



Agenda Date: 10/3/2006  
Agenda Placement: 9B

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Shelli Brobst for Randy Snowden - Director  
Health & Human Services  
**REPORT BY:** Shelli Brobst, Contracts Analyst, 253-4720  
**SUBJECT:** Recommended Tobacco Master Settlement Awards

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### **RECOMMENDATION**

Director of Health and Human Services requests approval of the recommended recipients of 2006-2007 Tobacco Master Settlement grant funds.

### **EXECUTIVE SUMMARY**

The Board has allocated \$700,000 in funds from the national Tobacco Master Settlement Agreement (MSA) for distribution in the current fiscal year to local community organizations through a competitive grant process. The Health and Human Services Agency (HHSA) solicited applications pursuant to guidelines previously adopted by the Board, resulting in seventeen grant applications totaling \$1.26 million. A grant application review committee reviewed and rated the applications in accordance with the Recommended Procedures approved by the Board. The Board is now requested to approve the outcome of the review process. HHSA will then negotiate specific funding agreements with the approved applicants and will return those agreements to the Board for approval at a future Board meeting.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Health & Human Services
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The requested action is discretionary in that there is no mandate to distribute Master Settlement Account funds for specific purposes or to specific entities. In June of 2001, the Board adopted a plan to distribute \$750,000 per year from

funds deposited in the Tobacco Settlement Trust Account through a community grant process. The Board further determined that if the annual interest generated by the trust account came to exceed \$750,000, the entire amount of interest earned in that year would be distributed.

In 2005, the Board increased the annual Tobacco Master Settlement allocation from \$750,000 to \$800,000. That action also allocated \$100,000 per year for three years in funding to the Children's Health Initiative (CHI). The same action left \$700,000 to be awarded in Fiscal 2006-2007. Today's requested action recommends the award of \$689,647 in 10 grants for Fiscal Year 2006-2007.

Is the general fund affected?	No
Future fiscal impact:	If awarded, the grants expire March 31, 2008.
Consequences if not approved:	If the requested action is not approved, the Board will need to determine alternative grant recipients, or Master Settlement Account funds will not be distributed in Fiscal Year 2006-2007.
Additional Information:	The balance in the Tobacco Master Settlement account, as of August 31, 2006, is \$7,162,833.38. The last deposit to the account from the State of California was \$1,217,846.09 on April 21, 2006. Interest earned in Fiscal Year 2005-2006 totaled \$214,616.39

## **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

## **BACKGROUND AND DISCUSSION**

On June 6, 2006, the Board reviewed the County's Master Settlement Agreement Grant Award Program. The Board then adopted the Funding Guidelines and the Process for the Distribution of Tobacco Master Settlement Grant Funds for Fiscal Year 2006-2007. The Board also directed staff to solicit and process applications in accordance with the Recommended Procedures. An amount of \$700,000 is appropriated in the Health and Human Services Agency's (HHSA) budget for the 2006-2007 grant cycle. HHSA will oversee the funding agreements for the successful applications.

Per Board direction, staff solicited applications for the available grant funds. Seventeen applications were received from sixteen different agencies, seeking a total of \$1,268,120 in grant awards. All of the applications were processed in accordance with the Recommended Procedures. All applications met the minimum qualifications and were passed on to the Grant Application Review Committee for consideration.

The Grant Application Review Committee was composed of:

- | Britt Ferguson, Assistant CEO, County of Napa
- | Terrence Mulligan, President, Community Foundation of the Napa Valley
- | Commander Steve Potter, City of Napa Police Department
- | Laura Keller, Director of Public Health Nursing, County of Napa Health and Human Services Agency
- | Shirin Vakharia, Supervising Mental Health Counselor, Substance Abuse Services, County of Napa Health

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and Human Services Agency

The Committee members reviewed each application. Each applicant then made an individual in-person interactive presentation to the Committee, which included time for follow up questions to further clarify the proposed projects. After reviewing all seventeen applications and after all of the individual presentations, each committee member rated each application against ten Funding Criteria previously adopted by the Board. The Funding Guidelines and Funding Criteria are shown in Attachment C. Applications requesting multi-year funding and those submitted as collaborative projects were rated against an additional five criteria. The Funding Guidelines adopted by the Board favor applications that show clear evidence of the project need, the outcomes to be achieved, and the applicant's ability to provide effective ongoing services.

After rating the applications individually, the Committee met to review the individual ratings, establish an overall rating for each project, and issue final funding recommendations. The final recommendations are based on the proposals' overall average scores. Proposals recommended for funding received scores ranging from 92.6 to 113.7 points out of a possible 125 points.

The Grant Application Review Committee is recommending that a total of \$689,647 be awarded to the ten applicants listed in Attachment A. One of the ten applicants shown on Attachment A is being recommended for funding for three years. The approved procedure and funding guidelines reflect the Board's overarching goal of ensuring an objective, functional and needs based application and allocation process. Staff notified more than 100 agencies of the grant application process, solicited grant applications, and on June 15, 2006, held a pre-application conference. The application period was open from June 9, 2006 to July 27, 2006.

On June 6, 2006, the Board also called for \$10,000 of the available funding to be used to engage a consultant to assist grant recipients to develop sustainability plans for the services to be funded through these grants. Unless directed otherwise, HHSA will proceed with the selection of a consultant and return to the Board for approval of a consulting agreement for this purpose. If today's requested action is approved, HHSA will return to the Board for approval of agreements with the 10 applicants, and the funding agreement with the Children's Health Initiative at a future Board meeting.

The Grant Application Review Committee did not recommend funding for seven applications. Those applications, shown in Attachment B, received scores ranging from 63.5 to 87.7 out of a possible 125 points.

### **SUPPORTING DOCUMENTS**

- A . Proposals Recommended for Funding
- B . Proposals Not Recommended for Funding
- C . MSA Funding Guidelines and Rating Criteria

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita