



## **2011 LEGISLATIVE AGENDA**

### **BOARD OF SUPERVISORS**

The Honorable John Pedrozo, District 1

The Honorable Hubert "Hub" Walsh, District 2

The Honorable Linn Davis, District 3

The Honorable Deidre F. Kelsey, District 4

The Honorable Jerald O'Banion, District 5

**Adopted: January 18, 2011**

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## STATEMENT OF PURPOSE

The *2011 Legislative Agenda* is a statement of the priorities and goals for Merced County in its relationships with the Executive and Legislative branches of the State of California and the United States of America. This Agenda also serves as direction for those persons advocating on behalf of the County with the State and Federal Governments.

The Legislative Agenda contains both broad and generic goals as well as specific legislative proposals. In adopting this Agenda, the Board of Supervisors states their clear intent that the County's legislative efforts are directed toward these measures of specific interest and benefit to Merced County.

The Merced County Board of Supervisors agrees that the issues contained within this Agenda represent their collective endorsements. The Board of Supervisors recognizes that many other unforeseen issues will become known as the legislative year proceeds. Any additional endorsements for legislation, policies, or projects must come before the Merced County Board of Supervisors for approval and adoption as amendments to the Legislative Agenda before any position becomes the official policy of the County. However, to accommodate any requests that may arise after approval of the platform, the Board Chair and the County Executive Officer may periodically provide letters of support or opposition as needed based upon any benefit or detriment to Merced County.

# **FEDERAL LEGISLATIVE OUTLOOK**

## **FOR THE 112<sup>TH</sup> CONGRESS**

**Provided by CJ Lake, LLC, on January 5, 2011**

Efforts to pass an FY11 omnibus appropriations bill that included Member projects failed in the last days before Congress adjourned for the year. The federal government is now funded by a Continuing Resolution through March 4. Republicans are saying they want discretionary “non-security” spending cut to FY08 levels – this would require an immediate cut of about 20% or about \$100 billion this year. We will see these budget fights in the coming weeks leading up to the March 4 deadline.

The House Republican Conference voted before Thanksgiving to ban earmarks for one year. This action does not have the force of law, but because Republicans will control the agenda in the House, they can effectively enforce this ban. While the Senate Majority remains in Democrat hands, it has shrunk by seven, giving the Democrats a 53-47 majority. Although the Senate Democrats have not adopted a moratorium, Senate Republicans have implemented a voluntary ban. Because of the uncertainty related to Member projects in individual appropriations bills, we will look to the individual agencies for funding in addition to focusing on authorization opportunities in the 112<sup>th</sup> Congress.

The 112<sup>th</sup> Congress will be sworn in January 5. Republicans will be focused on cutting spending across the board. In fact, Republicans want to push through a number of rescissions that reverse funding already approved but not spent. The obvious target is the remaining unspent stimulus money, although only about \$16 billion remains.

The House Republican leadership has said one of the first bills scheduled for debate will be legislation to repeal the health care overhaul law. Floor debate will begin on January 7, with a final vote scheduled for January 12. The effort is not expected to advance, however, since Democrats still control the Senate and President Obama is expected to veto the legislation.

The Senate leadership has not yet stated its priorities for these first few weeks. A group of Senate Democrats will move to force changes to their chamber’s filibuster rules when the Senate convenes on January 5, however, we do not anticipate final action until later in the month. The Senate will likely then recess for two weeks until January 24<sup>th</sup>.

The State of the Union is scheduled for January 25<sup>th</sup>. Following the State of the Union, the Obama Administration will send its FY12 budget request to Congress the week of February 14. The budget request will give us a better idea of what the Administration’s priorities will be for the coming year. Additionally, we will learn more as committees begin to release their agendas and priorities for the year.

# STATE LEGISLATIVE OUTLOOK

## Provided by Peterson Consulting, LLC

With an estimated \$26 billion shortfall at the State level, Merced County can expect the State Budget to continue to be the most significant challenge facing the State and County governments. The passage of Proposition 22 (transportation) Proposition 25 (majority vote budget) and Proposition 26 (2/3 vote on fees and taxes) will further complicate matters.

Governor Jerry Brown has promised that no new tax increases will be implemented without voter approval. Several existing tax increases, which raised billions of dollars to patch over the State's budget deficit in recent years, are set to expire soon. Only through super-majority votes can such increases be extended. Given the passage of Proposition 26, it may difficult for the Legislature and Governor to garner the votes for any form of revenue increase.

Due to the political difficulties of increasing state revenues, the new Governor may look to local governments to carry out vital services that are now funded and administered by the State, as a way to relieve State budget pressures and reduce the State deficit. The County should be prepared to review and respond to proposals in the adult and juvenile justice areas, as well as health and human services.

In addition to possible realignments, there may be legislation to eliminate or restructure enterprise zones, which would be detrimental to Merced County. Legislators who have sought to eliminate or reduce the tax incentives of enterprise zones will be returning to Sacramento, and several of them are likely to try again. Merced County should be prepared to engage the legislative delegation in defense of this important program.

