CITY OF CLAYTON

Founded 1857.. Incorporated 1964

AGENDA

REGULAR MEETING

* * *

CLAYTON CITY COUNCIL

* * *

TUESDAY, October 5, 2010

7:00 p.m.

Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517

Mayor: Hank Stratford
Vice Mayor: David T. Shuey

Council Members
Howard Geller
Joseph A. Medrano
Julie K. Pierce

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail on Monday prior to the Council meeting.
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at **www.ci.clayton.ca.us**
- Any writings or documents provided to a majority of the City Council after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours.
- If you have a physical impairment that requires special accommodations to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7304.

* CITY COUNCIL *
October 5, 2010

7:00 P.M.

1. **CALL TO ORDER AND ROLL CALL** – Mayor Stratford.

2. **CLOSED SESSION** – None.

3. **PLEDGE OF ALLEGIANCE** – led by Mayor Stratford.

4. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by the City Council with one single motion. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question or input may request so through the Mayor.

(a) Information Only: Report on risk of underground pipelines in Clayton. (View Here)

(b) Approve the minutes of the regular meeting of September 21, 2010. (View Here)

(b) Approve Financial Demands and Obligations of the City. (View Here)

5. **RECOGNITIONS AND PRESENTATIONS**

(a) Certificate of Recognition to Library Volunteers of the Year (16 certificates)

6. **REPORTS**

(a) Planning Commission – Commissioner Tuija Catalano.
(b) Trails and Landscaping Committee – No meeting held.
(c) City Manager/Staff
(d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.
(e) Other – Introduction of candidates for City Council elected office.

7. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Citizens may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) by completing a speaker card available on the Lobby table and submitting it to the City Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. When one's name is called by the Mayor, the speaker shall approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked, or may request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the City Council.

8. **PUBLIC HEARINGS** – None.

9. **ACTION ITEMS**

(a) Consider a Resolution opposing Proposition 26, "*Proposed Constitutional Amendment: State and Local Fees and Charges: Vote Requirements and Limitations*", on the November 2, 2010 California ballot. (View Here)
(City Clerk)

Staff recommendation: Following Staff report and public comments, adopt the Resolution.

(b) Consider a Resolution supporting the passage Measure O, to fund local transportation improvements in Contra Costa County on the November 2, 2010 local ballot. (View Here)
(City Clerk)

Staff recommendation: Following Staff report and public comments, adopt the Resolution.

10. **COUNCIL ITEMS** – limited to requests and directives for future meetings.

11. **ADJOURNMENT**– the next regularly scheduled meeting will be on October 19, 2010.

# # # # #

Agenda Date: 10-5-10
Agenda Item: 4a

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Approved:
Gary A. Napper
City Manager

STAFF REPORT

INFORMATION ONLY

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: OCTOBER 5, 2010

SUBJECT: HAZARDOUS PIPELINES WITH THE CITY OF CLAYTON

The recent disaster in San Bruno has raised public awareness and fears regarding underground pipelines.

While there are no large (in excess of 6"' in diameter) natural gas pipelines within the City, there are two large hazardous liquid pipelines that traverse through the City. These pipelines run from Coalinga in Central California to the oil refineries in Martinez and are shown in red on the attached exhibits. As opposed to PG&E's natural gas pipelines, which are regulated by the Public Utility Commission, the operation and maintenance of these pipelines is regulated by the California State Fire Marshal.

The pipelines, owned by Conoco Phillips and Shell, are generally located behind the curb (under sidewalk and landscape areas) along the north and east sides of Marsh Creek Road, Clayton Road and Oakhurst Drive. At Eagle Peak Avenue, the pipelines turn north and run behind the curb and up the east side of Eagle Peak Avenue. At Miwok Way, the Conoco line jogs slightly east and then continues along Eagle Peak Avenue to Keller Ridge Drive. At Keller Ridge Drive, the pipeline turns northeasterly within the pavement to the east side of Condor Way where it turns north and runs through the Diablo Ridge subdivision and the Oakhurst Golf Course. The Shell line continues to run along Eagle Peak Avenue to just east of Ohlone Heights where it turns north and crosses the golf course.

The Conoco pipeline is an unheated 16" diameter steel pipeline used to transport crude oil and gas oil. Crude oil is considered very flammable (easily ignited by heat, spark or flame) while gas oil is considered slightly less flammable. The pipeline's operating pressure is approximately 300 to 400 pounds per square inch (psi). The pipe is rated to operate at approximately 700 psi.

The Shell pipeline is a heated 20" diameter steel pipeline used to convey crude oil. The pipeline's operating pressure is approximately 345 psi and the pipe is rated to operate at 936 psi.

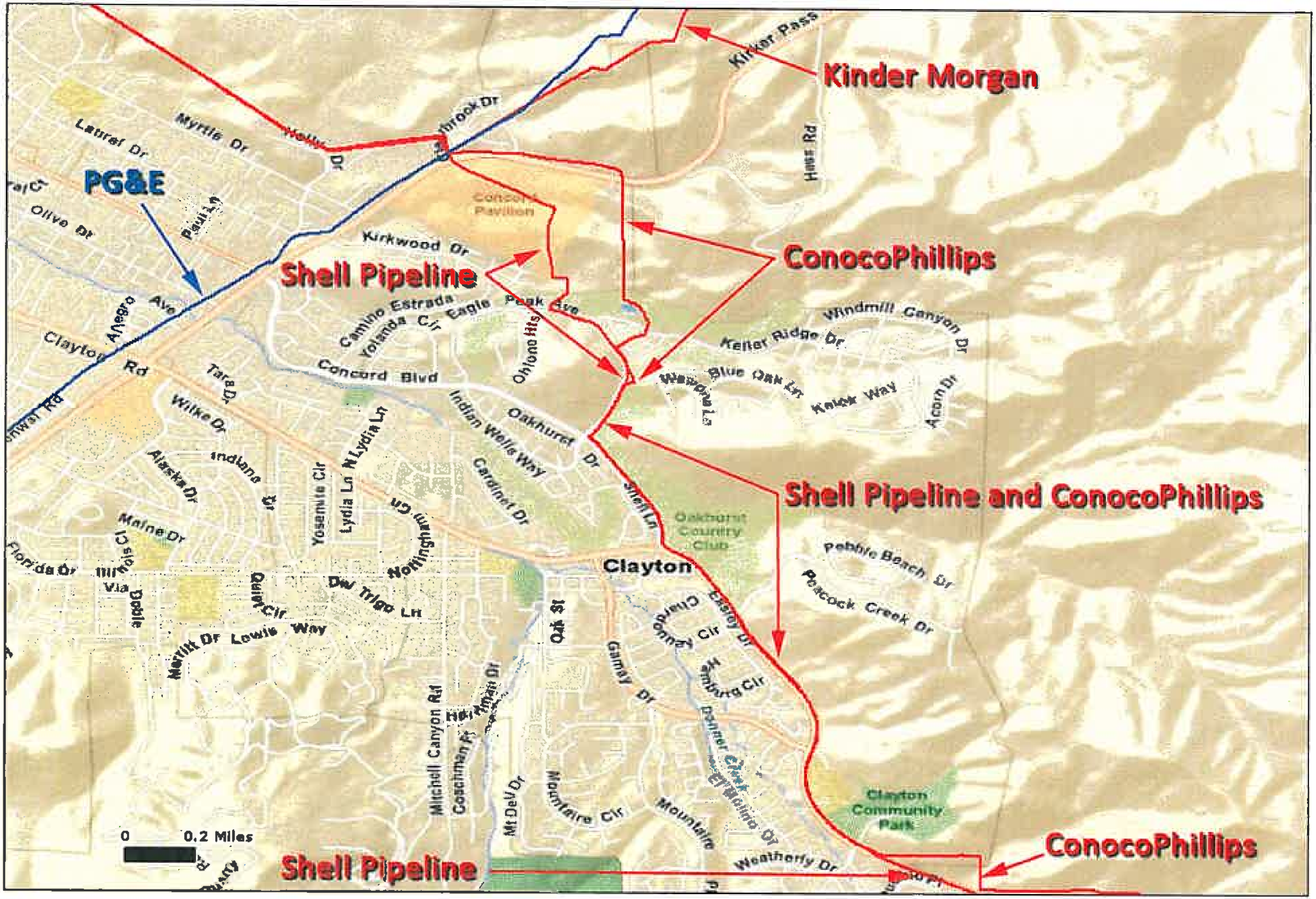
Both pipelines are continuously monitored remotely for leaks by constantly checking pressure and flow volumes. In addition, Shell routinely patrols its pipelines looking for surface indications of leaks. The California State Fire Marshal requires that these pipelines undergo integrity testing at least every five years. Conoco performs this testing every five years as required while Shell is on a two year cycle. The testing is performed by computerized "smart pigs" which are pulled through the pipelines and check the pipe wall thickness. The pipelines are protected from external corrosion by a coating and continuous cathodic protection. In addition, the pipelines have automated and manual valves to enable the pipe lines to be shut down immediately upon detection of a leak.

The pipelines are relatively new as they were both relocated in the late 1980's in conjunction with the construction of the Oakhurst development (the pipelines originally ran cross-country through the old Keller Ranch). In addition, the Conoco pipeline was reconstructed in 2000 due to excessive deterioration of the relocated pipeline noted during the routine integrity testing. It is believed that the protective coating on the original pipe may have been defective.

