



2017 LEGISLATIVE AGENDA

BOARD OF SUPERVISORS

The Honorable Rodrigo Espinoza, District 1

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STATEMENT OF PURPOSE

The *2017 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 its clear intent that the County's legislative efforts are directed toward these measures of specific interest and benefit to Merced County.

Members of the Merced County Board of Supervisors agree 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 115th Congress – First Session (2017)

The 115th Congress convened on January 3, with Republicans in control of both the House (241-194) and Senate (52-48). President Trump has said his top priorities for the year are: repeal and replacement of the ACA, passage of a supplemental appropriations bill to fund the construction of a southern border wall, tax reform, and an infrastructure package. In addition to those priorities, Congress must finish the FY17 appropriations bills. House Speaker Ryan has said he wants to complete all of these by the August recess (within the first 200 days) save the infrastructure package.

In early January, Congressional Republicans began their effort to repeal and replace the cornerstone item of the Obama Administration, the Affordable Care Act (ACA). The House and Senate passed an FY17 budget resolution as their first order of business prior to President Trump's inauguration. This budget resolution includes reconciliation instructions that will be used to repeal the ACA with simple majorities in the House and Senate. However, Republicans in both the House and Senate have acknowledged the process could take much longer than first anticipated. As a result, this could delay other legislative priorities from moving as fast as originally thought.

We expect President Trump to send an FY18 budget request to Congress later this spring. We believe it will include significant proposed cuts to domestic spending and could be modeled off of a FY17 Heritage Foundation blue print that would reduce federal spending by \$10.5 trillion over ten years. At the same time, Congress will need to complete FY17 appropriations at the end of April when the current Continuing Resolution (CR) expires before it can turn to FY18. It is also likely Congress will need to raise the debt ceiling before FY18 begins on October 1.

Even though the President personally asked Speaker Ryan to include a major infrastructure package in his 200-day plan, we do not expect the House to take up a package until the fall at the earliest. It is our understanding that House Transportation and Infrastructure Committee staff are drafting a plan that would focus more on the use of private investment rather than direct spending. Related to infrastructure, Congress will also need to address the FAA reauthorization before the current extension expires on September 30.



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2017 Merced County Legislative Outlook

There is a significant amount of uncertainty as we look toward the remainder of 2017. California and its political subdivisions draw down an estimated \$200 billion in federal funding in an average year. Many of California's programs – particularly in the health and human services area – are at potential enormous financial risk in a repeal of the Affordable Care Act that does not include similar levels of funding. Merced County worked extraordinarily hard with the Governor's staff to ensure Merced remained solvent and positioned to provide care under the expansion.

California's legislative leadership – just in the first few weeks of the new federal administration – have articulated official opposition via resolution to several executive orders issued by the new President. This may further strain interactions between state agencies and their federal counterparts, and tensions seem to be escalating on a near-daily basis.

The outcome of California's November 2016 election produced a 2/3 Democrat supermajority in both houses of the Legislature – a critical threshold for approving taxes, waiving legislative rules and putting proposals on the ballot. Governor Brown, as part of his January budget announcement, proposed that the Legislature use this new majority to approve the Cap and Trade program with a 2/3 vote to further insulate it from any more lawsuits on whether or not it was a fee or a tax. A 2/3 vote treating the program as a tax will accomplish this.

The Governor's January budget otherwise relied on consistent federal funding, which is generally assumed to be unlikely, but the State Administration did not want to speculate on potential changes. Much work and many difficult decisions lie ahead once the Federal Budget is presented and the Governor and Legislature work to close out the State's 2017-2018 budget. It is a realistic assumption that the State and counties may need to make mid-year budget adjustments once a Federal budget is adopted.

To the frustration of many cities and counties, no final deal was reached in 2016 on a transportation funding package. The chairs of transportation committees in both the Senate and Assembly, Sen. Jim Beall and Sen. Jim Frazier, have already put in new transportation funding bills – SB 1 and AB 1 that would provide approximately \$6 billion annually. There is no agreement with the Governor’s office on an overall funding package size – the Governor has indicated his desire for a package closer of \$4.2 billion, but the identified funding need is much higher to make any progress on repairing existing roads and meeting existing needs. In addition, a portion of the package will rely on increasing the gasoline tax, which will involve the Legislature using its current aforementioned 2/3 supermajority voting bloc, which may be quite difficult to accomplish. There is also a growing disagreement in the Legislature about how much of the package should fund transit versus other transportation programs.

