

**SUPPLEMENTAL BENEFITS FUND STEERING COMMITTEE
OCTOBER 3, 2007 - MEETING MINUTES**

The agenda for the October 3, 2007 meeting of the Supplemental Benefits Fund Steering Committee was posted on the bulletin board at the front of City Hall on Friday, September 28, 2007 at 4:55 p.m.

The October 3, 2007 Supplemental Benefits Fund Steering Committee meeting was called to order by Chairperson Corkin at 4:02 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chairperson Corkin.

ROLL CALL

Present: Voting Committee Members: Steve Jernigan, Jim Prouty, Loren Gill (replacing John Allen), Vice Chairperson Vene Thompson, Chairperson Sue Corkin

Non-Voting Committee Members: Craig Jones – State Water Contractors, Kevin Zeitler - Chamber of Commerce, Dave Steindorf– American Rivers

Absent: Bill Cochran – DWR (Excused)

Loren Gill announced that he would be replacing Committee Member John Allen on a permanent basis. Mr. Allen was forced to step down due to health issues.

Others Present:

Sharon Atteberry, City Administrator
Charles Miller, Director of Parks and Trees
Bob Sharkey, FRRPD General Manager

Dwight Moore, Committee Counsel
Sharon Mize, Administrative Assistant

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

Patrick Bulmer – Item No. 2
Paul MacBeth – Item No. 2

Gordon Andoe – Item No. 3
Kristine Armstrong – Item No. 3

APPROVAL OF THE MINUTES

The minutes were continued to the next Supplemental Benefits Fund (SBF) Steering Committee meeting at the request of Committee Member Gill to allow time for the clerk to review the tape recording of the August 30, 2007 SBF Steering Committee meeting and amend the minutes accordingly, therefore, no action was taken on the following:

1. **APPROVAL OF THE MINUTES OF THE AUGUST 30, 2007 4:00 P.M. MEETING OF THE SUPPLEMENTAL BENEFIT FUND STEERING COMMITTEE** – Minutes attached

CONSENT CALENDAR - None

PUBLIC HEARINGS - None

REGULAR BUSINESS

2. **SBF ECONOMIC DEVELOPMENT GRANT PROPOSALS**

The SBF Steering Committee considered the Economic Development Grant proposals from the Oroville Area Chamber of Commerce and Solar City Productions. ***(Continued from the August 30, 2007 SBF meeting.)***

This item was continued from the August 30, 2007 SBF Steering Committee meeting to allow Paul MacBeth, Oroville Area Chamber of Commerce, an opportunity to present a more detailed budget for the grant proposal and for the Committee to review the eligibility of “for profit status”.

Paul MacBeth, Director of the Oroville Area Chamber of Commerce, reported to the Committee that he had not prepared a detailed budget because he was not notified to do so, Appendix B did not require it and he had met with the Feather River Recreation and Park District (FRRPD) staff in September and was informed that the FRRPD Board had instructed their representatives on the SBF Steering Committee to vote against the economic development projects, so applying for SBF funds would be moot.

Patrick Bulmer, Solar City Productions, reported that he and Bob Hewitt had also met with FRRPD staff and was told that the FRRPD representatives on the SBF Steering Committee would continue to vote against the economic development projects, making it pointless to continue with Solar City Productions’ proposal. Mr. Bulmer also requested that if a “for profit status” would make them ineligible, they should have been informed of this in order to withdraw their proposal before their request for funding had been presented to the SBF Steering Committee.

Chairperson Corkin apologized to Mr. MacBeth and Mr. Bulmer, and hearing no further comments, no action was taken on the following:

1. **Hear a presentation from the Oroville Area Chamber of Commerce regarding detail budget information associated with their economic development grant proposal, and consider approving the request for funding in the amount of \$100,000.**
2. **Consider the grant criteria “for profit status” associated with Solar City Productions and consider approving the economic development grant request for funding in the amount of \$15,000.**

3. REVIEW OF CRITERIA APPROVED FOR FIRST ROUND OF SBF GRANT APPLICATIONS

The SBF Steering Committee reviewed the SBF sub-committee minutes and meeting notes associated with the criteria created for the first round of grant funding.