Due to economic conditions, the California Transportation Commission has identified possible Proposition 1B savings, which must be reprogrammed to counties on the Highway 99 corridor. Merced County has an important and viable project, the Atwater-Merced Expressway, which - if funded - could greatly enhance economic development opportunities in the County. As such, the County should continue to actively pursue that or be ready for any other transportation funding that should become available.

Additionally, there will likely be more legislation introduced on High Speed Rail in 2011, which will require review and response. This legislation will likely be driven by both the activities of the High Speed Rail Authority as well as the actions at the Federal level to roll out (or hold back) stimulus funding for the project.

Finally, the new Governor has demonstrated a particular interest in local land use decisions and sustainability legislation. The County should be prepared for the introduction of many bills which deal with land use planning, greenhouse gas reduction and sustainability. It is likely that such legislation will in some way impact local land use authority, and the County should be prepared to review and respond to legislation that brings new unfunded mandates or usurps local control.

## LEGISLATIVE GOALS AND POLICY STATEMENTS

### LEGISLATIVE GOALS

In its relationship with the State and Federal Governments, it is the goal of Merced County Board of Supervisors to:

- Promote legislation, administrative decisions, and regulatory actions that strengthen the fiscal integrity of Merced County.
- Support the enhancement of County revenue streams and oppose the infringement on existing local resources.
- Support legislative and administrative actions that ensure the County is best positioned for funding for mandated programs, seek greater discretion in carrying out the County's responsibilities, and increase flexibility in the acquisition and expenditure of funds for County programs.
- Support actions that promote economic development in Merced County consistent with the County's long-range economic and land-use plans.
- Support legislation and administrative actions which enable Merced County to partner with other counties and public agencies in mutually beneficial projects and programs.

### POLICY STATEMENTS

#### Natural Resources and Infrastructure

- Merced County represents the fifth largest agricultural county in the State and the sixth in the nation. Merced County places a high priority on preserving agricultural lands, and therefore supports legislation promoting such efforts. The County supports legislative or administrative action to preserve agricultural lands with subventions to counties and to fully restore funding for the Williamson Act. We strongly oppose any further attempts at reduction and/or elimination of the Williamson Act subventions, as well as any further attempts to weaken the land use provisions of the Act.
- The Poultry industry continues to play a significant and important role in Merced County's economy. In 2008, Proposition 2 was passed by voters as a means to prohibit the confinement of certain farm animals in a manner that does not allow them to turn around freely, lie down, stand up, and fully extend their limbs. Key portions of the statute will become operative on January 1, 2015. Farming operations have until that date to implement the new space requirements for their animals, and the statute will prohibit animals in California from being confined in a proscribed manner thereafter. In this regard, Merced County seeks funding to help educate both the poultry industry and County on Proposition 2 compliance expectations.
- Water is vital to the economic development and security of our County. The state must develop a plan to meet California's future water needs and find permanent solutions to the critical Delta infrastructure and environmental and water quality issues that we continue to face. The water plan must include new water storage opportunities which are vital for cushioning effects of drought by capturing high

flows in wet years as well as a fair and equitable method of conveyance for the current and future water needs of California's agricultural industry.

- There are many proposals being suggested to provide financing for flood protection and levee enhancement in the San Joaquin Valley. Merced County is participating in the drive to support additional flood protection Valley wide. The Merced County Board of Supervisors remains supportive of increased funding for Valley flood protection. The County supports legislation and administrative actions for flood protection and levee enhancement financing to include bonds or budget appropriations. We support local control of project priority and oppose any attempt to weaken local control of local reclamation districts. Additionally, the County also supports legislation and funding opportunities that will reimburse the County for any infrastructure repair or necessary improvement caused by a flood, as in the case of Sandy Mush Road. We oppose any effort to shift the liability for any currently built levee to local governments. We will work with the appropriate state and federal agencies to advocate for the County's flood control projects through all stages of development in order to secure funding.
- Merced County has more than twenty water districts within its boundaries that serve the more than 250,000 residents of our County with clean drinking water, water for agricultural uses and waste water services. Many of these districts are small and in rural areas and lack adequate funding for infrastructure improvements to meet state and federal regulatory compliance. The County supports the efforts of these small districts, specifically Planada, South Dos Palos and Ballico, to seek and obtain additional infrastructure funding to ensure adequate drinking water and waste water capabilities in the small, rural water districts of our County.
- Merced County is contractually obligated to provide maintenance for a number of streams and man-made channels, including the Los Banos Creek, Bear Creek, Black Rascal Creek, Owens Creek and others throughout the County. These streams and channels provide flood protection to the residents of Merced County. The maintenance obligations are the result of the Federal Flood Control Projects. However, there is no funding provided from either Federal or State sources to provide the maintenance. The County supports legislation and administrative actions at the Federal and State level to secure funding for stream and channel maintenance in Merced County.
- Merced County supports legislation that would amend Section 1601 of the Fish and Game Code to exempt activities involving routine maintenance of levee or flood control systems from the requirement to obtain a streambed alteration permit from the Department of Fish and Game (DFG). DFG has recently taken the position that such permits, even where an MOU existed allowing such activities are now void without reason. DFG holds that new permits must be issued and new detailed analysis under CEQA must be prepared. DFG has also made it clear they expect mitigation measures to be adopted following biological studies. As a result, vegetation clearing on existing canals, sloughs and stream channels used for flood conveyance has been halted. The new requirements will also add significant cost. This exposes counties to great liability related to delays, diversion of funds away from actual flood protection, and increased flood damage where channels are not adequately cleared.