The Governor has proposed as part of his 2017-2018 budget to return labor negotiations related to In Home Supportive Services (IHSS) to each county, along with the maintenance of efforts (MOE) costs that the State agreed to take on several years ago. Such a proposal will cause immediate financial harm to Merced County and must be opposed. The State must recognize the long-term impacts of abruptly returning such an expensive obligation to the County. While the County anticipates significant opposition from the statewide association of counties (CSAC) and affiliate organizations, it is abundantly clear through related Administrative actions (immediately discontinuing the Continuum of Care pilot program that was tied in some ways to the overall MOE) that the Administration intends to pursue a different cost sharing arrangement. Any final proposal produced by the State Budget process must not shift additional costs to counties in order to ensure fiscal prudence and uninterrupted care across the broad spectrum of services provided by Merced County.

In no time in recent memory has there been such uncertainty related to county-run programs that rely on federal and state funding, and it will be critical to closely monitor proposals and developments from both levels of government and provide ground-level analysis of impacts to Merced County's state and federal representatives. We stand ready to assist the County in defending your best interests in serving your constituents.

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. 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 and oppose any further attempts to weaken the land use provisions of the Act.
- Water is vital to the economic development and security of our County. The state must continue to 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. While the Water Bond approved by voters in 2014 will help reach statewide water goals, all future plans must include new water storage opportunities, which are vital for cushioning the effects of drought by capturing high flows in wet years. A fair and equitable method of conveyance for the current and future water needs of California's agricultural industry should also be an objective.
- As various proposals continue to evolve to attempt to address water conveyance, use and storage in California, the Merced County Board of Supervisors opposes any new water policies from State or Federal agencies that would reduce funding for Merced County.

- Merced County supports sustainable groundwater use and the Board of Supervisors opposes any proposals to take groundwater management away from local entities. Groundwater is a vital resource to our community in maintaining individual and economic access to water. Groundwater should be responsibly managed, and this is best accomplished at the local level. Any increased state regulatory oversight in establishing wells or monitoring well activity would undermine current groundwater management efforts taking place within the County.
- With the implementation of the Sustainable Groundwater Management Act, Merced County supports future funding and legislation to help carry out the mandates and guidelines associated with SGMA. The County also opposes State and Federal actions that would negatively impact local groundwater quality.
- Many farmers in Merced County rely on surface water allocations to maintain their agricultural operations. Reducing the flow of available surface water into the region would be detrimental to these practices and would further exhaust groundwater supplies. The Board is opposed to unprecedented and substantial State and Federal surface water diversions.
- 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. Additionally, the County supports new funding and financing opportunities for local governments for groundwater recharge projects, drinking water, water recycling and storage, flood plain feasibility studies, small district capacity building, and regional water use planning and project implementation.
- Groundwater quality continues to be a point of concern for regulators, local officials and residents alike. There have been discussions regarding additional safeguards, including a nutrient regulatory program that could require growers to develop nutrient programs demonstrating groundwater integrity. This program has the potential to be passed down to the County level. However, any such proposal should be well thought out prior to implementation and should rely heavily on solicited feedback from counties. Furthermore, a program of this scale would be unsuccessful without proper mandated funding and support.

- Merced County has more than 20 water districts within its boundaries that serve the more than 260,000 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.
- The County supports State and Federal programs designed to help assist individuals with private, domestic wells that have gone dry, including funding and financing options.
- 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 Wildlife 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 Wildlife (DFW). DFW has recently taken the position that such permits, even where an MOU existed allowing such activities are now void without reason. DFW holds that new permits must be issued and new detailed analysis under CEQA must be prepared. DFW 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. Merced County supports greater flexibility and timeframes to conduct debris removal from streams and creeks, particularly in preparation for future storm events.
- Recreational fishing is a very popular and lucrative attraction in Merced County, for residents and visitors. Merced County opposes any legislation that would negatively impact private hatcheries and lakes, and any attempt by the State to garner control over the use of local waterways as a result of expanding Fish and Wildlife regulations and their definition of *water of the state*.
- Sport hunting of waterfowl, upland game, big game and small game animals is an integral part of Merced County's heritage and continues to be an economic boost to the region. Merced County opposes any legislation that limits the rights of hunters,

including methods of taking game. The County also supports restoring the ability for hunters to use dogs in the taking of bears and bobcats.

- 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 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. It is essential that the County continue to develop and support legislative initiatives to improve air quality in the Valley.
- Merced County faces several dynamics that negatively affect air quality in our area. The Board encourages State and Federal regulatory agencies to recognize weather and climate change as factors that should be taken into account when developing air pollution standards.
- 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. It is vitally important that the State work cooperatively with local Agricultural Commissioners and the agricultural industry in developing sensible policies for these programs as well as the use of approved pesticides for the protection of California communities. The State programs or legislation that would provide 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.
- Many communities throughout the Central Valley have seen an increase in property crimes over the past few years, and this trend has been particularly evident in the agricultural community. Merced County supports legislation providing resources for

new and existing agriculture-related crime prevention and enforcement programs to help protect valuable agricultural lands, equipment, infrastructure and industry.