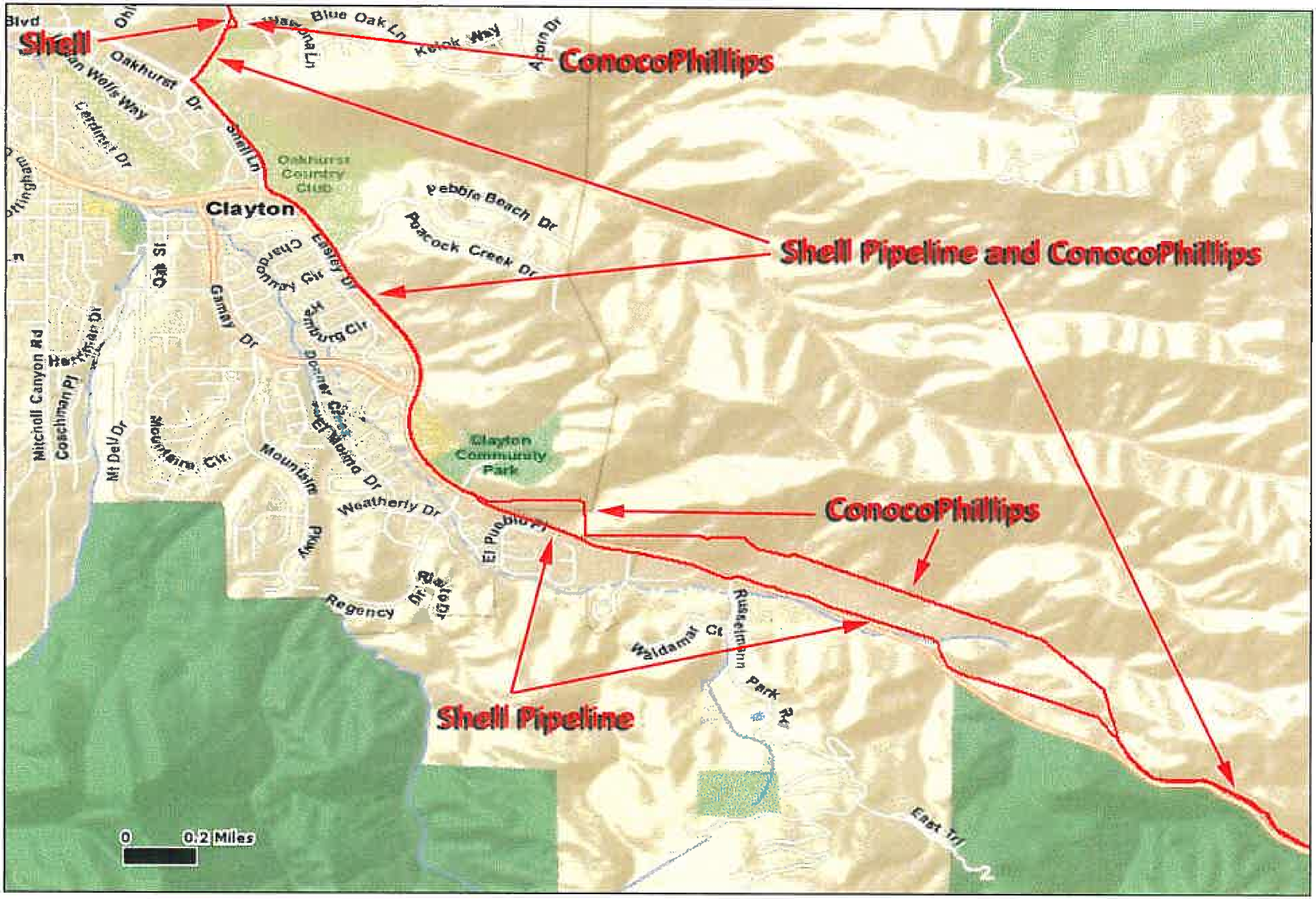
There has only been one pipeline leak in the City's history (actually it occurred on the Keller Ranch prior to its annexation into the City). A pipeline broke due to land movement in the vicinity of the Oakhurst clubhouse. A small amount of crude oil did reach Mt. Diablo Creek but did not cause significant damage. The pipeline companies have proven to be very proactive in maintenance of their lines over the years and continue to perform preventive repairs on a regular basis.

Attachment: Pipeline Maps (2 pp.)

View pipelines by



View pipelines by



MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

TUESDAY, September 21, 2010

...nda Date: 10-5-10

...enda Item: 4b

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:03 p.m. by Mayor Stratford in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Stratford, Vice Mayor Shuey, Councilmembers Geller, Medrano and Pierce. Staff present: City Manager Gary Napper, City Attorney Dan Adams, Community Development Director David Woltering, Police Chief Dan Lawrence, and City Clerk Laci Jackson.

2. **CLOSED SESSION** – None.

3. **PLEDGE OF ALLEGIANCE** – led by Mayor Stratford.

4. **CONSENT CALENDAR- It was moved by Councilmember Pierce, seconded by Vice Mayor Shuey to approve the Consent Calendar as submitted (Passed; 5-0 vote).**

(a) Information Only
1. Status Report: Use of alternative membrane interlayer (paving reinforcement fabric) proposed for the upcoming Rubberized Asphalt Concrete (RAC) Repaving Project on old Marsh Creek Road (CIP No. 10416).

(b) Approved the minutes of the regular meeting of September 7, 2010.

(c) Approved Financial Demands and Obligations of the City.

5. **RECOGNITIONS AND PRESENTATIONS**

(b) Mayor Stratford presented Certificates of Recognition to David and Sharon Osteen in celebration of the 30th Anniversary of their Clayton Valley Pumpkin Farm and Christmas Trees in Clayton.

(a) Mayor Stratford read the Proclamation declaring the week of October 2010 as "Domestic Violence Awareness Month" in the city of Clayton and asked the City Clerk to mail it to the STAND.

6. **REPORTS**

(a) Planning Commission- No meeting to report.

(b) Trails and Landscaping Committee- No meeting to report.

(c) The City Manager reported there is still no State budget.

(d) City Council

Councilmember Geller reported the September 11th concert was a huge success, and thanked citizens for donating over $9,000 for next years concerts. He also thanked Allied Waste Services and the CBCA for their donations. He stated Allied Waste has committed to donating $5,000 as well as porta-potties for next year.

Vice Mayor Shuey participated in the Clayton Women's Club Murder Mystery Play and stated it was a well attended event that raised a lot of money for the clubs charitable giving.

Councilmember Pierce attended an ABAG meeting and the League of California Cities Annual Conference. She stated there was a lot of emphasis on Proposition 22 and keeping the State from taking local funds.

Mayor Stratford attended the CERT meeting, Library Foundation meeting, and a meeting with the YMCA creditor committee.

(e) Other -Mayor Stratford stated he, Vice Mayor Shuey, Jim Diaz, and Ted Meriam were running for the two City Council seats in the November 2010 election. In accordance with Council policy, he invited Mr. Diaz forward to speak.

Mr. Diaz stated he is a 30 year resident of Clayton and is looking forward to a good campaign and election.

7. PUBLIC COMMENT ON NON-AGENDA ITEMS

Megan Mayhew, Austin Woods, and Alex Tate all Clayton Valley High School Athletes stated on October 10th the Mt. Diablo District sports programs will be holding a 5k run to raise money for athletics. They stated that students at every school in the district have been challenged to garner the most participants for the run. The event will be held in Newhall Park starting at 9am and the students challenged the City Council to participate.

8. PUBLIC HEARINGS

(a) Consider recommendations by Chief of Police for use of $73,855.49 in unexpended Supplemental Law Enforcement Services Fund (SLESF, or COPS Grant monies) for the City's share ($58,710) of the infrastructure for the 2-county radio interoperability system (EBRCSA), $5,000 for replacement of ten (10) police officer ballistic vests, and the balance of $10,145.49 for law enforcement salaries; and allocation of FY 2010-11 COPS Grant amount of $100,000 to law enforcement compensation.

The Police Chief presented the staff report and stated he is requesting to continue funding for one Police Officer and 2 Police Services Aides. The COPS Grant has lasted for the past 14 State budget cycles and the City of Clayton qualifies for $100,000. He is recommending the adoption of the Resolution approving the expenditure of $73,855.49 in unexpended money and $100,000 for law enforcement compensation.

Mayor Stratford opened the Public Hearing at 7:31pm. No public comments were received, and Closed the Public Hearing at 7:32 p.m.

It was moved by Councilmember Medrano, seconded by Councilmember Shuey to adopt Resolution 41-2010 (Passed; 5-0 vote).

9. ACTION ITEMS

(a) Consider a Resolution supporting the implementation of a character initiative entitled "Do The Right Thing" in the Clayton community and establishing the scope of the City's involvement.

Mayor Stratford invited members of the "Do The Right Thing" committee forward to speak.

Patti Banister, Principal, Diablo View Middle School stated the school maintains high standards while maintaining a safe and nurturing environment for students. She stated she challenged students to think about their choices, do the right thing, at a recent welcome back assembly. She stated for the past three years the middle school has done a Character in Action program which students work on during their homeroom. She stated she is very excited about the Do The Right Thing program because it provides the opportunity to support the schools existing program and encourages young people in being responsible, independent, and caring citizens.

Pat Middendorf, Athletic Director at Clayton Valley High School and 20 year resident of Clayton stated a program like this shows that Clayton is different and they care about their students, citizens, and are not afraid to step above the crowd. She stated the incidents with the athletes from Clayton Valley shocked everyone and that having the support of the City for this program will show that everyone is together on this.

Ed Hartley CBCA President stated the CBCA is a community service organization dedicated to improving the quality of life of the community. He stated members have been provided a broad outline or the program, and though nothing has been voted on the CBCA might be able to provide money for pamphlets or possibility recognizing exemplary students. He stated as a citizen he does not believe this program violates any City policies because emphasizing good values can instill good character and good citizenship. He thanked the Mayor for his leadership with this program.

Keith Haydon, CBCA Vice President stated he has been serving on the committee and sees this as a way for the CBCA to help live out their mission as a community service organization. He stated personally he sees the community importance of discussing values to reinforce them and feels this coordinated effort is worthwhile. He stated it is a good foundation for character development and by having the City involved shows the community they care about education and role modeling.

Candace Bass stated as a member of the Peacock Creek neighborhood watch group she has noticed brazen acts of vandalism, and illegal activity by teenagers. She stated this program and the banners will serve as a reminder to citizens. She stated character development is a community wide responsibility and children look to adults for leadership. She thanked the Mayor for his effort in introducing this item and urged the Council to adopt the Resolution.