- The entire eight county San Joaquin Valley air basin faces a potential economic and transportation crisis due to rapidly escalating Federal control requirements and potential sanctions because National Ambient Air Quality Standards have not been attained. The entire San Joaquin Valley is a single air quality planning area for ozone and PM10, and is classified for purposes of Federal law as “Severe” for ozone and “Serious” for PM10. The San Joaquin Valley is facing the imposition of Federal sanctions due to the inability of more polluted areas in the central and southern Valley to attain the 1-hour ozone and PM10 standards. Federal sanctions would interrupt Federal funding for most transportation projects and make it more costly and difficult to build new or expand existing industrial sources. With the recent failure of Proposition 23 in California, it is even more essential that the County continue to develop and support legislative initiatives to improve air quality in the Valley.
- Merced County supports legislation that would require coordination between regulatory agencies in California. Currently, actions/regulations by California Air Resources Board (CARB), San Joaquin Valley Air Pollution Control District (SJVAPD), Regional Water Quality Control Board (RWQCB) and the Integrated Waste Management Board often conflict with one another’s regulations, making it extremely difficult, and at times impossible, to maintain the county’s compliance with mandates and regulations.
- The Agricultural Commissioner’s high-risk pest exclusion and pesticide use enforcement programs are experiencing critical funding shortfalls. These mandated programs are among the largest programs of the Agricultural Commissioner’s office and are also among the most important programs for Merced County’s agricultural industry. This program functions to inspect incoming plant shipments to prevent the introduction of exotic pests that threaten agriculture. Funding to exclude these pests will be much less expensive than the subsequent damages and costs of eradication if these insects become established. This program assures that pesticides are used safely to protect consumers, farm workers, and the environment. The County supports legislation or budget proposals that provide State funding for county pesticide use enforcement, high-risk pest exclusion, early pest detection, noxious weed prevention, and other county agricultural programs including the eradication of the water hyacinth. We also encourage and support the return of the Federal Agricultural Inspection programs to the USDA from Homeland Security.

### **Public Safety**

- In 2009, the State discontinued utilizing general fund dollars to support probation programs such as the Juvenile Justice Crime Prevention Act and the Juvenile Probation Camp funding. Instead of general fund dollars, the State funded the programs with VLF fees, though established a sunset clause of June 30, 2011. The budgets of the county Sheriff and Probation Departments, as well as the District Attorney’s Office would be heavily impacted without this funding from VLF fees, which would most likely result in a reduction in staffing and equipment. With Probation going toward implementation of evidence-based practice, reducing staff would delay this program. The County supports legislation that would extend the VLF funding for law enforcement and further supports legislation that would make this a continued source of funds for local law enforcement agencies.

- Jail and juvenile correction facilities in Merced County, like facilities across the state, are overcrowded and facing an influx of additional prisoners and wards from the state. The County is not in a position to accept additional prisoners without additional funding for both beds and correctional/probation officers, who will oversee the new prisoners at the facilities in the county. The County supports any legislation or administrative action that will increase funding for both juvenile and adult correctional facilities in the County.
- The Merced County Animal Control division receives approximately one-third of its funding from the SB90 appropriation from the State of California. The County is currently owed approximately \$500,000 in previous years funding, and has not received any funding for the current fiscal year. The County supports any legislation that would require the State to make regular payments of SB90 mandates and appropriations.

### **Health and Human Services**

- The Workforce Investment Act (WIA) of 1998 provides the means for linking workforce, education and business services initiatives under the One-Stop Career Center System. The Act is pending reauthorization at the Federal level, which will secure a funding mechanism methodology for WIA. The Act supports the Workforce Investment Board, the Department of Workforce Investment, and the One-Stop system of services (WorkNet). These services impact workforce and economic development goals, it is important to remember the necessity of talent development and human capital in the development of business opportunities in Merced County. The County supports reauthorization of the Workforce Investment Act to address stable funding for One-Stop Career Center infrastructure and Training. The County also supports the retention of local control of programs through a private sector-led Workforce Investment Board to address local labor market issues, which includes the authority and responsibility of the local Board to act with speed and the ability to scale programs to the needs of local and regional business. The County opposes changes to the administrative cost definitions that would negatively impact the County.
- Families and communities are increasingly challenged to provide Merced County children with the support they need most in order to develop optimally. Factors such as the struggling economy, persistent unemployment, budgetary constraints, and others, all challenge efforts to prioritize care for our children. A Children’s Bill of Rights has been adopted by individuals and groups from throughout Merced County including the Board of Supervisors, which identifies the factors that children need in their lives most in order to grow up best. It is a statement of aspirations for all children—from birth through young adulthood—that explicitly proclaims the priority that Merced County places on caring for its kids. The County supports efforts that prioritize care for Merced County children and heighten awareness of the essential need for an enduring commitment to them.
- Children in California who are not currently eligible for Medi-Cal or Healthy Families do not qualify for other publicly funded health insurance. The Governor has put forth a Health Care Reform package which includes insuring all California children under 300% of the Federal Poverty Level (FPL). To meet this need, many California counties have created a “third” product for children not eligible for Medi-

