

BOARD OF SUPERVISORS MEETING  
May 5, 2015

**“For all items NOT on the agenda”**

**(Each Speaker Limited to 3 Minutes)**

**Voluntary Sign In Sheet**  
**(Public Appearances – 9:00am)**

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✓ Charles L. Ciancio  
✓ Bob Mikee

✓ Jack Newman

Date: 5/4/15

To: Humboldt County Board of Supervisors and others

**Subject: Maybe I should give-up trying to tell how humans can avoid repeating past mistakes and can make things better.**

I did an interview on KINS radio a few years ago when I was a lead person at LP, and LP was over-cutting its ownership. Back then protectionism was shutting down a shrinking working circle which in the past had included timber supply from non-LP ownerships, taxpayer supported lands like U.S. Forest Service, and LP owned lands. I told how folks who worked at the LP mills and in the woods were not part of the discussion, and no one was telling how many were having their lives affected. The KINS folks said the truths I told were interesting, because I told another side which was not being discussed. I never heard another word about the side of the story I was telling.

**I again see the same thing happening.** I see few if any, including local media and KINS, telling what is happening to private timber owners, loggers, and mill workers who are unjustifiably getting the shaft. I do not see many caring what happens to working, taxpaying, family, low to middle income, and producing folks all over the world.

**Principles and morals are taking a backseat to many things.** Egos, personalized agendas especially those provided by protectionists, self formed opinions of what "is" is supposed to mean, compromising and getting along while explaining away a lot of bad and letting a lot of bad happen, and on and on.

The following outlines my thoughts on things I have learned. Before putting my thoughts in the file 13 waste basket, I suggest you take a serious look at what I see happening in Humboldt County.

Worldwide many issues involving guns, drugs, immigration, Hillary messes, chopping heads off in the middle east, IRS mess, Benghazi hidden stories, Russia and Ukraine mix-up, populous areas rioting before all facts are known, cowboys rebelling over cattle use of taxpayer lands, increasing dependence on imports produced outside this country, and on and on show what is happening.

**A taxpaying, family, working, low to low middle income, producing group too busy living life are becoming a voting minority controlled and abandoned by a 50+1 voting majority.** The 50+1 voting majority is influenced by routinely unelected and unaccountable in a slanted media, confusing often misapplied legal system, those with money and power, politicians especially those wanting to get re-elected, and regulatory inexperienced Fourth Branch of Government. Beck, O'Reilly, Rush, and others preach some truths to their choirs, but many without access to hi-tech do not take the time to understand what is happening. Many have accepted protectionist thinking all over the place as a good thing that can't hurt. Those trying to expose real world realities are met with snickers and laughter. Ignored is idea full and proper use of natural resources can result in much, much, much, more when factual realities involving historical and field experienced input using science and site specific facts mixed with a little logic and common sense are applied.

**Humboldt County, California provides an example of what is happening**

**In an area full of natural resources, regional big picture is ignored. Half the economy is provided by taxpayers, and other half is from private economy with timber industry by far being biggest contributor to private economy.** More taxes are being forced from the private sector, efforts to further decimate the timber industry are in play, incentives for large and small land ownerships are eliminated, fights between loggers, fishermen, and others is promoted, improved highway access to the area and properly placed access to many areas is resisted, regulations are pushed which promote properly applied disturbance which helps spotted owls, fish, and many other wanted species, push for more and more protection and preservation of many things has special places and things and humans destroyed by uncontrolled fire, local funds like Headwater funds are not spent wisely, fees collected for fire control are not shared by those who actually fight fires, low paying tourism involving least visited National Redwood Park in the USA and for other things is promoted as a replacement economy, affected area is in a state where 80% of the wood used in the state comes from out of the state and most taxpayer owned lands lay fallow while remaining private lands grow all of state's wood needs, area producing a lot of water is controlled by rest of state which is short of water, private local economy is not good and getting worse while more and more tax money is requested for things that do not help those deserving help, increased harbor use is fought against, east-west railroad idea is not fully understood, and on and on and on.

**Yep! Getting those in power pissed-off gets more attention than real world truths from old farts like me. Many species and the rest of the world are paying a high price to keep a few controlling, misinformed folks happy.**

Charles L. Ciancio

(An old tired field forester, who has lived the real world no one gives much attention)

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# Headwaters Fund under scrutiny by grand jury

By Will Houston

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A Humboldt County grand jury report released Wednesday found the multi-million dollar Headwaters Fund isn't being managed well enough by the county to fulfill its long-term purpose, hasn't undergone reviews mandated by its charter, and should be turned over to a nonprofit to prevent further erosion.