Police Chief Dan Lawrence stated he was a part of the committee and character building serves as a reinforcement of positive traits. He stated Police Officers are role models and participating in the program can point kids in the right direction by showing repetition. The Chief stated placing the slogan on the police cars is a highly visible reinforcement tool and demonstrates a partnership with community. He stated he was in support of the program as was the POA.

Mayor Stratford stated the committee put together the ideas and the values chosen to be focused on.

John Trammel stated he has spoken before and he has a problem with the banners but is not against the values He does not want to see more signage because he does not want to be preached to. He also stated he does not want people coming through town thinking there is a problem with the citizens because of the signs.

Linda Hudak stated Clayton is a harmonious community with different opinions. She stated she spoke with her neighbors about the program and they were opposed to the banners. She stated she did not want to banners with the traits on them and questioned how effective they would really be.

Cheryl Hansen, Administrator at the County Office of Education, expressed appreciation for the Resolution. She stated character education can really benefit kids because it reinforces common sense. She stated she is a proud resident and urged the Council to support the Resolution because it reinforces good citizenship.

Jeff Adams thanked the Council for considering the proposal and stated he was happy there is a community willing to bring people together on common values. He also stated he is a candidate for the Mt. Diablo School District and will do what he can to spread the message.

Jason Griffin stated he appreciates everyone who has made this community wonderful. He stated he has tried to understand the opposition to the program and excluding the banners he does not understand it. He state the City of Clayton is more than just a service provider, it is the people, the citizens, and we all have the have an obligation to promote good citizenship. He urged the Council to adopt the Resolution.

Vice Mayor Shuey stated he wanted to be clear that this program is not meant to insinuate that citizens are doing anything wrong, but that we want to continue to do things right. He stated his children ask questions about everything and seeing a sign is vital for reinforcement. He stated it is a community based effort that will not cost the City any money.

Councilmember Medrano stated he has been supportive of the initiative and thinks promoting it in schools, with signage at the schools, and on the Police cars is enough. He stated he does not want to see the signs at the entry points.

Councilmember Geller stated the signs should be displayed for no more than one week at the beginning of each character trait time frame, and that anymore would not make the signs not stand out. He stated he had no problem seeing it on the Police cars and likes the idea of putting the program on the website.

Mayor Stratford stated the current banner policy says that banner can be put up for two weeks prior to an event, what this program is asking for is for the banners to be displayed during the first week of the month a new trait is emphasized.

Councilmember Pierce commended the program but questioned the need for the banners at the entry points because people do not read the signs.

Mayor Stratford stated that how are people going to know about the program if there are not banners at the entry points. He stated the banners will be a visible sign of the support of the program.

Vice Mayor Shuey asked for consensus to reduce the number of weeks the signs are on the entry points to one week for each of the 6 traits to be emphasized (section 3 of the Resolution). Councilmember Medrano stated he was still against having the signs at the entry points.

It was moved by Vice Mayor Shuey, seconded by Mayor Stratford to adopt Resolution 42-2010 as amended to review the banners again in one year and to only post the banners for one week per trait (6 weeks total) (Passed; 5-0 vote).

(b) Consider adoption of Ordinance No. 429 amending Title 17 of the *Clayton Municipal Code* to supersede and replace the existing "Water Conserving Landscape Guidelines" with "Landscape Water Conservation Standards" to implement SB 1881, the Water Conservation in Landscaping Act of 2006 [Second Reading and Adoption]

The Community Development Director presented the staff report and stated at their September 7th meeting the City Council introduced Ordinance No. 429. He stated the State of California adopted the Water and Landscaping Act of 2009 which set requirements and thresholds for developer, public, and homeowner landscape projects. The Planning Commission and staff reviewed the Department of Water Resources Ordinance and believe it needed to be modified to fit the City of Clayton. The goal of the Ordinance is the use best practices to conserve water when establishing or redesigning landscaping.

No public comments were received.

It was moved by Councilmember Medrano, seconded by Vice Mayor Shuey to have the City Clerk read Ordinance No. 429 by title and number only and waive further reading (Passed; 5-0 vote).

The City Clerk read Ordinance No. 429 by title and number only.

It was moved by Councilmember Medrano, seconded by Councilmember Geller to adopt Ordinance No. 429 (Passed; 5-0 vote).

(c) Consider a Resolution supporting the voters' passage of Proposition 22, "*The Local Taxpayer, Public Safety and Transportation Act of 2010*", on the November 2, 2010 California ballot.

The City Clerk presented the staff report and outlined the recommendation for support of the Resolution. She stated if passed by the voters the Proposition would stop the State from borrowing local property taxes, prohibit borrowing or taking of local sales, parcel, and other taxes imposed by local governments or local voters, and prevent raids of redevelopment funds.

It was moved by Councilmember Geller, seconded by Councilmember Pierce to adopt Resolution 43-2010 (Passed; 5-0 vote).

(d) Request to discuss the merits of allowing gated residential communities for existing residential subdivisions or neighborhoods within the city of Clayton.

Councilmember Medrano stated the purpose of the agenda item was to have a discussion on whether or not the gating of specific communities should be researched by staff. He stated gating of communities increases property tax values, saves insurance, and can provide increase revenue to the city. He stated the cost would have to be paid for by the residents of the specific area. He stated there are problems with public perception of gated communities but wants gauge the Council's feeling about whether this should be researched.

Councilmember Geller stated he has no problem having staff look at the issue, after a petition is signed and the residents of the area agree to pay for all staff costs.

Councilmember Pierce stated she does not have a problem looking into it but does not want to spend staff time on something unless a neighborhood is close to unanimous in their desire to gate the community. She stated the interested neighborhoods could look into this and pay for a consultant. She also stated there may be issues with the gifting of public funds for the streets.

The City Attorney stated at least one other City has proceeded along this line and the key issue is who take ownership for the maintenance of the streets.

Vice Mayor Shuey agreed with Councilmember Pierce and stated if there is a group of people interested they should do the work.

Councilmember Pierce also stated the Council would also need to consider whether or not it is good for the City of Clayton as a whole.

The City Manager stated the preliminary research would need to include analysis of traffic circulation and flow.

Mayor Stratford agreed this should be driven by the homeowners and does not want to spend money or time at this point.

10. COUNCIL ITEMS- None.

11. ADJOURNMENT– On call by Mayor Stratford the meeting adjourned at 9:10 p.m.

Respectfully submitted,

____
Laci J. Jackson, City Clerk

APPROVED BY CLAYTON CITY COUNCIL

____
Hank Stratford, Mayor

CITY OF CLAYTON
Founded 1857 . . Incorporated 1964

Agenda Date: 10/05/10

Agenda Item: 4c

Approved:

Gary A. Napper
City Manager/Executive Director

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MERRY PELLETIER, FINANCE MANAGER

DATE: OCTOBER 5, 2010

SUBJECT: OBLIGATION SUMMARY

RECOMMENDATION **Approve the following obligations.**

RUN DATE	OBLIGATION NUMBERS	TOTALS
10/01/10	17598 – 17631	$110,637.56

Invoice Distribution Report

- Amounts spent by "Line Item"
- A grand total is shown on the last page

Attachments:
Invoice Distribution Report 10/01/10 (10 pages)

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-2206-00.0.0-000 - PERS Liability						
	17603	Retirement PPE 9/19/10	201	CalPERS		
			7	PD Survivor Benefit 9/19/10	Inv	10.23
A101-2206-00.0.0-000 - PERS Liability				*** Account total ***		10.23
A101-5791-00.0.0-000 - Overhead cost recovery						
	17618	Refund SWP 09-10 9/10	2686	Ramon Velasquez		
			2	OH Rec SWP 09-10 9/10	Inv	-21.79
	17619	Refund SWP 18-09 9/10	2366	Robin & Charles Robinson		
			2	OH Rec SWP 18-09 9/10	Inv	-12.45
A101-5791-00.0.0-000 - Overhead cost recovery				*** Account total ***		-34.24
A101-7218-02.0.0-000 - Life and LTD Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			1	Adm LTD 10/10	Inv	262.21
A101-7218-02.0.0-000 - Life and LTD Insurance				*** Account total ***		262.21
A101-7218-03.0.0-000 - Life and LTD Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			2	PW LTD 10/10	Inv	152.58
A101-7218-03.0.0-000 - Life and LTD Insurance				*** Account total ***		152.58
A101-7218-04.0.0-000 - Life and LTD Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			3	Planning LTD 10/10	Inv	77.64
A101-7218-04.0.0-000 - Life and LTD Insurance				*** Account total ***		77.64
A101-7218-06.0.0-000 - Life and LTD Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			4	PD LTD 10/10	Inv	421.14
A101-7218-06.0.0-000 - Life and LTD Insurance				*** Account total ***		421.14
A101-7220-02.0.0-000 - PERS Retirement						
	17603	Retirement PPE 9/19/10	201	CalPERS		
			2	Admin 9/19/10	Inv	3,958.97
A101-7220-02.0.0-000 - PERS Retirement				*** Account total ***		3,958.97
A101-7220-03.0.0-000 - PERS Retirement						
	17603	Retirement PPE 9/19/10	201	CalPERS		
			3	PW 9/19/10	Inv	2,311.05
A101-7220-03.0.0-000 - PERS Retirement				*** Account total ***		2,311.05
A101-7220-04.0.0-000 - PERS Retirement						
	17603	Retirement PPE 9/19/10	201	CalPERS		
			4	Planning 9/19/10	Inv	1,174.00
A101-7220-04.0.0-000 - PERS Retirement				*** Account total ***		1,174.00
A101-7220-06.0.0-000 - PERS Retirement						
	17603	Retirement PPE 9/19/10	201	CalPERS		
			5	Police 9/19/10	Inv	12,069.41
A101-7220-06.0.0-000 - PERS Retirement				*** Account total ***		12,069.41