Cal or Healthy Families under each County's Children's Health Initiative. Each county program has its own eligibility requirements and coverage is not transferable to another county if the family moves. It would be in Merced County's interest to have the State take over the "Healthy Kids" program as a statewide program like Medi-Cal or Healthy Families. The County supports legislation and administrative action that would create a California Healthy Kids Insurance Program covering all children in California.

- Medi-Cal regulations have not been updated since the 1980's. Medi-Cal has taken a Band-Aid approach to changing regulations that has created a complex system comprised of over twenty-six sub-programs. The County supports any legislation that would simplify and align State Medi-Cal regulations with the Federal Health Care Reform Act. The County would also support expanding Medi-Cal eligibility to include children who were formerly in foster care, up until age twenty-six, as well as individuals awaiting adjudication in county juvenile detention facilities if they were eligible to receive Medi-Cal benefits at the time of admission to a juvenile detention facility.
- Many of our Merced County students fall below State averages in academic performance, underscoring the *achievement gap* for many in our county. Children from diverse, low-income families are particularly impacted. Children's "readiness" to succeed in school is directly related to their participation in quality preschool and child care. Research has demonstrated that children accessing quality preschool and child care services do better in school and in life, and the benefits are greatest among economically disadvantaged children. Investing in quality preschool and child care makes economic sense because cost-benefit analyses show it generates savings in every dollar spent, particularly on welfare, education and criminal justice. A chronic and widespread shortage of quality preschool and child care exists in Merced County, and the County supports efforts to improve quality preschool and child care access for its families so children have the greatest opportunity to develop optimally and succeed in school and beyond.
- In 2009, the State discontinued general fund dollars that supported significant public health infrastructure and programs. The State relied heavily on local funding and one-time federal grant funding to continue certain mandated programs and provide public health and safety infrastructure. Merced County supports legislation that restores stable funding for public health programs and services.
- Merced County will maximize opportunities to access available funding through the California Department of Health Care Services' various waivers with the Centers for Medicare and Medicaid Services (CMS) that increase Federal Financial Participation (FFP) opportunities, decrease reliance on County General Fund, and protect and stabilize local safety net services.
- On December 27, 1997 Health Care and Financing (HCFA) issued a letter regarding the Clarification on Medicaid Coverage Policy for Inmates of a Public Institution, with respect to its application of 42 CFR 435.1010 to juveniles. This letter created confusion when States tried to reconcile the letter with the Federal regulation and it led to denial of coverage of services to Medicaid-eligible children. The letter also appears to restrict FFP (Federal financial participation) for services that are covered by Federal law, specifically related to children in juvenile hall. Merced County supports efforts by the Centers for Medicare and Medicaid Services (CMS) to clear

up the confusion created by the 1997 letter by issuing clarifying guidance that is consistent with the operation of the juvenile justice system and the legal status of the youth the system serves, which would allow Merced County to bill Medi-Cal for services in Juvenile Hall.

- Merced County has approximately 14,000 veterans living in our boundaries. These men and women have made numerous sacrifices in defense of our nation and our community. Merced County deeply appreciates the sacrifice and dedication of our nation's veterans and is committed to assisting them. Many of our veterans are in need of specialized services offered by the State through Counties, like mental health and alcohol and drug treatment services. The County supports efforts to expand services offered to veterans in our community and specifically supports efforts by the California Department of Veterans Affairs to secure additional funding for local, community-based organizations to offer additional services to the veterans in our community.

### **Administrative and Fiscal**

- The County supports legislation requiring all taxing entities to contribute proportionate funds toward maintenance of the assessment roll as they are the major beneficiary of the property tax dollar collected. In addition, the County would support any legislation which provides additional funding to work appeals and maintain values by county assessors.
- Funding sources and streams from the State are in constant peril of being reduced or eliminated when the State budget faces crisis. The County opposes any effort to reduce funding streams or sources to Counties, i.e.; local gas tax funds, and opposes any effort by the State to shift costs or liability to the County from the State.
- Merced County faces financial challenges to provide services and the required level of funding to operate programs. Many of these services and programs are dependent upon funding from the State of California and the Federal Government. With budget constraints at the State and Federal level, Merced County is concerned with the reduction of funding for county programs in an effort to balance their respective budgets. The County strongly opposes any efforts to reduce State and Federal payments for county programs. We strongly support legislative action to implement provisions of propositions and policies protecting County revenue streams and payment mandates and oppose any efforts to impose new unfunded mandates on counties.
- The 1937 Retirement Act provides counties flexibility in developing employer/employee labor agreements with varying cost-sharing formulas for some members. The County's represented employees have generated discussion of alternative retirement benefit formulas. The Board of Supervisors has supported exploring alternative benefit formulas provided they maintain County fiscal stability and solvency. Some employee organizations have been receptive to identifying ways of implementing an alternative formula that does not have a significant fiscal impact on the County. However, existing statutes require a benefit formula to be implemented for all members within a category. The County supports legislation that authorizes Merced County to provide retirement benefits to fit the needs of the Merced County retirement system.