- Some Merced County lands have been experiencing a problem of subsidence, causing the ground level to sink. This issue has been historically experienced on the west side of Merced County along Highway 152. Land owners in the affected areas are cooperating together to perform a study to determine the true extent of the problem and potential solutions for correction. The Merced County Board of Supervisors supports the team of landowners, irrigation and water groups, and consultants in their efforts to address this issue and is supportive of legislative efforts and opportunities at the State level to help address subsidence issues in a manner that benefits Merced County without placing undue burden on the farming community.
- Many areas in Merced County can be considered “walking communities” and County leadership therefore supports funding for improved pedestrian infrastructure. The “Safe Routes to School” program is an essential source of funding for this cause. There are areas in the County that would benefit from improved pedestrian traffic, such as the intersection of Plainsburg Road and Highway 140 as well as the bike path through Dos Palos that serves students and other walking traffic. Funding to help mitigate and improve these potentially dangerous areas is essential.
- Merced County supports the expansion of broadband/high speed internet in order to drive economic development and job opportunities, support county service delivery, and improve health, education and public safety outcomes for residents. Widespread access and adoption are important equity elements and should be supported in State and Federal legislative or regulatory proposals. This entails the following:
 - Establishing and maintaining reliable service in unserved or underserved communities;
 - Promoting digital literacy education;
 - Making broadband service affordable;
 - Maximizing existing and new infrastructure resources; and
 - Providing adequate and accessible funding.
- Access to broadband/high speed internet is becoming an increasingly important resource for members of the community. Merced County supports any assistance in expanding broadband/high speed internet to public libraries and disadvantaged communities that may not otherwise have access. The County also supports the inclusion of broadband/high speed internet access in community rehabilitation efforts.
- Merced County supports efforts to streamline the California Environmental Quality Act process without compromising the intended benefits of CEQA review. Supportable options would include allowing CEQA review to satisfy National Environmental Policy Act regulations.
- Existing law requires that by December 31, 2020, the California Renewables Portfolio Standards (RPS) Program, which is codified in the Public Utilities Act, increase the amount of electricity generated per year from eligible renewable energy resources to 33

percent or greater of the total electricity sold to retail customers. Legislation chaptered in 2015 increases that threshold to 50 percent or greater by December 31, 2030. The County supports diversifying California's renewables portfolio to save cost for ratepayers, provide greater system reliability, and meet the State's more stringent renewable power threshold.

Community Rehabilitation

- The governing body of the County of Merced remains committed to preserving areas of the County with historical and aesthetic value. The Board supports the pursuit of any available State or Federal grant funding that could be used toward restoring, preserving and maintaining such sites.
- Merced County leaders support continuing the Neighborhood Stabilization Program, particularly in low-income areas that suffered through the economic decline and housing market collapse. NSP3 has already shown its worth in areas such as Winton, and maintained support of the program at the State and Federal levels will continue help rehabilitate these distressed regions. Furthermore, expanding the County's target area would bring more stability to the region while helping the Department of Housing and Community Development meet its expenditure goal.
- The Board of Supervisors supports programs and legislation designed to reasonably assist senior citizens and disabled individuals, such as the State's Senior Citizens and Disabled Citizens Property Tax Postponement program. The County supports programs that continue the mechanism of funding being passed down to counties to help cover the unpaid taxes while liens are placed on the subject properties so that when they are eventually sold or transferred, the State controller recovers the cost of the "loans" along with some interest.
- The Board is attentive to any regional proposals involving the proliferation of major gambling institutions. With the understanding that such projects on a local level could potentially exacerbate issues associated with such establishments, including impulse-control disorders and other compulsive behaviors, the Board would like to closely consider the merits of any future proposals on a case-by-case basis.
- Merced County opposes legislation that impedes its ability to limit camping in public buildings, structures, parks or other areas. The Board is sympathetic to the needs of the homeless population, and wants to continue to ensure that they have access to proper services. Allowing camping in public areas would interfere with County business and could pose safety hazards to all parties involved.
- Merced County supports amending the definition of a small business by increasing aggregate gross receipts from less than \$2 million to less than \$4 million in order to allow more local companies to qualify for services under the State's "GoBiz" program, such as permit assistance, small business assistance and international trade development.

- Autonomous vehicle technology is a rapidly-evolving industry, and Merced County has become a focal point for vehicle testing and development. The Board of Supervisors supports legislation that expands opportunities for companies to safely test and evaluate autonomous vehicles on public roadways within the confines of State law.