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-7246-01.0.0-000 - Benefit Insurance						
	17602	Health Insurance 10/10	1316	CalPERS Health		
			8	CC Geller 10/10	Inv	532.56
A101-7246-01.0.0-000 - Benefit Insurance				*** Account total ***		532.56
A101-7246-02.0.0-000 - Benefit Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			6	Adm Life, ADD 10/10	Inv	49.50
	17602	Health Insurance 10/10	1316	CalPERS Health		
			1	Admin 10/10	Inv	6,030.16
			6	Adm Fees Health 10/10	Inv	117.95
A101-7246-02.0.0-000 - Benefit Insurance				*** Account total ***		6,197.61
A101-7246-03.0.0-000 - Benefit Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			7	PW Life, ADD 10/10	Inv	41.25
	17602	Health Insurance 10/10	1316	CalPERS Health		
			2	PW 10/10	Inv	5,105.50
A101-7246-03.0.0-000 - Benefit Insurance				*** Account total ***		5,146.75
A101-7246-04.0.0-000 - Benefit Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			8	Planning Life, ADD 10/10	Inv	16.50
	17602	Health Insurance 10/10	1316	CalPERS Health		
			3	Planning 10/10	Inv	2,449.78
A101-7246-04.0.0-000 - Benefit Insurance				*** Account total ***		2,466.28
A101-7246-06.0.0-000 - Benefit Insurance						
	17601	LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
			9	PD Life, ADD 10/10	Inv	99.00
	17602	Health Insurance 10/10	1316	CalPERS Health		
			4	Police Dept 10/10	Inv	9,608.68
			5	ER Share -retired PD 10/10	Inv	189.00
A101-7246-06.0.0-000 - Benefit Insurance				*** Account total ***		9,896.68
A101-7311-03.0.0-000 - General Supplies						
	17615	PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
			2	PW Gen Sup 8/10	Inv	448.57
	17625	PW General Supp 9/10	1387	Dyna Systems		
			1	PW General Supp 9/10	Inv	371.98
A101-7311-03.0.0-000 - General Supplies				*** Account total ***		820.55
A101-7311-06.0.0-000 - General Supplies						
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			3	PD General Supplies 8/10	Inv	107.30
A101-7311-06.0.0-000 - General Supplies				*** Account total ***		107.30
A101-7312-05.0.0-000 - Office Supplies/Expense						
	17605	Adm Printing Services 9/10	42	City of Concord		
			2	Adm Printing 9/10	Inv	363.00

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-7312-05.0.0-000 - Office Supplies/Expense				*** Continued ***		
	17614	Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
			1	Adm Off Sup 8/10	Inv	382.11
A101-7312-05.0.0-000 - Office Supplies/Expense				*** Account total ***		745.11
A101-7312-06.0.0-000 - Office Supplies/Expense						
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			4	PD Office Supp 8/10	Inv	178.42
A101-7312-06.0.0-000 - Office Supplies/Expense				*** Account total ***		178.42
A101-7314-05.0.0-000 - Postage						
	17598	Adm Postage Added 9/28/10	2100	Neopost (add postage)		
			1	Adm Postage Added 9/28/10	Inv	300.00
A101-7314-05.0.0-000 - Postage				*** Account total ***		300.00
A101-7324-06.0.0-000 - Dues and Subscriptions						
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			5	PD Chief Membership 8/10	Inv	300.00
A101-7324-06.0.0-000 - Dues and Subscriptions				*** Account total ***		300.00
A101-7329-03.0.0-000 - Park Supplies						
	17615	PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
			3	PW Park Bulletin Bd 8/10	Inv	27.19
A101-7329-03.0.0-000 - Park Supplies				*** Account total ***		27.19
A101-7331-05.0.0-000 - Rentals/Leases						
	17614	Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
			2	Adm Neopost Leases (2)	Inv	443.58
			5	Admin Copy Charges 8/10	Inv	291.18
	17631	Adm Copier Lease 10/10	2370	Konica Minolta Bus Solutions		
			1	Adm Copier Lease 10/10	Inv	628.98
A101-7331-05.0.0-000 - Rentals/Leases				*** Account total ***		1,363.74
A101-7332-02.0.0-000 - Telecommunications						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			2	CH Local Phone 9/10A	Inv	168.44
	17612	CH Outside Phone Booth 10/10	2205	Pacific Telemanagement Svc		
			1	CH Outside Phone Booth 10/10	Inv	73.00
A101-7332-02.0.0-000 - Telecommunications				*** Account total ***		241.44
A101-7332-03.0.0-000 - Telephone						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			1	PW Local Phone 9/10A	Inv	32.29
A101-7332-03.0.0-000 - Telephone				*** Account total ***		32.29
A101-7332-04.0.0-000 - Telephone						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			3	Plng Local Phone 9/10A	Inv	39.72
A101-7332-04.0.0-000 - Telephone				*** Account total ***		39.72

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-7332-06.0.0-000 - Telephone						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			7	PD Local Phone 9/10A	Inv	452.48
A101-7332-06.0.0-000 - Telephone				*** Account total ***		452.48
A101-7332-08.0.0-000 - Telephone						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			5	Eng Local Phone 9/10A	Inv	83.04
A101-7332-08.0.0-000 - Telephone				*** Account total ***		83.04
A101-7335-03.0.0-000 - Gas & Electricity						
	17599	Service 9/10 (Master)	113	PG&E		
			1	City Hall 9/10	Inv	285.88
			3	Lydia Pump Station 9/10	Inv	121.71
			12	Westwood Pk Well 9/10	Inv	152.04
A101-7335-03.0.0-000 - Gas & Electricity				*** Account total ***		559.63
A101-7335-07.0.0-000 - Gas & Electricity						
	17599	Service 9/10 (Master)	113	PG&E		
			4	Library 9/10	Inv	3,695.57
A101-7335-07.0.0-000 - Gas & Electricity				*** Account total ***		3,695.57
A101-7335-09.0.0-000 - Gas & Electricity						
	17599	Service 9/10 (Master)	113	PG&E		
			2	Community Restroom 9/10	Inv	153.18
A101-7335-09.0.0-000 - Gas & Electricity				*** Account total ***		153.18
A101-7341-03.0.0-000 - Buildings/Grounds Maintenance						
	17607	City Hall Elevator Reg. Svc. 9	1187	Paramount Elevator Corp.		
			1	CH Elevator Svc 9/10	Inv	110.00
A101-7341-03.0.0-000 - Buildings/Grounds Maintenance				*** Account total ***		110.00
A101-7342-03.0.0-000 - Machinery/Equipment Maintenanc						
	17615	PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
			4	PW Misc Equip Mtn 8/10	Inv	687.73
A101-7342-03.0.0-000 - Machinery/Equipment Maintenanc				*** Account total ***		687.73
A101-7342-06.0.0-000 - Machinery/Equipment Maintenanc						
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			6	PD Repl lighting 8/10	Inv	226.61
	17627	PD Radar Recertification 8/10	1887	The Radar Shop		
			1	PD Radar Recertification 8/10	Inv	278.00
A101-7342-06.0.0-000 - Machinery/Equipment Maintenanc				*** Account total ***		504.61
A101-7343-06.0.0-000 - Vehicle Maintenance						
	17606	PD Vehicle Maintenance 8/10	42	City of Concord		
			1	PD Vehicle Mtn 8/10	Inv	1,013.87
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			7	PD MC Mtn & Car Washes 8/10	Inv	200.55
	17626	PD Audio Parts 9/10	1531	Audio Headset Systems		
			1	PD Audio Parts 9/10	Inv	103.79
A101-7343-06.0.0-000 - Vehicle Maintenance				*** Account total ***		1,318.21

Obligat'n Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-7344-03.0.0-000 - Vehicles: Gas, Oil & Supplies				
17615 PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
	1	PW Gas 8/10	Inv	1,117.31
A101-7344-03.0.0-000 - Vehicles: Gas, Oil & Supplies		*** Account total ***		1,117.31
A101-7344-06.0.0-000 - Vehicles: Gas, Oil & Supplies				
17616 PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
	1	PD Gas 8/10	Inv	2,852.52
A101-7344-06.0.0-000 - Vehicles: Gas, Oil & Supplies		*** Account total ***		2,852.52
A101-7347-03.0.0-000 - Deferred Mtn Projects				
17629 Libr, CH Carpet Cleaning 9/10	1492	Apex Carpet And Upholstery Cle		
	1	Libr, CH Carpet Cleaning 9/10	Inv	1,650.00
A101-7347-03.0.0-000 - Deferred Mtn Projects		*** Account total ***		1,650.00
A101-7351-05.0.0-000 - Insurance Premiums				
17610 Special Event Insurance 9/10	70	HUB Inter of CA Ins Svc		
	1	Special Event Ins 9/10	Inv	146.67
A101-7351-05.0.0-000 - Insurance Premiums		*** Account total ***		146.67
A101-7373-04.0.0-000 - Education & Training				
17614 Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
	6	CDD Bldg Codes 8/10	Inv	118.70
A101-7373-04.0.0-000 - Education & Training		*** Account total ***		118.70
A101-7373-06.0.0-000 - Education & Training				
17616 PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
	2	PD Training Expenses 8/10	Inv	480.30
A101-7373-06.0.0-000 - Education & Training		*** Account total ***		480.30
A101-7411-08.0.0-000 - Professional Services Retainer				
17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
	1	Eng Svc 9/11/10-9/24/10	Inv	2,230.25
A101-7411-08.0.0-000 - Professional Services Retainer		*** Account total ***		2,230.25
A101-7412-08.0.0-000 - Engineering/Inspection Service				
17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
	3	Minor EP #9257	Inv	145.25
A101-7412-08.0.0-000 - Engineering/Inspection Service		*** Account total ***		145.25
A101-7415-02.0.0-000 - Computer Services				
17614 Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
	3	Adm Hard drives 8/10	Inv	388.45
A101-7415-02.0.0-000 - Computer Services		*** Account total ***		388.45
A101-7417-03.0.0-000 - Janitorial Service				
17623 Janitorial Supplies 9/10	84	Hammons Supply Company		
	1	CH Janitorial Supplies 9/10	Inv	90.62
A101-7417-03.0.0-000 - Janitorial Service		*** Account total ***		90.62