- The redevelopment of the former Castle Air Force Base, now known as Castle Airport and Castle Commerce Center, represents a significant economic development opportunity for Merced County. Through their redevelopment agency, Merced County plans to redevelop the former military base into a state of the art business and commerce center, along with the existing airport. The County supports the acquisition and/or use of available state, federal or local resources to fully redevelop Castle Airport and the Castle Commerce Center, based on the current Redevelopment Plan. Utilizing tax increment financing through redevelopment for infrastructure improvement would make the existing structures more appealing to potential development. Merced County supports redevelopment as a means to develop this property for economic benefit and subsequent job creation.
- Merced County consistently has one of the highest unemployment percentages in the State. The creation of new jobs and opportunities for County residents is a top priority for the Board of Supervisors. The County supports the acquisition and/or use of available state, federal or local resources to support economic development opportunities and programs. Programs such as the Enterprise Zone are keeping the small businesses afloat in the current economy. Economic development opportunities are somewhat limited in Merced County, but programs like the Enterprise Zone are helping to maintain existing opportunities and facilitate some growth.
- The County strives to foster a pro-business climate whereby the private sector can create needed jobs and opportunities for Merced County residents, and will support federal and state legislation that promotes the entrepreneurial spirit to this end, and conversely may oppose legislation that hinders the private sector's ability to positively stimulate our local economy.
- With a growing population and a large number of residents unable to afford housing in our area, the current CDBG grant allocation is not a sufficient amount to address the affordable housing needs of the County. The County seeks and supports legislation or an administrative action that would change the grant criteria to increase the amount of the CDBG grant allocation to the County.
- Libraries are a vital resource for the communities that they serve. The State has continually cut the State public library fund, including in the current fiscal year. State funding is vital to the ongoing development of library services and book purchases. The County supports the full restoration of the library budget from the State.
- Illiteracy among adults can impact their ability to find and keep work, effectively communicate with teachers, doctors and other community members. The Merced County Library has recently instituted a literacy program designed to combat adult illiteracy in our community. The County supports additional funding through grants, appropriations and legislation for literacy programs.
- Current State law designates the Clerk of the Board of Supervisors as the Clerk of the City Selection Committee (a committee of city representatives which chooses city members of various boards such as LAFCO). This task more properly belongs to a city official. The County seeks and supports a change to the Government Code removing the Clerk of the County Seat as the Clerk of the City Selection Committee and have that position be the sole responsibility of City Government.

## Transportation Proposals

Transportation infrastructure is a primary responsibility of government. Merced County has a number of transportation proposals that serve the interest of the County's residents, businesses, and cities. The County will actively pursue funding and opportunities to move each of these projects forward as opportunities arise with the state and federal governments. Projects include:

- **Highway 152 Bypass** – The Los Banos Bypass project includes the construction of a new east-west, four-lane expressway to bypass freight-hauling truck traffic on Highway 152 around the north side of Los Banos.

The project's benefits include relieving congestion (~49,000 ADT expected in 20 years) within the city, improving the flow of interregional traffic along SR-152, and enhancing safety by reducing accidents within the city (due to many at-grade crossings with vehicular, pedestrian and bicycle traffic).

With other improvements on Highway 152 to Highway 101, this route from Highway 99 has enormous potential of being another highly beneficial East-West Trade Corridor to the Bay Area.

Environmental clearance has already been awarded. Funding in the amount of \$465 million will be needed to complete the design, acquire remaining right-of-way, and to construct the entire project.

- **Atwater-Merced Expressway** – The Atwater-Merced Expressway (AME) project includes a new Highway 99 interchange to allow vehicular traffic easier access on/off the mainline. A new expressway is also included in this project that will allow efficient traffic movements from/to Castle's commercial and industrial developments, access from/to Northern Merced, and access from/to UC Merced. This project has secured all necessary CEQA review and clearance. With its abilities to handle aircrafts weighing up to a million pounds, to provide heavy freighters the capability to fly non-stop to Asia without re-fueling, and to tie into the Burlington-Northern Santa Fe railroad, Castle Airport could figure prominently in goods movement into and out of the San Joaquin Valley. With the construction of the AME, freighting connectivity will be complete with the direct access from Highway 99.
- **Campus Parkway Segments II and III** – The Campus Parkway project involves the construction of a new 4-lane expressway from State Route 99, connecting to State Route 140, and extending to Yosemite Avenue for a total length of 4.5 miles.