Sharon Atteberry, City Administrator, reported that she had all the draft documents that were generated when the criteria for the SBF projects was established and asked the SBF Steering Committee if they would like to review all the changes that were made for the guidelines that were approved and adopted on April 12, 2007. Ms. Atteberry reminded the Committee that the Sub-Committee was formed to create the grant guidelines for funding projects and that the components establishing guidelines for the small projects, economic development projects and large projects were discussed. Ms. Atteberry explained that because this was the first funding cycle, it is a learning process as well.

Ms. Atteberry stated that the Committee reviewed funding in December, 2006. FRRPD wanted to fund the soccer fields at Riverbend Park. At that time, Ms. Atteberry recommended that the Committee wait until a Regional Strategic Plan was in place but the Committee felt it needed to start distributing funds right away. Ms. Atteberry also reminded the Committee that these are regional funds for the community and even though it was decided that extra points would be given to projects with a nexus to the river, these projects are for the community.

Ms. Atteberry expressed concern that the Committee members representing FRRPD had already voted on the large projects prior to the projects being presented to the SBF Steering Committee and that it was unfair to the community.

Committee Member Zeitler (representing the Oroville Area Chamber of Commerce) stated that the direction he had received from the Chamber's Board was to serve the community with an open mind and a transparent process.

Committee Member Prouty stated that the FRRPD representatives were bypassing the public process.

Committee Member Steindorf requested clarification of the process for rating and ranking projects. Mr. Steindorf questioned whether the committee members would review projects and hear presentations and then take recommendations back to their governing bodies or would the governing bodies make the decisions on the projects and their representatives would bring it to the SBF Steering Committee. Mr. Steindorf felt this was a very important issue.

Dwight Moore, Committee Counsel, responded by saying that it was very clear in the Settlement Agreement in regard to the Supplemental Benefits Fund that this body (SBF Steering Committee) is the sole body (Board) that should be reviewing the grant applications and making decisions as to whether or not a project should be funded. The SBF Steering Committee members could take recommendations back to their governing bodies (boards) but are not required to do so.

Bob Sharkey, FRRPD General Manager, stated that, in his opinion, the FRRPD Board directing their representatives on how to vote on the projects was no different than the

Lake Oroville Joint Powers Authority (JPA). According to Mr. Sharkey, the JPA members all took decisions back to their governing bodies for approval.

Gordon Andoe stated that he had chaired the JPA for four years and not once did the Oroville City Council instruct him on how to vote. Mr. Andoe stated that the SBF Steering Committee members represented the whole community and not just their individual agency.

Committee Member Jernigan agreed with Mr. Andoe stating that the SBF Steering Committee should act for the good of the entire community and the rating and ranking process should take place at the SBF Steering Committee level.

Committee Member Zeitler expressed concern that after going through the process of rating and ranking the large projects, will the Committee be wasting the community's time if there is not a successful conclusion.

Sharon Atteberry, City Administrator, stated that possibly not everyone took the time to read the guidelines word for word before they were approved. Ms. Atteberry stated that it is necessary to leave some gray areas to be discussed and decided on by this Committee. Ms. Atteberry reminded the Committee that they need to adhere to the guidelines that were approved for this funding cycle. Ms. Atteberry explained that when the stakeholders negotiated for these funds, it was to benefit the community and to bring the community together, not separate it. Ms. Atteberry stated that the Committee needs to follow the guidelines that were set up for the large projects by allowing the applicants the opportunity to present their proposals to the Committee before they are rated and ranked, as outlined by the grant guidelines.

Committee Member Gill questioned whether Solar City Productions followed the criteria because they did not consider Appendix B of the guidelines when applying for funds. Mr. Gil stated that, in his opinion, they were not eligible because Appendix B prohibits them from doing their project because it is in the FERC boundary.

Sharon Atteberry, City Administrator, explained that the economic development project proposals were not required to consider Appendix B of the guidelines, they were only required to consider Appendix C. Ms. Atteberry explained that Appendix B is for large projects only.

Committee Member Zeitler agreed with Committee Member Gil that if a project is in the FERC boundary, then it is a dead project without the other agencies' approval.

Sharon Atteberry, City Administrator, stated that if a project wasn't going to be voted on then it needs to be discussed and decided on at the SBF Steering Committee meeting. Ms. Atteberry expressed concern that the SBF Steering Committee members could not have a productive meeting and make good decisions if some voting members had already been instructed on how to vote on projects before they were discussed at the SBF Steering Committee level.