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A101-7417-07.0.0-000 - Janitorial Service						
	17623	Janitorial Supplies 9/10	84	Hammons Supply Company		
			2	Libr Janitorial Supplies 9/10	Inv	271.84
A101-7417-07.0.0-000 - Janitorial Service				*** Account total ***		271.84
A101-7419-01.0.0-000 - Other Professional Services						
	17630	Video City Council Mtg 9/21/10	1467	LarryLogic Productions		
			1	Video CC Mtg 9/21/10	Inv	315.00
A101-7419-01.0.0-000 - Other Professional Services				*** Account total ***		315.00
A101-7419-06.0.0-000 - Other Professional Services						
	17609	PD-Crossing Guard WE 9/11/10	1538	All City Management Services,		
			1	PD-Crossing Guard WE 9/11/10	Inv	418.50
	17616	PD Misc Charges 8/10	2349	US Bank Corp Pymt System		
			8	PD Postage 8/10	Inv	22.16
A101-7419-06.0.0-000 - Other Professional Services				*** Account total ***		440.66
A101-7426-06.0.0-000 - Jail Booking Fee						
	17604	Booking Fees 8/10	416	CCC Auditor-Controller		
			1	Booking Fees 8/10	Inv	49.00
A101-7426-06.0.0-000 - Jail Booking Fee				*** Account total ***		49.00
A101-7430-08.0.0-000 - Well Monitoring Fee						
	17614	Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
			4	Well Monitoring 7/10	Inv	1,546.50
A101-7430-08.0.0-000 - Well Monitoring Fee				*** Account total ***		1,546.50
A201-7335-00.0.0-000 - Gas & Electricity						
	17599	Service 9/10 (Master)	113	PG&E		
			9	Traffic Signals 9/10	Inv	467.08
			10	Street Lights-Arterial 9/10	Inv	2,763.89
A201-7335-00.0.0-000 - Gas & Electricity				*** Account total ***		3,230.97
A210-7311-00.0.0-000 - General Supplies						
	17615	PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
			6	PW General Supplies 8/10	Inv	99.90
	17622	PW Cedar Bark 9/1/10	1176	Contra Costa Topsoil		
			1	PW Cedar Bark 9/1/10	Inv	1,769.85
A210-7311-00.0.0-000 - General Supplies				*** Account total ***		1,869.75
A210-7335-00.0.0-000 - Gas & Electricity						
	17599	Service 9/10 (Master)	113	PG&E		
			5	Monument Lights 9/10	Inv	250.15
			6	Oakhurst Pump (Fountain) 9/10	Inv	495.88
			7	Outdoor Lights 9/10	Inv	14.16
			8	Sprinkler Cont/Lndscp 9/10	Inv	73.50
A210-7335-00.0.0-000 - Gas & Electricity				*** Account total ***		833.69
A210-7344-00.0.0-000 - Vehicle Gas, Oil, and Supplies						
	17615	PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
			5	PW Lndscp Fuel 8/10	Inv	1,088.77
A210-7344-00.0.0-000 - Vehicle Gas, Oil, and Supplies				*** Account total ***		1,088.77

Account	Obligat'n Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A210-7419-00.0.0-000 - Other Professional Services					
	17613 CFD Admin Fees 9-12/10	960	NBS Govt. Finance Group		
		3	CFD 07-1 Admin Fees 9-12/10	Inv	858.08
A210-7419-00.0.0-000 - Other Professional Services			*** Account total ***		858.08
A210-7425-00.0.0-005 - Brick in median Oakhurst (70k)					
	17615 PW Misc Charges 8/10	2349	US Bank Corp Pymt System		
		7	PW Wood for Forms 8/10	Inv	124.25
A210-7425-00.0.0-005 - Brick in median Oakhurst (70k)			*** Account total ***		124.25
A211-7310-00.0.0-000 - Supplies and Equipment					
	17624 PW Sprinkler Parts 9/10	2070	John Deere Landscapes Inc		
		1	PW Sprinkler Parts 9/10	Inv	77.29
A211-7310-00.0.0-000 - Supplies and Equipment			*** Account total ***		77.29
A211-7420-00.0.0-000 - Other Outside Service					
	17613 CFD Admin Fees 9-12/10	960	NBS Govt. Finance Group		
		4	CFD 06-1 Admin Fees 9-12/10	Inv	858.08
A211-7420-00.0.0-000 - Other Outside Service			*** Account total ***		858.08
A212-7412-00.0.0-000 - Engineering/Inspection Service					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		2	OH GHAD #9264	Inv	273.25
A212-7412-00.0.0-000 - Engineering/Inspection Service			*** Account total ***		273.25
A214-7335-00.0.0-000 - Gas & Electricity					
	17599 Service 9/10 (Master)	113	PG&E		
		11	Street Lights-Res 9/10	Inv	8,291.66
A214-7335-00.0.0-000 - Gas & Electricity			*** Account total ***		8,291.66
A216-7412-00.0.0-000 - Engineering/Inspection Service					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		5	SW Insp #9258	Inv	72.19
A216-7412-00.0.0-000 - Engineering/Inspection Service			*** Account total ***		72.19
A230-7218-00.0.0-000 - LTD Insurance-COPS					
	17601 LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
		5	PD Grant LTD 10/10	Inv	28.60
A230-7218-00.0.0-000 - LTD Insurance-COPS			*** Account total ***		28.60
A230-7220-00.0.0-813 - PERS Retirement-COPS					
	17603 Retirement PPE 9/19/10	201	CalPERS		
		6	PD Grant /09/19/106	Inv	885.84
A230-7220-00.0.0-813 - PERS Retirement-COPS			*** Account total ***		885.84
A230-7246-00.0.0-000 - Benefit Insurance					
	17601 LTD, Life & ADD 10/10	65	Municipal Pooling Authority		
		10	PD Grant Life, ADD 10/10	Inv	8.25
	17602 Health Insurance 10/10	1316	CalPERS Health		
		7	PD Grants 10/10	Inv	1,384.66
A230-7246-00.0.0-000 - Benefit Insurance			*** Account total ***		1,392.91

Account	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A230-7485-00.0.0-000 - Capital Equipment-Cleep Grant						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			8	PD Secure Line 9/10A	Inv	496.68
A230-7485-00.0.0-000 - Capital Equipment-Cleep Grant				*** Account total ***		496.68
A302-7520-00.0.0-003 - 208 Stranahan L/M House(Chang)						
	17608	Yard Mtn-Stranahan Cir 9/10	2188	Pargett Landscape & Lghtg		
			1	Yard Mtn-Stranahan Cir 9/10	Inv	600.00
A302-7520-00.0.0-003 - 208 Stranahan L/M House(Chang)				*** Account total ***		600.00
A303-7520-00.0.0-117 - Pavement Rehab 2010-11(10409)						
	17617	Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
			4	Eng Svc #9261	Inv	1,700.38
A303-7520-00.0.0-117 - Pavement Rehab 2010-11(10409)				*** Account total ***		1,700.38
A420-7419-00.0.0-000 - Other Professional Services						
	17613	CFD Admin Fees 9-12/10	960	NBS Govt. Finance Group		
			1	CFD 90-1 Admin Fees 9-12/10	Inv	2,046.20
A420-7419-00.0.0-000 - Other Professional Services				*** Account total ***		2,046.20
A421-7419-00.0.0-000 - Other Professional Services						
	17613	CFD Admin Fees 9-12/10	960	NBS Govt. Finance Group		
			2	CFD 90-2 Admin Fees 9-12/10	Inv	990.10
A421-7419-00.0.0-000 - Other Professional Services				*** Account total ***		990.10
A502-7485-00.0.0-000 - Capital Equipment						
	17614	Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
			8	Fin mini-server & sftwr 8/10	Inv	3,358.20
	17628	PD New Vehicle Equip 9/10	2459	Watch Guard		
			1	PD New Vehicle Equip 9/10	Inv	5,544.44
A502-7485-00.0.0-000 - Capital Equipment				*** Account total ***		8,902.64
A601-2731-00.0.0-587 - St Bonaventures EP2897 Dep						
	17617	Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
			6	Eng Svc #9263	Inv	494.75
A601-2731-00.0.0-587 - St Bonaventures EP2897 Dep				*** Account total ***		494.75
A601-2737-00.0.0-008 - CERT (R&E)						
	17620	Reimb for CERT Supplies 9/10	2688	Sue Elliott		
			1	Reimb for CERT Supplies 9/10	Inv	57.44
A601-2737-00.0.0-008 - CERT (R&E)				*** Account total ***		57.44
A601-2740-00.0.0-097 - Cost Recov Dep - CCWD Minor EP						
	17617	Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
			7	Eng Svc #9256	Inv	124.50
A601-2740-00.0.0-097 - Cost Recov Dep - CCWD Minor EP				*** Account total ***		124.50
A601-2740-00.0.0-523 - CCChurch DP 01-09						
	17617	Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
			10	Eng Svc #9260	Inv	1,162.50
A601-2740-00.0.0-523 - CCChurch DP 01-09				*** Account total ***		1,162.50