Segment I (from State Route 99 to Childs Avenue) is now complete. The County will continue to secure adequate funding for construction of Segment II and Segment III (from Childs Avenue, connecting to State Route 140 and extending to Yosemite Avenue). The cost to construct Campus Parkway – Segments II and III has been estimated to be \$97.8 million. The County needs to secure \$73.5 million in order to move forward with construction. Construction has been estimated to generate 1,760 jobs. The Campus Parkway project will connect Highway 99 to rapidly growing areas in the City of Merced and serve the new University of California and its

planned community, and provide a direct expressway connection between SR 140 and Highway 99. It will also serve significant projects being developed, including a new retail distribution center creating 1,000 jobs, as well as a planned regional major commercial center. It will be one leg of a loop system to relieve congestion and improve commuter and goods movement traffic flow in and around the City of Merced and the University Community.

The University of California Merced Campus (UC Merced) will greatly benefit from the Campus Parkway project; the potential for development of private Research and Development (R&D) projects associated with research being done at UC Merced will be greatly enhanced as a result of the improved access and transportation circulation opportunities provided by the Campus Parkway project.

- **High Speed Rail and Maintenance Facility** – For years California officials and citizens have been working together to plan for a high speed rail system for California. In November 2008, California voters approved \$9.95 billion in bonds to begin laying track for the high speed rail system. Merced County has been mentioned during the planning process as a potential location for a maintenance facility for the system. The County of Merced has been continually involved in efforts to support having a station stop in downtown Merced as well as a heavy maintenance facility within the County; several alternative sites are possible.

The County supports the continuing development of high speed rail on a statewide basis and a unified regional approach involving the City of Merced, City of Atwater, County of Merced, local business and industry, and others to advocate and to plan for the development of a downtown Merced rail station, and a heavy maintenance and construction facility on or adjacent to the Castle Commerce Center, or whichever alternative is most practicable and suits the needs of the County. In regard to the proposed Pacheco Pass alignment, Merced County specifically requests that all efforts be made to minimize the impact to agriculture properties and production.

- **Highway 165 Bypass** – The Highway 165/99 Improvements Project explores alternative alignment around communities to enhance north-south freight flows. The project also includes examining bridge improvements to improve flow ability and looking at a new Highway 99 interchange to provide better access for seasonal-agricultural trucks and for Southwest Turlock's planned residential area.

The Project Initiation Document, by way of preparation of a Project Study Report (PID: PSR), is currently being prepared. The Project Approval and Environmental Document (PA&ED) phase follows the completion of the PID: PSR. The environmental work for this next phase will cost \$5 million. With only \$700,000 of Transportation Improvement funds, the funding shortfall of PA&ED will be \$4.3 million. Costs for the project's required right-of-way and construction will be determined in PA&ED.

## **STATE PROPOSALS**

### **REGIONAL TRANSPORTATION IMPACT FEES (RTIF)**

Merced County Association of Governments (MCAG), a multi-jurisdictional transportation planning agency of which the County of Merced is a member, adopted a Regional Transportation Plan in 2004, and updated it in 2007. The Plan proposed a Regional Transportation Impact Fee to be assessed on new development throughout Merced County, to ensure that adequate transportation facilities will be available to meet the projected needs of the County as it grows.

Merced County is currently not considered a self-help County for purposes of transportation funding. The County is seeking legislation to be able to include RTIF in the computation for determination as a self-help county, in order to become eligible for competitive transportation funding.

### **INNOVATION HUB (IHUB) SITE IMPROVEMENT**

To stimulate and diversify Merced County's economy, the County proposes establishing a "green" incubator and training center at the Castle Commerce Center to nurture entrepreneurs starting sustainable clean energy businesses and to prepare a workforce for a renewable energy industry. Castle Commerce Center presents an excellent location because of its open physical setting and close proximity to the University of California, Merced's Research Center, also located on the premises. For this purpose, the County manages a building that was built in 1981 consisting of 100,976 square feet. This facility has 4 bays, 48 offices and a cafeteria with seating capacity for 200 people. This building will facilitate the cultivation and establishment of high tech "green" businesses in Merced County, considering our strategic partnership with UC Merced and the work they are conducting on a daily basis with regard to renewable technologies. Currently, UC Merced has 42 patents pending and this facility will serve as a logical conduit to helping these patents become job creating opportunities.

# FEDERAL PROPOSALS

## SPECIAL ECONOMIC DESIGNATION AND REGIONAL COMMISSION FOR MERCED COUNTY/CALIFORNIA'S SAN JOAQUIN VALLEY

Merced County faces special economic challenges, including a high percentage of families and individuals in poverty, a high unemployment rate, and a lower than average per capita income. Merced County is not alone in this plight. Throughout the San Joaquin Valley of California, counties and individuals are struggling during these desperate economic times.

Faced with similar disconcerting trends and economic conditions in Appalachia, the Congress of the United States, in 1965, created the Appalachian Regional Commission (ARC), which is charged with increasing job opportunities and per capita income in the region, strengthening the capacity of the people to compete in the global economy, developing and improving the infrastructure to make the Region economically competitive, and building the Appalachian Development Highway System to reduce their isolation.