Public Safety

- The legal definition of a peace officer provides critical distinctions in how various divisions of law enforcement interact as well as how they are designated and managed. The Board is supportive of maintaining the current definition of a peace officer as outlined in the State Penal Code and preserving the current rules and regulations associated with that classification. The Board supports keeping the designation of a peace officer specific to law enforcement representatives whose primary duties involve public protection, enforcement of laws and arresting individuals who break those laws.
- 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 Vehicle License Fees. The budgets of the County Sheriff and Probation Departments, as well as the District Attorney's Office, would be heavily impacted without this funding, 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 to create a constitutional amendment to ensure adequate public safety funding. In addition, the County supports legislation that would eliminate the State "trigger" to impose excessive fees for commitments to the Department of Juvenile Justice, as well as funding assurances should the Department of Juvenile Justice population be realigned to local jurisdictions.
- Fire Departments have experienced increasing requirements for State mandated training at increasing costs. Many local Fire Departments depend on Paid Call Firefighters (PCF), many of whom are leaving departments due to the increased requirements and the overall strain on staffing and resources. Merced County recognizes the significant public safety issues related to adequate staffing and training of Fire Department personnel, and supports efforts and/or legislation that would provide Fire Departments with the necessary resources to meet training and staffing requirements.
- The Board is supportive of any State or Federal funding and legislation to support staffing, facilities and equipment for local fire departments. The Board is also open to funding mechanisms that could assist in the repair or reconstruction of current fire facilities.
- During the Final Budget Hearings in August 2015, the Board of Supervisors approved a plan to pursue grant funding through Senate Bill 863 to renovate and expand the existing jail facility along Sandy Mush Road that would improve safety and enhance services. With support from the Board of Supervisors, the Sheriff's Department pursued this grant funding to restructure the John Latorraca Correctional Center. In November

2015, the County was informed that it had been selected to receive jail reconstruction funding for its requested amount of \$40 million. There is a local match requirement of \$4 million, which the County already has set aside in the budget. There is also approximately \$1 million in in-kind match, bringing the total project budget to approximately \$45 million. This funding will help address security and infrastructure concerns at the JLCC while improving the capacity to house programs that reduce recidivism. The plan also includes mental health and health treatment facilities in an effort to better address inmate needs and help reduce the number of re-offenses upon release. Merced County supports legislation that allocates funding to more efficiently house and rehabilitate local inmates. County leadership supports efforts to increase capacity, implement evidence-based practices, and effectively utilize technology, including the use of video trials which could require a legislative remedy to the constitutionally-protected right to appear before a judge.

- The Merced County Board of Supervisors supports State and Federal legislation/programs designed to help fund community-oriented public safety efforts, such as the Federal COPS program.
- With a severe overpopulation of stray cats and dogs, the County is supportive of programs/legislation that offers funding for local spay/neuter programs.
- The Board supports State and Federal funding stream proposals to assist indigent defense systems – a constitutionally mandated service.
- The introduction of drones for private, commercial and recreational use has created safety hazards for law enforcement agencies engaged in firefighting, mediflight services or other aerial emergency functions. The Board supports reasonable regulations that allow this recreational activity to continue while protecting the safety of law enforcement agencies, commercial enterprises, and the privacy of private property owners.

Health and Human Services

- The Merced County Workforce Investment Board (MCWIB) is strategically designed to address major workforce issues and build a community based on civic leaders, business investment in human capital, a strong and diverse economy, an effective and articulated education system and clearly defined and accessible career pathways to prepare a ready, willing and able workforce. The Workforce Investment Boards provide oversight of local America's Job Center of California facilities which in turn provide access to businesses and job-seekers to provide employment opportunities. Services are funded primarily through the Workforce Innovation and Opportunity Act (WIOA). The County of Merced:
 - Supports additional funding to continue providing employer services including recruitment and screening, posting of job openings, receiving and forwarding applicant resumes, prescreening and referral of qualified job seekers, tax credit information, labor market information, labor law compliance information, and

lastly additional resources on issues that affect employers including rapid responses and layoff aversion assistance.