Account	Obligat'n Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A601-2740-00.0.0-574 - T-Mobile UP 01-10					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		8	Eng Svc #9262	Inv	300.00
A601-2740-00.0.0-574 - T-Mobile UP 01-10			*** Account total ***		300.00
A601-2741-00.0.0-574 - T-Mobile UP 02-10					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		9	Eng Svc #9262	Inv	300.00
A601-2741-00.0.0-574 - T-Mobile UP 02-10			*** Account total ***		300.00
A601-2744-00.0.0-516 - Guttry SWP 21-09					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		11	Eng Svc #9259	Inv	62.25
A601-2744-00.0.0-516 - Guttry SWP 21-09			*** Account total ***		62.25
A601-2744-00.0.0-518 - Weisendanger SWP					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		12	Eng Svc #9259	Inv	62.25
A601-2744-00.0.0-518 - Weisendanger SWP			*** Account total ***		62.25
A601-2744-00.0.0-559 - Charles Robinson SWPermit18-09					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		13	Eng Svc #9259	Inv	83.00
	17619 Refund SWP 18-09 9/10	2366	Robin & Charles Robinson		
		1	Refund SWP 18-09 9/10	Inv	1,917.00
A601-2744-00.0.0-559 - Charles Robinson SWPermit18-09			*** Account total ***		2,000.00
A601-2744-00.0.0-569 - Omeara SWP 01-10					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		14	Eng Svc #9259	Inv	62.25
A601-2744-00.0.0-569 - Omeara SWP 01-10			*** Account total ***		62.25
A601-2744-00.0.0-577 - Gerald Mole SWP 07-10					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		15	Eng Svc #9259	Inv	62.25
A601-2744-00.0.0-577 - Gerald Mole SWP 07-10			*** Account total ***		62.25
A601-2744-00.0.0-588 - R Valasquez SWP 09-10					
	17617 Eng Svc 9/11/10-9/24/10	116	PERMCO, Inc.		
		16	Eng Svc #9259	Inv	83.00
	17618 Refund SWP 09-10 9/10	2686	Ramon Velasquez		
		1	Refund SWP 09-10 9/10	Inv	1,854.75
A601-2744-00.0.0-588 - R Valasquez SWP 09-10			*** Account total ***		1,937.75
A601-2750-00.0.0-000 - Community Gym Donations					
	17614 Adm: Misc Charges 8/10	2349	US Bank Corp Pymt System		
		7	Gym - sports equip 8/10	Inv	100.27
A601-2750-00.0.0-000 - Community Gym Donations			*** Account total ***		100.27
A701-2110-00.0.0-000 - Reserve for Commitment					
	17611 DV Gym Janitorial 6-7/10	512	Mt. Diablo Unified School Dist		
		1	DV Gym Janitorial 6-7/10	Inv	603.00
A701-2110-00.0.0-000 - Reserve for Commitment			*** Account total ***		603.00

	Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A702-2730-00.0.0-002 - Endeavor Hall Cash Deposits						
	17621	Refund EH Dep less fees 9/19/1	2687	David & Sheila Rowntree		
			1	Refund EH Dep 9/19/10	Inv	500.00
A702-2730-00.0.0-002 - Endeavor Hall Cash Deposits				*** Account total ***		500.00
A702-5607-00.0.0-000 - Revenue						
	17621	Refund EH Dep less fees 9/19/1	2687	David & Sheila Rowntree		
			2	EH Fees 9/19/10	Inv	-78.00
A702-5607-00.0.0-000 - Revenue				*** Account total ***		-78.00
A702-7332-00.0.0-000 - Telephone						
	17600	Local Phone Svc 9/10A	1243	AT&T/ CalNet 2		
			6	EH Local Phone 9/10A	Inv	58.87
A702-7332-00.0.0-000 - Telephone				*** Account total ***		58.87
* Report total *				*** Total ***		110,637.56

Agenda Date: 10-5-10

Agenda Item: 9a

CITY OF CLAYTON
Founded 1857 · Incorporated 1964

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Laci J. Jackson, City Clerk

DATE: October 5, 2010

SUBJECT: Adoption of a Resolution opposing Proposition 26

BACKGROUND

Proposition 26 has qualified for the November 2010 ballot. The measure is intended to restrict in various ways the ability of the state and local governments to adopt fees. The measure appears to be directed at State fees but is written so broadly that local fees may be impacted.

Under current law, a "regulatory fee," may not exceed the reasonable cost of providing services necessary for the activity for which the fee is shared and may not be levied for unrelated revenue purposes. To demonstrate a regulatory fee is not a special tax the government must prove 1) the estimated costs of the service or regulatory activity; and 2) the basis for determining the manner in which the costs are apportioned, so charges allocated to the payor bear a fair or reasonable relationship to the payor's burdens on or benefits from the regulatory activity.

Each year the City of Clayton complies with the current law when adopting regulatory fees. The City conducts fee studies to assure that the fees charged not exceed the reasonable cost of providing the service.

PROPOSITIONS INTENT

The League analysis states that "The word 'tax' is not now defined either in the Constitution or in the state statues. This initiative defines a tax to include 'any levy, charge, or exaction of any kind' with certain enumerated exceptions. Included with the list of exceptions for local government are:

- User fees or charges for specific government service or product.
- Charge for entrance to or use of government property (e.g. park).
- A fine, penalty or other charge imposed for violating the law.

- Charge imposed for reasonable regulatory cost incident to issuing license and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders.
- A charge imposed as condition of property development.
- Assessments and property-related fees imposed in accordance with Proposition 218.

If Proposition 26 passes, local governments will need to examinine local fees. In the City of Clayton it appears that there may be limited adverse impact as most Clayton fees would fall within the exception. However this proposition is written so broadly that franchise fees may only be allowable only if government has the power to exclude other uses ie: exclusive franchise fees versus non exclusive. This may affect fees on pipelines, cable franchise, and garbage franchises. Our garbage franchise fee is already and exclusive franchise so it unclear if it would be affected.

Specific Examples:

- Fees on canned beverages to mitigate waste/ recycling – City receives annual State grant funds for AB 939 programs from this source.
- Health inspection/ monitoring fees- the Clean Water program is considering fees for implementing inspection/ enforcement requirements imposed on local agencies by the State.
- Traffic impact fees
- Parking impact fees
- Air quality impact fees- AB 32
- Trenching fees
- `Tire disposal fees to mitigate costs and hazards of tire disposal- funds currently used for grants by State- Rubberized Asphalt Program.

In general this proposition appears to possibly have potential intrusion and eroding of local government finances. Certain Local/ Regional VLF fees collected for congestion management and storm water clean up programs could also be curtailed. However, it is difficult to access the direct impacts on the City at this time. League staff believes that if the measure is successful there are too many unknowns that seem certain to generate litigation. It will take many years of litigation for the courts to interpreted, further destabilizing local government revenues as well as litigation costs.

FISCAL IMPACT ON LOCAL GOVERNMENT

The impacts of Proposition 26 are unknown at this time and the analysis by the League's Legislative Analyst and Director of Finance finds "Potentially major decrease in state and local revenues and spending, depending upon future action of the Legislature, local governing bodies, and local voters.

RECOMMENDATION

As an elected legislative body, the City Council has the authority to take positions on various political and ballot measure propositions of interest or concern to its mission of operating a local government. By law, City staff is permitted to assist its legislative body in reaching such conclusions by providing facts and other associated information. In matters such as

Proposition 26, it is expected some members of the local electorate will seek City Council input prior to voting.

It is recommended the City Council join the League of California Cities and adopt a Resolution in opposition of Proposition 26 on the November 2010 ballot.

Attachments:
1. Resolution (2 pages)
2. LAO's summary of Prop. 26 (5 pages)
3. Literature & Supports of Prop. 26
4. Literature & Opponents of Prop. 26
5. Differing Newspaper Editorials on Prop 26

RESOLUTION NO XX- 2010

A RESOLUTION IN OPPOSITION OF PROPOSTION 26

THE CITY COUNCIL
City of Clayton, California

WHEREAS, cities are the economic engine of California and the vitality of cities and the state's economic recovery is dependant on their fiscal stability and local autonomy; and

WHEREAS, the City of Clayton supports protecting local control and funding for vital local services; and

WHEREAS, the City of Clayton has had to cut its recent budget by 9% to ensure a balanced budget, and that unwarranted fiscal limitations imposed on our community will lead to additional hardship and reduced services for our city's residents; and

WHEREAS, all local taxes, assessments, and property-related fees (such as for water and sewer services) already are required to be subject to local voter approvals; and

WHEREAS, similar voter approval requirements do not apply to tax increases proposed by the state legislature.

WHEREAS, local governments have made the necessary cuts and enacted local balanced budgets on time, which has not been the practice of the state legislature; and

WHEREAS, the state legislature has repeatedly sought to raid local funding rather that adopt balanced budgets that reflect the state's resources; and

WHEREAS, Proposition 26 on the November 2, 2010, California state ballot – while attempting to address the authority of the state legislature to raise revenue – overreaches and seeks to impose additional and unjustified constraints on local governments; and

WHEREAS, by arbitrarily imposing a new definition of "taxes" applicable to local government in the state Constitution, Proposition 26, if approved, will invite additional litigation and destabilize existing funding for local public safety, health, transportation, and environmental protection; now, therefore, be it

THEREFORE, BE IT RESOLVED, that the City of Clayton opposes Proposition 26 on the November 2, 2010, California state ballot.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 5th day of October 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

Hank Stratford, Mayor

ATTEST:

Laci J. Jackson, City Clerk

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LAO's summary of Prop. 26

Submitted July 15, 2010

Proposition 26

Increases Legislative Vote Requirement to Two-Thirds for State Levies and Charges. Imposes Additional Requirement for Voters to Approve Local Levies and Charges With Limited Exceptions. Initiative Constitutional Amendment.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact

- **Fiscal Impact:** Depending on decisions by governing bodies and voters, decreased state and local government revenues and spending (up to billions of dollars annually). Increased transportation spending and state General Fund costs ($1 billion annually).

Yes/No Statement

A **YES** vote on this measure means: The definition of taxes would be broadened to include many payments currently considered to be fees or charges. As a result, more state and local proposals to increase revenues would require approval by two-thirds of each house of the Legislature or by local voters.

A **NO** vote on this measure means: Current constitutional requirements regarding fees and taxes would not be changed.

Background

State and local governments impose a variety of taxes, fees, and charges on individuals and businesses. Taxes—such as income, sales, and property taxes—are typically used to pay for general public services such as education, prisons, health, and social services. Fees and charges, by comparison, typically pay for a particular service or program benefitting individuals or businesses. There are three broad categories of fees and charges:

- User fees—such as state park entrance fees and garbage fees, where the user pays for the cost of a specific service or program.
- Regulatory fees—such as fees on restaurants to pay for health inspections and fees on the purchase of beverage containers to support recycling programs. Regulatory fees pay for programs that place requirements on the activities of businesses or people to achieve particular public goals or help offset the public or environmental impact of certain activities.

