 55 years of age; 2) Must have been an NCCC employee for 15 years prior to retirement; 3) Must be retiring under the provisions of a state retirement system (PERS). Under this policy, this benefit vests eligible employees past retirement from NCCC until the retiree reaches the age of Medicare eligibility. Mr. Compoginis stated that this benefit could be an extensive cost that could threaten the solvency of NCCC. Mr. Compoginis and Francene Kennedy had discussed seeking the Board's guidance or approval of proposed language on this issue; however, due to the importance and severity of this matter it may not be appropriate for the Board to address the issue with the time remaining in this session. Mr. Compoginis suggested the Board schedule a subsequent meeting to discuss changes to this particular policy.

Carol Huchingson inquired if there are employees currently utilizing this benefit. Francene Kennedy stated that a former employee will continue to receive paid health benefits for three years until the age of 65. Four current employees, who have met the 15 year employment requirement, have potential to utilize this benefit if they were to leave the organization after reaching the age of 55. Ms. Kennedy stated the policy in place has risks as far as having contingency funds available when and if the employees take that option, and if WIA is reauthorized. She assured NCCC employees in attendance not to be concerned about their health benefits, but this issue merits thorough discussion and consideration from the Board to work through what's going to be best for the organization moving forward.

John Chamberlin commented that the idea of long term commitments for healthcare has come up in other areas in California as well. NCCC is an organization that depends on soft federal funds and has not accrued such a contingency fund to pay this benefit. The estimated cost to continue the benefit that is vested with the former employee would be about \$19,000 for 3 years until the age of 65. If the employees who have met the 15 year employment requirement were to retire at the age of 55 and draw until the age of 65, the estimated total cost would be about \$287,000.

Tracey Quarne recommended that this issue be agendaized for the Board's future discussion and he encouraged a very discerning eye in describing the item on the agenda as to what is policy and what may fall to negotiations, and that it is appropriately agendaized in open and closed sessions.

Francene Kennedy felt it was important for the Board to determine where this organization wants to go on its healthcare policy before finalizing the employee handbook. Draft copies of the employee handbook thus far were handed out to the board members for them to review and comment on for discussion at their next meeting. It was determined that the Chair and Executive Director would coordinate a meeting date to address this issue.

## **OTHER BUSINESS**

Francene Kennedy announced that she was in receipt of a letter of resignation from Lake One Stop Director Teddie Pierce effective this morning. The Board asked legal counsel if it was appropriate for the letter to be read. Counsel agreed. Ms. Kennedy read the letter to the Board. Ms. Kennedy stated that NCCC will continue administratively to connect with the Lake One Stop to ensure that services are continued. She commented that her ongoing concern during this

last year has been the provision of quality services to participants. Regardless of the direction NCCC takes in the future, she said, at the end of the day we are all required and should make sure that everyone who comes through the One Stop's door continues to receive services. NCCC has continuously provided technical assistance and program services to the One Stop and ensures that Lake County participants are served well. Ms. Kennedy concluded that the Lake One Stop needs our full support at this time.

There were no other matters brought before the Governing Board.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:00 p.m.

**ATTEST:**

**APPROVED ON:**

\_\_\_\_\_  
Larry Munger, Chairperson  
Governing Board