Kristine Armstrong, a downtown business owner, stated that she had attended the September 26, 2007 FRRPD Board meeting when the FRRPD Board voted on the SBF large project proposals. Ms. Armstrong wanted to know if the applicants of the large projects would need to present their proposals to each individual agency that is represented on the SBF Steering Committee and then present their proposals to the

SBF Steering Committee as a whole. Ms. Armstrong also questioned FRRPD's viewpoint on non-profit and for-profit proposals which was stated as being that only non-profit entities would be eligible for SBF funds but the Riverbend Equestrian Center project had been approved by the FRRPD Board and the Feather River Equestrian Foundation does not have a non-profit status.

Vice Chairperson Thompson stated that he did not know that the Feather River Equestrian Foundation did not have a non-profit status until after the FRRPD Board had voted. Vice Chairperson Thompson also commented that in his interpretation of the grant guidelines, Feather River Equestrian Foundation could partner with FRRPD and receive grant funds channeled through FRRPD. Vice Chairperson Thompson suggested that the Committee meet again to review the criteria established for the large projects.

Sharon Atteberry, City Administrator, stated that the SBF Steering Committee needs to meet again to clarify the process in which the applications are reviewed.

The SBF Steering Committee directed Sharon Atteberry, City Administrator, to have an analysis done on each of the large projects for completeness and the analysis will be given to Bob Sharkey for his review prior to the next meeting. The process for rating and ranking the projects will also be reviewed at the next meeting

4. APPENDIX B – CLARIFICATION OF LANGUAGE

The SBF Committee reviewed Appendix B of the DWR Settlement Agreement to clarify language regarding the intent and process of the SBF.

The SBF Steering Committee reviewed:

Section C – Fund Administrator

Sharon Atteberry, City Administrator, explained to the Committee that the City of Oroville has been designated as the Fund Administrator and is responsible for convening the Committee meetings, performing grant funding tasks such as seeking other funding sources to supplement the SBF, develop a Regional Strategic Plan and Fund implementation and monitoring.

Section F – Pursuit of Grant Funds by State Water Contractors (SWC) and Steering Committee

Sharon Atteberry, City Administrator, explained that the SBF Steering Committee and SWC need to work together in exploring various political avenues that may be a productive source of funds and that the staff person will locate, research, evaluate and write grant proposals for obtaining match funds.

Section G – Regional Fund Strategic Plan

Sharon Atteberry, City Administrator, explained that it is the responsibility of the Fund Administrator to develop a Regional Fund Strategic Plan to guide the SBF Steering Committee in selecting and funding projects that have an overall benefit to the community.

Section I – Fund Administrative Expenditures

Sharon Atteberry, City Administrator, explained that an amount of the Fund will be allocated for administrative expenses associated with the management of the SBF and for the development of the Strategic Plan.

5. REQUEST FOR REIMBURSEMENT OF SBF EXPENSES

The SBF Steering Committee reviewed the expenses associated for SBF activities and consider the reimbursement from the SBF to the City of Oroville for the amount of \$8,829.01.

There were questions regarding whether or not some of the activities logged on a staff person's time sheet were reimbursable and it was the consensus of the Committee to continue this item to the next meeting to allow the Fund Administrator an opportunity to review the specific tasks listed on the time sheets, therefore, no action was taken on the following:

Review the expenses associated for SBF activities and authorize the reimbursement from the SBF to the City of Oroville for the amount of \$8,829.01.

FRRPD General Manager Bob Sharkey stated that he has personnel expenses that he wanted to submit for reimbursement,

STEERING COMMITTEE COMMENTS

Committee Member Dave Steindorf, American Rivers, updated the Committee on the Oroville Whitewater Park Feasibility Study. Mr. Steindorf reported that he had met with the Department of Water Resources staff in July to discuss the scope and progress of the whitewater park feasibility study. Committee Member Steindorf explained that there are two phases to the study:

Phase I looks at existing whitewater park opportunities in the United States and elsewhere and evaluates the different constraints of the various types of whitewater parks by reviewing revenue streams, liability issues and the operation and maintenance of the facility.

Phase II will evaluate different locations in this area to build the park. One of the locations being considered is Bedrock Park.

Committee Member Steindorf expects the report to be completed by the end of this year.

CORRESPONDENCE - None

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON NON-AGENDA ITEMS - None

ADJOURNMENT

The meeting was adjourned at 6:07 p.m. to an adjourned meeting of the Supplemental Benefits Fund Steering Committee that will be announced.

Sue Corkin, Chairperson