Each year the ARC provides funding for several hundred projects throughout the Appalachian Region in support of these goals. These projects create new jobs, improve local water and sewer systems, increase school readiness, expand access to health care, assist local communities with strategic planning, and provide technical, managerial, and marketing assistance to emerging new businesses (Source: ARC website, [www.arc.gov](http://www.arc.gov)).

Merced County and California's central San Joaquin Valley is in desperate need of a similar commission and similar funding to achieve these same goals. Merced County seeks legislation creating a San Joaquin Valley Regional Commission (SJVRC) based on the model and funding of the ARC.

## PRIORITY FLOOD CONTROL AND WATERSHED PROJECTS

Merced County has worked closely with the US Army Corps of Engineers on a number of significant flood control and watershed projects. During that time, the County developed a list of flood control projects based on need and past progress on the project (as outlined below in Federal Appropriations Requests).

Projects include:

1. The General Review and Reevaluation for the balance of the Merced Streams Project
2. Flood Control Protection on Black Rascal Creek

# FEDERAL APPROPRIATION REQUESTS

## GENERAL REVIEW AND REEVALUATION FOR THE MERCED STREAMS PROJECT

There is a critical need for flood protection on Black Rascal Creek to prevent the damaging floods which have occurred at least three times over the past 8 years. A General Reevaluation Report (GRR) is being prepared (1) to redefine the flood problems and risks in the Merced County Streams project area by updating current hydrology and flood plains, and the physical, biological, and socioeconomic conditions, (2) to reevaluate alternatives for reducing flood damages in the area, and (3) to reaffirm the Federal interest in participating in the construction of features of the project that was recommended in the Phase II General Design Memorandum (GDM).

The original Merced County Stream Group, California, project was authorized by the Flood Control Act of 1944 as part of the comprehensive plan for flood control for the Sacramento and San Joaquin River Basins. The project, which was completed in 1957, consisted of four flood control reservoirs on Burns, Bear, Owens, and Mariposa Creeks in addition to downstream improvements.

To modify and improve the original project, Congress authorized inclusion of the Merced County Streams, California, project in the Flood Control Act of 1970. This authorization provides for enlargement of the four existing reservoirs providing a total capacity of 117,900 acre-feet for multipurpose storage, construction of three new reservoirs, and channel improvements along the Bear Creek and Mariposa Creek systems. The three new proposed reservoirs included Castle, Haystack Mountain, and Marguerite.

Technical studies were later conducted to reexamine and reevaluate the 1970 authorized project according to current Federal law, regulations and policies. In March 1980, Phase I of the GDM was completed and indicated that the authorized features of channel improvements on the Mariposa Creek system, enlargement of Owens and Mariposa Reservoirs, and construction of Marguerite Reservoir are no longer economically feasible. Further, the authorized project was reformulated to include constructing Castle and Haystack Mountain Dams, enlarging Bear and Burns Reservoirs, and constructing about thirty-three miles of downstream levees and channels on the Bear Creek system. During coordination, the sponsor requested that Burns Reservoir be deferred. This resulted in Phase II of the GDM being done. Phase II GDM was completed in 1982. Features of the reformulated project remain to be evaluated.

Estimated total project cost (October 1996) is \$132,700,000 (includes an allowance for estimated inflation through the construction period), of which \$91,800,000 is Federal and \$40,900,000 is non-Federal (which includes a \$6,855,000 cash contribution).

Construction of Castle Dam was completed in January of 1992 as a separate element. In September of 1996 a supplemental GDM for Haystack Dam was completed.

The changes in the population growth, downstream development and new environmental compliance issues (Environmental Site Assets and vernal pools) necessitate the reevaluation of the project alternatives and determination of the National Economic Development plan. The next step towards completion of the GRR is to complete a flood plain analysis study that will cost approximately \$1.25 million.

The total cost to complete the GRR is approximately \$3 million.

## **CASTLE AIRPORT AND COMMERCE CENTER PROJECTS**

To stimulate and diversify Merced County's economy, the County proposes establishing a "green" incubator and training center at the Castle Commerce Center to nurture entrepreneurs starting sustainable clean energy businesses and to prepare a workforce for a renewable energy industry. Castle Commerce Center presents an excellent location because of its open physical setting and close proximity to the University of California, Merced's Research Center, also located on the premises. For this purpose, the County manages a building that was built in 1981 consisting of 100,976 square feet. This facility has 4 bays, 48 offices and a cafeteria with seating capacity for 200 people. This building will facilitate the cultivation and establishment of high tech "green" businesses in Merced County, considering our strategic partnership with UC Merced and the work they are conducting on a daily basis with regard to renewable technologies. Currently, UC Merced has 42 patents pending and this facility will serve as a logical conduit to helping these patents become job creating opportunities.

Project cost: \$1.5 million.

The redevelopment and growth of Castle Airport and Castle Commerce Center rests solely on the parcelization of the property. Development, sales, nor long-term leases can occur without legal parcelization. Parcels have been established in some areas specifically for sale to identified buyers. However, if parcels continue to be drawn without regard to an overall plan, we will create an untenable development pattern. This project contemplates the full mapping of utilities and roads throughout the facility, as well as the initial development of plans associated with parcelization of the property to ensure full reutilization.