- Supports additional funding to maintain and enhance a skilled workforce through access to internet job search, fax services, skill building workshops focused on creating effective resumes, cover letters and applications.
- Supports continued WIOA funding to make it possible for County residents (adults and youth) to obtain career assessments, degrees, and other certificates and support services that are demand-driven, industry-recognized, and a passport to the new economy.
- Supports expanding the types of services that Federal funding can be used for at the local level, including supportive and other necessary activities. The County also supports the application of other Federal, State, local and private funds toward the minimum percentage workforce investments boards are required to spend on federally-identified training programs.
- 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 children and youth. The County supports efforts that prioritize care and heighten awareness of the essential need for an enduring commitment to the children of Merced County.
- In 2013, California began the process of implementing Federal health care reform. The California Healthy Families program was replaced with an expanded Medi-Cal program, which will increase coverage by simplifying Medi-Cal eligibility requirements. Coverage is now also extended to childless adults and uninsured parents (with incomes up to 138 percent of Federal Poverty Level). Medi-Cal benefits were also extended to undocumented children in 2016. California’s Health Benefits Exchange (Covered California) is a new marketplace that will provide the opportunity to purchase health insurance using federally-funded tax subsidies for persons with incomes up to 400 percent of the Federal Poverty Level.

The continued implementation of these new policies has the potential to greatly impact County programming, funding, and the existing relationships between local health and human services agencies and the State. As health care coverage expands, it is imperative that the State protect existing health and human services funding to Counties for the continuation of mandated programs and services in place, infrastructure, staffing, and resources related to increased casework and additional mandates or requirements on local agencies aimed at protecting the environment and promoting healthy and safe

communities. In addition, Merced County supports health care reform policies that strengthen reimbursements for Emergency Medical Services.

- The County also continues to support the expanded Medi-Cal eligibility to include children who were formerly in foster care, up until age 26, 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.
- Merced County opposes proposals from the Centers for Medicare and Medicaid Services (CMS), Congress or the Legislature to deny, reduce, cap or eliminate MAA/TCM reimbursement or make any adjustments which increase the administrative burden on counties. The County also opposes any legislative proposals that would reduce State or Federal funding streams and create cost shifts to local health departments.
- 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.
- Merced County supports legislation that enhances the County’s ability to provide health care services through local hospitals and clinics; provide outreach and education regarding public health concerns, prevention and wellness practices; improve community health outcomes and health literacy among at-risk populations; and support adequate funding for core local public health services, infrastructure, and laboratories.
- The County supports legislation that would additionally require the State Department of Health Care Services to develop processes to allow counties and the Division of Juvenile Facilities within the Department of Corrections and Rehabilitation to receive any available Federal financial participation for acute inpatient hospital services and inpatient psychiatric services provided to juvenile inmates, as defined and as applicable, who are admitted as inpatients in a medical institution. These provisions would be

implemented only to the extent that the Division of Juvenile Facilities and counties elect to voluntarily provide the non-federal share of expenditures for acute inpatient hospital services and inpatient psychiatric services, and would require that the Federal financial participation associated with services provided pursuant to these processes be paid to the participating counties or the Department of Corrections and Rehabilitation, as applicable. Additionally, the County supports the development and implementation of mechanisms that allow for the billing of eligible health services outside county facilities, for both adult and juvenile populations.

- The County supports legislation that would expand coverage requirements for certain health care service plan contracts and health insurance policies to include the diagnosis and treatment of a mental illness or substance abuse in persons of any age.
- In response to significant funding reductions in the area of Alcohol and Other Drug (AOD) Services and in an attempt to alleviate compliance issues resulting from restrictive funding paths for AOD and mental health services, the County feels there is a need for and supports legislation that would blend mental health and AOD services in the treatment of individuals seeking services from a mental health department. Merced County needs and supports legislation that aligns the State of California's work requirements with Federal legislation. Currently, participants who meet the Federal but not the State requirements are captured into a State data system that is designed to capture data that is used to pass financial penalties to Counties. In this current economic climate which severely limits clients in their ability to find full-time employment, the Federal legislation is less restrictive and will allow Counties to include more individuals in meeting work participation requirements.
- Merced County supports legislation that would lower the annual interest rate for delinquent child support cases. California currently charges 10 percent annually on delinquent child support cases. This percentage is one of the highest in the nation and often results in an insurmountable level of debt for many non-custodial parents seeking to correct their account and responsibly support their children. The California Department of Child Support Services estimates that about 80 percent of the arrears debt in California is owed by parents making less than \$15,000 per year. Particularly given the economic climate and income levels of many non-custodial parents in arrears, a lower annual interest rate is needed to assist parents in becoming current in their child support payments.
- Merced County has approximately 11,000 veterans living in its 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, specialized, community-based

non-profit organizations to offer additional services and successfully augment and refine resources available for services in our community. The Board similarly supports efforts on a Federal level to help fund local veterans' services.