- Property charges—such as charges imposed on property developers to improve roads leading to new subdivisions and assessments that pay for improvements and services that benefit the property owner.

State law has different approval requirements regarding taxes, fees, and property charges. As Figure 1 shows, state or local governments usually can create or increase a fee or charge with a majority vote of the governing body (the Legislature, city council, county board of supervisors, etcetera). In contrast, increasing tax revenues usually requires approval by two-thirds of each house of the state Legislature (for state proposals) or a vote of the people (for local proposals).

Figure 1

Approval Requirements: State and Local Taxes, Fees, and Charges

	State	Local
Tax	Two-thirds of each house of the Legislature for measures increasing state revenues.	▪ Two-thirds of local voters if the local government specifies how the funds will be used. ▪ Majority of local voters if the local government does not specify how the funds will be used.
Fee	Majority of each house of the Legislature.	Generally, a majority of the governing body.
Property Charges	Majority of each house of the Legislature.	Generally, a majority of the governing body. Some also require approval by a majority of property owners or two-thirds of local voters.

Disagreements Regarding Regulatory Fees. Over the years, there has been disagreement regarding the difference between regulatory fees and taxes, particularly when the money is raised to pay for a program of broad public benefit. In 1991, for example, the state began imposing a regulatory fee on businesses that made products containing lead. The state uses this money to screen children at risk for lead poisoning, follow up on their treatment, and identify sources of lead contamination responsible for the poisoning. In court, the Sinclair Paint Company argued that this regulatory fee was a tax because: (1) the program provides a broad public benefit, not a benefit to the regulated business, and (2) the companies that pay the fee have no duties regarding the lead poisoning program other than payment of the fee.

In 1997, the California Supreme Court ruled that this charge on businesses was a regulatory fee, not a tax. The court said government may impose regulatory fees on companies that make contaminating products in order to help correct adverse health effects related to those products. Consequently, regulatory fees of this type can be created or increased by (1) a majority vote of each house of the Legislature or (2) a majority vote of a local governing body.

Proposal

This measure expands the definition of a tax and a tax increase so that more proposals would require approval by two-thirds of the Legislature or by local voters. Figure 2 summarizes its main provisions.

Figure 2

Major Provisions of Proposition 26

- Expands the Scope of What Is a State or Local Tax
  - Classifies as taxes some fees and charges that government currently may impose with a majority vote.
  - As a result, more state revenue proposals would require approval by two-thirds of each house of the Legislature and more local revenue proposals would require local voter approval.
- Raises the Approval Requirement for Some State Revenue Proposals
  - Requires a two-thirds vote of each house of the Legislature to approve laws that increase taxes on any taxpayer, even if the law's overall fiscal effect does not increase state revenues.
- Repeals Recently Passed, Conflicting State Laws
  - Repeals recent state laws that conflict with this measure, unless they are approved again by two-thirds of each house of the Legislature. Repeal becomes effective in November 2011.

Definition of a State or Local Tax

Expands Definition. This measure broadens the definition of a state or local tax to include many payments currently considered to be fees or charges. As a result, the measure would have the effect of increasing the number of revenue proposals subject to the higher approval requirements summarized in Figure 1. Generally, the types of fees and charges that would become taxes under the measure are ones that government imposes to address health, environmental, or other societal or economic concerns. Figure 3 provides examples of some regulatory fees that could be considered taxes, in part or in whole, under the measure. This is because these fees pay for many services that benefit the public broadly, rather than providing services directly to the fee payer. The state currently uses these types of regulatory fees to pay for most of its environmental programs.

Figure 3

Regulatory Fees That Benefit the Public Broadly

Oil Recycling Fee

The state imposes a regulatory fee on oil manufacturers and uses the funds for:

- Public information and education programs.
- Payments to local used oil collection programs.
- Payment of recycling incentives.
- Research and demonstration projects.
- Inspections and enforcement of used-oil recycling facilities.

Hazardous Materials Fee

The state imposes a regulatory fee on businesses that treat, dispose of, or recycle hazardous waste and uses the funds for:

- Clean up of toxic waste sites.
- Promotion of pollution prevention.
- Evaluation of waste source reduction plans.

- Certification of new environmental technologies.

Fees on Alcohol Retailers

Some cities impose a fee on alcohol retailers and use the funds for:

- Code and law enforcement.
- Merchant education to reduce public nuisance problems associated with alcohol (such as violations of alcohol laws, violence, loitering, drug dealing, public drinking, and graffiti).

Certain other fees and charges also could be considered to be taxes under the measure. For example, some business assessments could be considered to be taxes because government uses the assessment revenues to improve shopping districts (such as providing parking, street lighting, increased security, and marketing), rather than providing a direct and distinct service to the business owner.

Some Fees and Charges Are Not Affected. The change in the definition of taxes would not affect most user fees, property development charges, and property assessments. This is because these fees and charges generally comply with Proposition 26's requirements already, or are exempt from its provisions. In addition, most other fees or charges in existence at the time of the November 2, 2010 election would not be affected unless:

- The state or local government later increases or extends the fees or charges. (In this case, the state or local government would have to comply with the approval requirements of Proposition 26.)
- The fees or charges were created or increased by a state law—passed between January 1, 2010 and November 2, 1010—that conflicts with Proposition 26 (discussed further below).

Approval Requirement for State Tax Measures

Current Requirement. The State Constitution currently specifies that laws enacted "for the purpose of increasing revenues" must be approved by two-thirds of each house of the Legislature. Under current practice, a law that increases the amount of taxes charged to some taxpayers but offers an equal (or larger) reduction in taxes for other taxpayers has been viewed as not increasing revenues. As such, it can be approved by a majority vote of the Legislature.

New Approval Requirement. The measure specifies that state laws that result in *any* taxpayer paying a higher tax must be approved by two-thirds of each house of the Legislature.

State Laws in Conflict With Proposition 26

Repeal Requirement. Any state law adopted between January 1, 2010 and November 2, 2010 that conflicts with Proposition 26 would be repealed one year after the proposition is approved. This repeal would not take place, however, if two-thirds of each house of the Legislature passed the law again.

Recent Fuel Tax Law Changes. In the spring of 2010, the state increased fuel taxes paid by gasoline suppliers, but decreased other fuel taxes paid by gasoline retailers. Overall, these changes do not raise more state tax revenues, but they give the state greater spending flexibility over their use.

Using this flexibility, the state shifted about $1 billion of annual transportation bond costs from the state's General Fund to its fuel tax funds. (The General Fund is the state's main funding source for schools, universities, prisons, health, and social services programs.) This action decreases the amount of money available for transportation programs, but helps the state balance its General Fund budget. Because the Legislature approved this tax change with a majority vote in each house, this law would be repealed in November 2011—unless the Legislature approved the tax again with a two-thirds vote in each house.

Other Laws. At the time this analysis was prepared (early in the summer of 2010), the Legislature and Governor were considering many new laws and funding changes to address the state's major budget difficulties. In addition, parts of this measure would be subject to future interpretation by the courts. As a result, we cannot determine the full range of state laws that could be affected or repealed by the measure.

Fiscal Effects

Approval Requirement Changes. By expanding the scope of what is considered a tax, the measure would make it more difficult for state and local governments to pass new laws that raise revenues. This change would affect many environmental, health, and other regulatory fees (similar to the ones in Figure 3), as well as some business assessments and other levies. New laws to create—or extend—these types of fees and charges would be subject to the higher approval requirements for taxes.

The fiscal effect of this change would depend on future actions by the Legislature, local governing boards, and local voters. If the increased voting requirements resulted in some proposals not being approved, government revenues would be lower than otherwise would have occurred. This, in turn, likely would result in comparable decreases in state spending.

Given the range of fees and charges that would be subject to the higher approval threshold for taxes, the fiscal effect of this change could be major. Over time, we estimate that it could reduce government revenues and spending statewide by up to billions of dollars annually compared with what otherwise would have occurred.

Repeal of Conflicting Laws. Repealing conflicting state laws could have a variety of fiscal effects. For example, repealing the recent fuel tax laws would increase state General Fund costs by about $1 billion annually for about two decades and increase funds available for transportation programs by the same amount.

Because this measure could repeal laws passed *after* this analysis was prepared and some of the measure's provisions would be subject to future interpretation by the courts, we cannot estimate the full fiscal effect of this repeal provision. Given the nature of the proposals the state was considering in 2010, however, it is likely that repealing any adopted proposals would decrease state revenues (or in some cases increase state General Fund costs). Under this proposition, these fiscal effects could be avoided if the Legislature approves the laws again with a two-thirds vote of each house.

Literature & Supports of Prop. 26

Cal-Tax
Established 1926

Proposition 26

Stops Hidden Taxes by Strengthening Definition of Tax

Cal-Tax Position: SUPPORT. Proposition 26 protects Californians from hidden taxes by stopping state and local government from disguising taxes as "fees" to get around the two-thirds vote requirement for tax increases. The initiative strengthens the legal definition of a tax, places the burden of proof regarding whether an exaction is a tax or a fee on the government rather than the taxpayer, and continues to allow for legitimate user fees to be approved by a majority vote.

Subject: Strengthens the definition of "tax" in Proposition 13 and Proposition 218 to include "any levy, charge, or exaction of any kind" imposed by the state or local governments (with enumerated exceptions for charges imposed for a specific benefit or service, true regulatory charges, user charges such as park entrance fees, and court-imposed fines).

History: The California Constitution's Article XIIIA (Proposition 13), Section 3 imposes a two-thirds vote requirement for the Legislature to impose a new tax. Additionally, Article XIIIA, Section 4; Article XIIIC (Proposition 218), Section 1; and Article XIIID (Proposition 218), Section 2 impose a two-thirds voter approval threshold for special taxes and a majority voter approval threshold for general taxes enacted by local government.