Project cost: \$312,305.

## **COMMUNICATIONS INFRASTRUCTURE AND INTEROPERABILITY**

Merced County has numerous communications infrastructure needs including more broadband connectivity, video conferencing capability between the Public Defender's office and the County jail, and improved infrastructure to ensure the interoperability of communications systems for County law enforcement and emergency responders.

With Merced County planning to locate their Emergency Operations Center at Castle Commerce Center, additional projects include replacing existing telephone lines and installing new data line service to existing facilities. Many of these facilities are currently in negotiations for lease and/or sale. Additionally, this will further migrate communications lines away from Building 152 which is in a poor state of repair. The need is also to provide reliable voice and data communications service to fire alarms (which are life/safety requirements) to these facilities. This project further includes communications improvements to two aircraft hangars which are necessary to be completed before the next wet season as the lines are in such bad condition they will fail and service will be lost with no immediate replacement possible in damp conditions.

Approximate Project Cost: \$600,000

## **COUNTY FAIRGROUNDS STRUCTURES AND EFFICIENCY IMPROVEMENTS**

The County's Spring Fairground in Los Banos has two projects which are included in the 2009 Statewide Fair Network Infrastructure Projects. The first project, which could be combined with the

second, is a solar energy project, which would install roof mounted photovoltaic panels generating 60,000 watts per day.

The second project is the development of the 20,100 square foot multipurpose building that has been funded by the fair. The scope of work to complete the building includes enclosing the steel frame, installing heating and cooling and lighting systems, concrete floor, restrooms and an emergency backup generator.

The Spring Fairgrounds are located at the intersection of major highways, and in addition to providing an outstanding service to the community, ag-based businesses and students, the upgraded building would be an ideal location for emergency staging.

Project Cost: \$2 million

## **ELECTIONS SOFTWARE AND HARDWARE**

Merced County strives to have open and transparent elections, where every eligible voter has an opportunity to vote and ensure that their vote is counted. As a Section 5 preclearance county under the Voting Rights Act, Merced County has to meet a number of additional requirements, which cost the County additional resources.

The County is continually seeking better and improved methods to automate the elections process, to provide a higher level of accuracy and accountability and also free staff time to assist voters directly. Campaign Docs software acquired in 2010 will provide transparency to the public and increase staff productivity through integrating technology to manage the business and compliance process of campaign disclosure filings. Staff savings from eliminating the redundant and antiquated manual process yields huge savings to the department and community. The software archives filings, automates notification letters/emails, maintains incumbent's status, and provides public access after redaction through webpage/lobby kiosk, which meets enforcement mandates for the Fair Political Practice Commission (FPPC) with a complete audit trail.

A Signature Recognition System will provide a Vote by Mail (absentee) voting solution that when integrated with current software, combines voter identity, voter signature recognition, identifies duplicate voters, and updates voter history all automatically. This will eliminate the handling of each ballot by staff. Automation of the Vote by Mail process saves time and money - up to 50% in staff time - processing Vote by Mail ballots.

An asset management system to provide security and accountability over approximately \$850,000 in election equipment housed at the ROV Election Facility. The system would utilize RFID technology with management software to provide information on equipment in use, location assigned, performed maintenance data, total asset values, plus much more making detailed information readily accessible to streamline year-end county audits. Reports can be generated to ensure that resources arrived where and when they were needed, and historical trending can be used to predict and refine future equipment usage and return.

The addition of several new polling locations will be required in upcoming elections. This will require acquisition of additional voting equipment, ADA accessibility ramps, thresholds, signage, etc. We plan to have a polling location at UC Merced along with a Centralized Satellite Voting location

there to accommodate students, faculty, and staff, who will be able to vote at the UC campus, regardless of where they are registered within the county.

Project Cost: \$175,000

### **PUBLIC HEALTH INFRASTRUCTURE AND REGIONAL PILOT**

In the wake of the H1N1 influenza pandemic, the Merced County Department of Public Health implemented a new clinic registration and billing system that has created efficiencies in several aspects of clinic management. This system has the capacity to provide additional efficiencies in other areas of public health, including case management, electronic health record-keeping, and public health laboratory services.

Project cost: \$ 120,000

Public health laboratory infrastructure provides a foundation for communicable disease control, and continues to be threatened throughout the state of California at both the local and state level. Regional public health options must be explored and piloted to maintain critical public health laboratory functions. The Central California Public Health Partnership is comprised of Public Health Directors throughout the San Joaquin Valley, and is willing to pilot ways these departments can partner together to meet public health laboratory needs in the Valley.

Pilot project initial costs: \$250,000

Chronic disease prevention and control has become a central focus for public health leaders, but is not funded at the state or local level except through competitive funding processes. Merced County has not qualified for some of these competitive funding opportunities, and is uniquely poised to build on and expand local and regional efforts such as Building Healthy Communities and the Central California Regional Obesity Prevention Project. Public health data and expertise is needed to bring place-based prevention and intervention strategies to all communities in Merced County.

Project cost: \$360,000