Both the fund and its charter were created by the Humboldt Board of Supervisors in 2002, after Humboldt County was given \$22 million dollars by the state and federal government as compensation for the sale to the Bureau of Land Management of what would become the 7,500-acre Headwaters Forest Reserve. Supervisors voted to sock away \$18 million of that payment in what would become the Headwaters Fund.

"I represent a district that lost a tremendous amount of jobs with the loss of PALCO (Pacific Lumber Company)," county 2nd District Supervisor and board Chairwoman Estelle Fennell told the Times-Standard on Thursday. "I have copy

FUND » PAGE 5

# Tribe rejects repeal of ban

The Times-Standard

Unofficial results of Tuesday's Hoopa Valley Tribe primary election show over 60 percent of voters rejecting an initiative that would repeal the tribe's ban on marijuana grows.

The repeal of Title 34 garnered a total of 308 "yes" votes and 535 "no" votes, according to an email sent by tribal member and repeal opponent Viv Orcutt.

"Most families are affected by drug use in some way," Orcutt wrote. "Legalizing marijuana would have thrown gasoline on the existing drug problem in our community."

Hoopa Valley Tribal Council Chairwoman Danielle Vigil-Masten had previously expressed concerns about the effects of marijuana production on tribal lands.

"Our tribe is concerned about the ramification as far as the court system, water and the chemicals that (growers) use that have toxic effects on our land and also on animals," she told the Times-Standard in December.

The Hoopa Valley Tribal Council prohibited the cultivation and distribution of marijuana grows on tribal lands in 1999 after adopting Title 34. The ordinance was adopted in response to the Compassionate Use Act of 1996, which allowed the use and cultivation of medical marijuana in California.

The U.S. Department of Justice issued a memo in December stating that tribes can grow and sell marijuana on their lands as long as they follow the same federal conditions laid out for states that have already legalized the drug.

Based off this, former Hoopa Valley Tribal Council Chairman Clifford Lyle Marshall Sr. created a petition to repeal Title 34 and gained enough signatures to have the initiative on Tuesday's ballot.

## Fund

FROM PAGE 1

of the original check for \$12 million from the state that says in the description, 'For jobs and job training for displaced workers.' I think that's what most people saw the purpose of the fund to be. It was to really make up for the loss of jobs for handing over this large tract of old growth forest to the Bureau of Land Management."

But according to the grand jury report, the fund's investment portfolio isn't living up its charter, which pledges to "keep the funds working in the community in perpetuity."

### Fund 'erosion'

The grand jury report states that the fund's balance has dropped 20 percent from its 2009 peak of about \$20,790,000 to its 2013-2014 fiscal year ending balance of about \$16,540,000.

"The Humboldt County Grand Jury finds the current Headwaters Fund investment portfolio, managed and invested by the Humboldt County Treasurer to be inconsistent with the charter's mandated 'in perpetuity,'" the report states.

The report states that this is partially due to the Board of Supervisors' decision to amend the fund's charter in February 2014 to allow the county trea-

**"The consequence will be over time an erosion of the funds ability to serve its original purpose."**

— Statement from report

surer to invest up to \$10 million of the fund outside the county's investment pool — the amount of revenue collected by the county's various agencies.

Fennell said that this was done as returns from Headwaters Fund investments into the county's investment pool were poor.

"When you hand it over to the treasurer, he can then put it in through outside investment streams that might bring back a greater return," she said. "... The strategy was, let's

try to get something more from this money, but not to gamble off it."

The grand jury argues that this safe investment approach only protects the fixed dollar amount of the fund, but does not allow the fund's balance to keep pace with inflation and increases in the cost of living.

"The consequence will be over time an erosion of the funds ability to serve its original purpose," the report states.

County Treasurer John Bartholomew said he was

advised by the County Counsel's Office not to speak about the report until he files the required formal response.

Another investment the report criticizes is \$2 million being used for large infrastructure projects over an eight-year period with no mechanism for replenishing the invested funds.

Because of these reasons, the report recommends that the board transfer management of the fund's investment portfolio from the county treasurer to the nonprofit Humboldt Area Foundation.

"Humboldt Area Foundation, even with the economic downturn of 2008-2009, has over the last ten years been able to achieve