- Significant transient populations exist throughout Merced County and the Board of Supervisors supports funding for transitional housing and other supportive services aimed at bringing stability to the lives of individuals and families experiencing difficult circumstances.
- Merced County supports legislation and programs that aim to assist private-sector businesses and local governments in reaching compliance with the American with Disabilities Act.
- The Board of Supervisors is supportive of legislation that aids in the transition of In-Home Supportive Services collective bargaining to the State-wide authority with the understanding that local costs are to be capped at a manageable level. The escalating share of county costs with IHSS is a concern across the state, and the Board of Supervisors supports proposals that caps the County's share of costs at a manageable level and mitigates the impacts of costs being shifted to counties.
- 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 is uniquely poised to build on and expand local and regional efforts such as Building Healthy Communities and the Partnerships to Improve Community Health federal initiative. Public health data and expertise is needed to bring place-based prevention and intervention strategies to all communities in Merced County. Childhood obesity, especially in rural residential centers, is a trending problem and needs to continue to be addressed by local, State and national leadership. High chronic disease rates are a cost to the community in both direct health care costs as well as in loss of productivity and years of potential life loss.
- Merced County is supportive of efforts to establish funding for a new medical school at the University of California, Merced. Our region is traditionally an underserved area in terms of health care resources. Introducing a medical school to the area would be a major step toward developing our region as one that produces trained physicians and other medical professionals – occupations that are in high demand statewide, but severely lacking in our immediate area.
- Chaptered last year, AB 403 (Stone) is a comprehensive reform effort to address the physical, mental and emotional needs of youth in foster care while improving their chances to grow up in permanent and supportive homes. Much of this is proposed to be done through training and support for foster families. Consistent with the State's long-standing goal, it also continues to move away from long-standing group home care. Merced County supports cleanup legislation that recognizes the impacts of AB 403 on local health agencies, including Mental Health, and provides additional funding sources to help carry out the parameters of the Stone bill.

- The County opposes legislation that increases risk of its vulnerable mental health and substance use disorder constituents and community by imposing non-medical reviews of doctor orders or mental health releases without appropriate consult by the department. Such a proposal could sever lines of communication among providers within the community, delay service delivery, and put consumers in harm's way.

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 supports efforts to recover any administrative costs associated with tax collection activities performed on behalf of the State. Further, the County would support any legislation which provides additional funding to work appeals and maintain values by county assessors.
- The Merced County Civil Grand Jury is a panel of 19 individual residents that serve for one year for the purpose of investigating various functions and departments of government. Due to the Grand Jury's status as a function of the Court system and its members' status as Officers of the Court, it is the opinion of the Merced County Board of Supervisors that responsibility for funding the operations of the Grand Jury most appropriately rests with the local Judicial system, and supports any efforts to amend the Penal Code to reflect State Administration of the Courts funding for the formation and operation of Grand Juries.
- 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 or the Agricultural Commissioners unclaimed gas tax subvention; 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 any new unfunded mandates on counties.
- Workers compensation costs continue to rise and Merced County supports legislative efforts which require that prescribed treatment, including maintenance medications, follows the guidelines set forth by the American Medical Association.
- 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. The County supports State legislation to provide a clear direction for economic development for California, with which the Workforce System could align and create job growth in California.

- 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. State funding is vital to the ongoing development of library services and book purchases. The County supports legislation that would prevent budget cuts to the Public Library Foundation (PLF), Transaction-based Reimbursement (TBR) and Literacy Funding, and supports reauthorization of the federal Library Services and Technology Act (LSTA).
- The County joins in the effort of the American Library Association to oppose legislation that jeopardizes open access to information in any format or the confidentiality of library patron information, including certain provisions of the USA PATRIOT Act and DOPA.
- The County supports the most beneficial implementation of universal service and library connectivity discount provisions (Telecommunications Act of 1996).
- 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.
- The State has made efforts to legislate mandatory changes to publically available recorded documents. Any changes that are mandated by the State to be made to previously-recorded documents would present a major cost and administrative burden to County Recorders. Merced County opposes State-mandated changes to recorded and publically available documents.
- The Law Library is a free resource for officials and members of the public to access legal research materials. The Law Library is governed by a Board of Law Library Trustees, comprised of local California Superior Court Judges and/or their appointees in the legal field. The Merced County Board of Supervisors supports the concept of an autonomous and free Law Library, and supports any efforts to further achieve consistency and efficiency in administration for the benefit of the local communities. Reliable State funding should also be a priority in keeping this resource available to the public.
- Current State Law limits the ability of Counties to contract with outside private agencies and companies for certain County services, including facility, safety, and maintenance

services, unless the circumstances for the intended contract meet very specific requirements. These requirements limit the County's ability to serve its needs with appropriate fiscal prudence. Additionally, in these difficult economic times, limitations on the County's ability to contract for services severely impedes the ability to explore options for privatization that may make better fiscal sense for efficient service delivery and improved government functionality. The Merced County Board of Supervisors supports any efforts to amend applicable State law to allow Counties to exercise a greater degree of control over the ability to contract for services and government functions to more efficiently serve the needs of County departments, employees, and members of the public.

- Merced County continues to encourage the State to meet its financial obligations regarding the Payment in Lieu of Taxes program. The PILT agreement was designed to offset adverse impacts to county property tax revenues when the State buys a piece of land for wildlife management area. Fish and Wildlife Code Section 1504 stipulates that when income is derived directly from real property acquired and operated by the State as wildlife management area, the Department of Fish and Wildlife shall pay annually to the county in which the property is located an amount equal to the county taxes levied upon the property at the time the title was transferred to the State. Currently, the State owes 36 counties over \$18.6 million in PILT. Merced County alone is owed \$1,184,606. Annually, these payments amount to nearly \$90,000. The County would like the outstanding PILT paid out and a line-item added to the State budget that would allow for the resumption of these payments on an annual basis. Furthermore, Merced County supports a long-term commitment from Congress to meet Federal PILT obligations to offset losses in tax revenue as a result of tax-exempt Federal lands within the County.
- Some of Merced County's unincorporated regions fall under "State Responsibility Areas," where the State has the financial responsibility of preventing and suppressing wildfires. To fund these services, a "Fire Prevention Fee" was instituted by the State at a rate of \$152.33 per habitable structure, with a \$35 reduction for each habitable structure that is also within the boundaries of a local fire protection agency. Merced County supports accountability and transparency measures regarding State Responsibility Area Fire Prevention Fees.

Transportation Proposals

Transportation infrastructure is a primary responsibility of government. Merced County is responsible for the maintenance of 1,754 miles of roads, with approximately 1,600 miles of that total paved. The County relies on the Highway Users Tax Account to fund road maintenance. However, decreasing fuel sales have resulted in a loss of excise tax generation, and revenues are not able to keep pace with increasing maintenance costs. Our current road system needs increased funding for maintenance and rehabilitation. The Board of Supervisors supports increased transportation infrastructure funding proposals that:

- Split revenues evenly between State and local entities;

- Contain accountability language to ensure any additional transportation infrastructure funding would be used for its intended purpose;
- Does not place an overwhelming financial burden on motorists.

Merced County has a number of transportation proposals that serve the interest of the County's residents, businesses, and cities. The County will continue cooperative efforts with Merced County Association of Governments and other countywide organizations to move each of these projects forward and will actively pursue funding and opportunities as they arise with the State and Federal agencies.

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. This part of the project, Phase 1A, started in August 2013. 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 complete. The County will continue efforts to secure adequate funding for construction of Segment II (from Childs Avenue, connecting to State Route 140) and Segment III (from State Route 140 extending to Yosemite Avenue). The cost to construct the remainder of Campus Parkway – Segments II and III - is currently estimated to be \$90 million. The County needs \$33 million to move forward with Segment II; this segment will provide significant congestion reduction through the City of Merced and direct connectivity between two major State Highways with State Route 140 leading directly to Yosemite National Park. The plans and environmental reviews are complete; this is a “shovel-ready” project. 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** –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.

As High Speed Rail efforts have evolved over time, the California High Speed Rail Authority (Authority) has provided several revisions to potential route options and business plans. Currently, the Authority has selected a team to design and build the first section of the system in the Central Valley.

Merced County will continue to support the location of a heavy maintenance facility and a downtown rail station in the County, with the understanding that valuable agricultural land be preserved. Agriculture land preservation and impact mitigation is imperative to the Merced County Board of Supervisors as the State continues to move this project forward.

- **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

AB 109 PUBLIC SAFETY REALIGNMENT

In April 2011, Governor Brown signed AB 109 into law, which realigned responsibilities for certain low-level offenders, adult parolees and juvenile offenders from the State CDCR to local county jurisdictions. AB 109 established an Executive Committee of the Merced County Community Corrections Partnership (CCP) charged with the development of a local Realignment Plan setting forth a county-wide programming plan for the realigned population. The CCP is currently the vehicle through which participating local public safety agencies monitor the progress of AB 109 programming and develop further tools and partnerships to address continued and evolving local public safety needs.

AB 109 has created impacts for Merced County public safety agencies, caseloads, and correctional facilities. The Board of Supervisors supports the Merced County Community Corrections Partnership (CCP) in their efforts to advocate for sufficient funding for continued and appropriate implementation of AB 109 requirements and alternative treatment programs.

Additionally, due to the mandates associated with AB109, many locally sentenced offenders are receiving longer sentences at County jails than originally anticipated. Modifications to AB 109 with regard to sentencing are needed to cap the number of years an offender may be sentenced to jail, and make longer-term offenders eligible for State prison.

CASTLE COMMERCE CENTER AND CASTLE AIRPORT

The redevelopment of Castle Air Force Base, now known as Castle Commerce Center and Castle Airport, represents a significant economic development opportunity for Merced County and the entire region as a whole. Despite the State’s recent decisions to eliminate redevelopment agencies and Enterprise Zones, Merced County remains committed to redeveloping the former military

installation as a thriving commerce and aviation facility. Enterprise Zones were essential for aiding economically distressed areas in California through State and local tax incentives aimed at stimulating economic development. RDAs were useful for providing financial resources for community rehabilitation. Merced County supports legislation to reinstate the tools formerly associated with RDAs and Enterprise Zones as a means to develop Castle for economic benefit and subsequent job creation.

Much effort has been put into Castle over the past year to increase the site's economic practicality and revenue-generating potential. Senator Anthony Cannella was instrumental in helping pass a bill that will expedite the land sale process at the former Air Force base. Assembly Bill 121, which was signed into law by Governor Brown in early September 2013, allows for full transparency and public scrutiny, but did away with burdensome public auction processes that often drove potential buyers away from Castle and impeded the County's efforts to privatize and rehabilitate the area. This process restored the land-sale method the County had under redevelopment agencies. Further efforts to streamline similar processes to make doing business easier at closed military installations is desirable.

Staff has also been thinking outside the box regarding Castle's strong suits and how it can best be used in the future. The County was successful in negotiating a deal with the U.S. Forest Service to use Castle Airport as a firefighting base to deploy air tankers. The Rim Fire in the Yosemite area, which consumed more than 250,000 acres, expedited the five-year agreement. Castle's long runways, centralized location and regional proximity were major factors in the deal. County leadership also envisions Castle as a possible site for a regional fire training facility.

Merced County supports legislation that could assist in improving infrastructure at Castle, such as ADA compliancy, water lines and building rehabilitation.

CITY SELECTION COMMITTEE

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.

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.

To help County government keep up with continually-increasing demand, it is recommended that the State provide funding for mandated election-related responsibilities. As part of that effort, Merced County requests that there be a greater push for vote-by-mail registrants and vote centers in order to ease costs to county government while making the election process smoother and easier

for constituents. It is also important to keep the Presidential Primary Election in line with the statewide June election, otherwise, the cost of the additional election round should be reimbursed.

Local election equipment is quickly becoming aged and obsolete, posing challenges for county elections departments. In order to update these essential electronics, the State needs to approve and fund replacement equipment. Particularly, high-speed ballot counters are becoming more of a necessity in elections offices.

FEDERAL PROPOSALS

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. Projects include:

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

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 33 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 toward completion of the GRR is to complete a flood plain analysis study that will cost approximately \$1.25 million.

BLACK RASCAL AND BEAR CREEK FLOOD CONTROL PROJECT

Local area flooding has been a chronic problem in Merced County going back as long as historical data has been documented on storm events. Flooding occurs on a routine basis causing major damage to residential structures, personal property, infrastructure (bridges and roads), sanitary systems, domestic water delivery systems, and valuable agricultural land/crops.

One major project element of the Merced Streams Group that is yet to be completed is a flood control system on the Black Rascal Watershed. There are multiple avenues Public Works is pursuing to address flood control on Black Rascal.

For several years, Merced County has been working with the U.S. Army Corps of Engineers to jumpstart a flood control project along Black Rascal Creek that would include the construction of a floodwater detention basin 2.5 miles east of Merced City near the intersection of East Yosemite Avenue and North Arboleda Drive. The Corps is required to complete a Compliance Memo in order to put together a Federal Cost Share Agreement (FCSA), a mechanism for the Corps to receive funds. The Corps estimates approximately \$100,000 is needed in order for staff to complete the memo and FCSA. These funds must be provided by the Corps and cannot be provided by the local partners.

This project is a priority for the County, and efforts to secure funding and move forward with planning and construction is supported by the Board of Supervisors.

In addition, Public Works is working on integrating both the Black Rascal Creek Flood Control Project and the Bear Creek Siphon and Diversion Structure Expansion for the purposes of funding applications through the Integrated Regional Water Management Plan (IRWMP). The integrated project will improve flood management in the Bear Creek watershed by providing 200-year flood protection within the Black Rascal Creek Watershed and increasing the conveyance capacity of Bear Creek. It consists of the construction of a regulating reservoir in the Black Rascal Creek watershed and enlargement of the Bear Creek Siphon and Diversion Structure (BCSDS), which currently acts as a bottleneck to flows on Bear Creek. The project also incorporates water supply, water quality and environmental enhancements.

CASTLE AIRPORT AND COMMERCE CENTER PROJECTS

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.

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 locating its 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 migrate communication lines further 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.