The Legislature and local governments have avoided these constitutional restrictions by using gimmicks and labeling taxes as "fees" to circumvent the two-thirds vote requirement at the state level, and to avoid voter approval at the local level.

For example, earlier this year a state lawmaker proposed a massive tax hike on alcohol (a 1,060 percent increase on beer, 2,560 percent increase on wine and 516 percent increase on hard liquor), and called it a "mitigation fee" in an attempt to pass it on a bare majority vote rather than a two-thirds vote. There also have been numerous attempts to increase local taxes on vehicles by disguising them as "fees."

Proposition 26 would stop these hidden taxes by clearly defining a tax, while continuing to allow legitimate user fees such as the payment for getting a driver's license or fishing license, and fees to pay for cleaning up environmental damage.

Fiscal Impact: The measure is likely to protect taxpayers by making it more difficult for the Legislature and local governments to disguise taxes as "fees" and to pass these exactions without adhering to constitutional vote threshold requirements. The non-partisan Legislative Analyst's Office states: "Potentially major decrease in state and local revenues and spending, depending upon future actions of the Legislature, local governing bodies, and local voters."

Cal-Tax Analysis and Policy Considerations:

- **Reasonable Approach to Major Problem.** Proposition 26's approach to stopping hidden taxes is reasonable and still allows the government to impose true regulatory or user fees without a two-thirds vote of the Legislature or a vote of the local electorate. Thus, it protects taxpayers without hamstringing the administrative and regulatory functions of state and local government.

- **Government Burden of Proof Essential.** By placing the burden of proof on the government with respect to whether a charge is no more than necessary to cover the costs of the governmental activity and whether the charge fairly reflects the payer's burdens on or benefits received from the activity funded by a "fee," the measure ensures that taxpayers have a reasonable chance of success in a lawsuit challenging taxes disguised as "fees."

- **Encourages Stronger Oversight of Government Spending.** By eliminating the ability of state and local governments to pass hidden taxes on a bare majority vote, Proposition 26 encourages government officials to engage in more oversight of spending, and to look for ways to increase efficiency and eliminate waste and fraud before trying to increase taxes on Californians.

Cal-Tax urges you to vote YES on Proposition 26 to define a tax so the Legislature and local governments can no longer circumvent the state constitution's restrictions on taxes simply by disguising them as "fees."

NO ON 25
STOP HIDDEN TAXES
YES ON 26

Yes on 26 Fact Sheet

Co-Chairs

California Chamber of Commerce

California Taxpayers' Association

Supporters

Americans for Tax Reform

California Black Chamber of Commerce

California Business Alliance

California Business Properties Assn

California Forestry Association

California Grocers Association

California Hispanic Chambers of Commerce

California Hotel & Lodging Assn

California Restaurant Association

California Manufacturers & Technology Association

Coalition of Labor, Agriculture & Business of Santa Barbara County

California Retailers Association

California Taxpayer Protection Cmte

Citizens for California Reform

Family Winemakers of California

Howard Jarvis Taxpayers Association

Latin Business Association

National Federation of Independent Business – California

Nisei Farmers League

North Valley Hispanic Chamber of Commerce

Orange County Taxpayers Assn.

Neighborhood Market Association

San Diego Tax Fighters

Wine Institute

Small Business Action Committee

Valley Industry & Commerce Assn.

Western Agricultural Processors Assn

*Partial List

For years, politicians have been using a loophole in the law to raise taxes on products and services we use every day simply by calling them "fees" instead of "taxes." Under California's Constitution, the state Legislature can pass or increase taxes with a two-thirds vote, but the politicians in Sacramento try to get around this constitutional requirement by calling their taxes "fees," which only require a bare majority to pass.

At the local level, a public vote is required for most tax increases, but fees can be enacted without a public vote. Just like the state Legislature, local politicians have been calling taxes "fees" so they can bypass voters and raise taxes without voter permission – taking away voters' right to stop these hidden taxes at the ballot.

Proposition 26 would stop the politicians from imposing these "hidden taxes" on Californians just by calling them fees.

Prop. 26 will stop politicians from using gimmicks to steal more money from California taxpayers and will make politicians abide by the Constitution. No longer will they be able to hide new or higher taxes under the name of a "fee" in order to get more taxpayer money. Now, they'll have to get a two-thirds vote at the state level or voter approval at the local level for most increases.

Voters will have MORE control so politicians can't play tricks to get more of our money. Politicians don't think they can pass taxes legitimately, so they play tricks on voters by resorting to fee increases. The same politicians that have forced California into a $20 billion budget deficit use these fees to get more money from taxpayers for their slush funds and wasteful spending. Prop. 26 provides voters with MORE control over politicians' slush fund spending, sending them the message that it's time to clean up the waste and inefficiencies in government.

We need to stop politicians from using this loophole and get them to control their wasteful spending instead. The Legislature already raised taxes by $18 BILLION. This year they're at it again, unveiling a plan that will raise taxes by another $5 billion so they'll have even more money to waste. The recession has forced families to cut back. Now, we need to force the Legislature to cut spending and live within its means just like regular families do. We shouldn't be paying more in hidden taxes to fund big government.

Hidden taxes affect the bottom line of every Californian. Politicians have proposed more than $10 billion in hidden taxes. Unless Prop. 26 is approved by voters, more everyday items could be impacted by hidden taxes, including food, gas, toys, water and insurance. At a time when our economy is suffering and jobs are being cut, Californians definitely don't need higher taxes and increased costs on the items they buy every day.

Hidden taxes and fees work against job creation, drive businesses out of state and force many small businesses to close. Californians already pay some of the highest taxes in the country. We've lost more than a million jobs and have one of the highest unemployment rates at 12.4%. Raising taxes and fees on people and businesses in our state will continue to drive people away, kill jobs, reduce state revenue and make our budget crisis even worse. This measure will help create new jobs instead of killing jobs. We need to stop these hidden taxes because they hurt California and instead focus on the future and growing our economy.

Politicians have made too big of a mess in Sacramento for far too long. It's time to let the politicians know we don't like the way they've been managing the state's money. Please visit www.No25Yes26.com for more information.

Stop Hidden Taxes | 1215 K Street, Suite 2260, Sacramento, CA 95814 | Phone 866-218-4450 | **www.No25Yes26.com** | **info@No25Yes26.com**

Literature & Opponents of Prop. 26

Prop. 26 Threatens Local Fee Revenues

By Michael G. Colantuono

An initiative on the fall ballot is the latest threat to local government finance and would further complicate State finances. Prop. 26 would recategorize many state and local fees as taxes, imposing supermajority approval hurdles for regulatory fees adopted by simple majorities of the State Legislature, city councils and county boards of supervisors.

In 1997 in *Sinclair Paint Co. v State Bd. of Equalization*, the state Supreme Court upheld a fee on makers of products containing lead to fund health services to children and to otherwise mitigate consequences of lead contamination. The challengers argued the fee was a tax requiring ⅔ approval of the Legislature under Prop. 13 rather than a majority vote. The Court ruled that the use of fee proceeds need not benefit payers to avoid being a tax if the fee bears a reasonable relationship to the consequence of use of the products subject to the fee. California courts have since upheld fees to regulate emitters of air pollution and a fee on development to mitigate its air quality impacts. Proposed fees include those on sweetened beverages to fund anti-obesity programs and on alcohol to fund police services and public education to address the consequences of alcohol consumption.

Recent state budget struggles led to proposals to avoid the need for ⅔ approval of new revenues, such as a surcharge on vehicle license fees to fund state parks and to reduce state taxes, but to increase fees, on gasoline to fund transit.

Among the fees affected by Prop. 26 are regulatory fees and assessments to address health, environmental and other social effects of economic activity. The ballot arguments on Prop. 26 identify many fees which may be affected such as fees for road impacts, oil spill mitigation, hazardous waste clean-up and those on tobacco to fund health programs and on alcohol to fund police services and efforts to prevent youth drinking.

Prop. 26 excludes from its new definition of "tax" fees:

- For a benefit of privilege conveyed (like a professional license or a land use permit),
- For a service or product (like park & rec. fees),
- To cover certain regulatory costs,
- Fees to enter public property (but not VLF surcharges as Prop. 21 proposes),
- Fines imposed by courts or local governments,
- Development impact fees.

There are a number of unknowns about Prop. 26 that seem certain to generate litigation:

What does it mean that a fee must be proportionate to the benefit from or burden on a service or program for which it is imposed? Would a fee for gas service, for example, depend on whether it is used to warm a hospital (large benefit) or fire a gas grill (smaller benefit)? Probably not, but we don't know.

The measure allows fees for permits, privileges and services only when that permit, privilege or service is not provided to those not charged. Does this bar free and discounted passes and fees for low-income and senior household?

How much of the cost of a regulatory program can be covered by fees is now in question, especially as to rule-making – such as the advance planning services of local agencies.

Prop. 218 exempts gas and electric service fees but Prop. 26 does not. It therefore appears that if Prop. 26 is approved, public gas and electric utilities will have a cost-of-service limit on fees that their for-profit competitors do not.

There will be significant impacts if Prop. 26 passes. First, and most obviously, **regulatory fees** such as those upheld in *Sinclair Paint* will now be defined as taxes requiring ⅔ voter or legislative approval. Second, **franchise fees** may now be defensible only to if they are a charge for the use of public property – and this might require government to have the power to exclude users from the property if the fee is not paid. This might affect franchise fees on pipelines, cable franchises, solid waste franchises, etc. Department of **Fish & Game fees** to review EIRs and other California Environmental Quality Act (CEQA) documents might be barred. Finally, as noted above, **low-income and senior discounts** might be prohibited for many fees.

A fuller version of this article, with legal references, appears on our website at www.cllaw.us under "papers." Local government officials will be watching the outcome of the November election closely.

As always, we'll keep you posted!

♦♦♦

For more information on this subject, contact Michael at 530/432-7359 or MColantuono@CLLAW.US.

LEAGUE OF CALIFORNIA CITIES

1400 K Street, Suite 400 • Sacramento, California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

Proposition 26

League Position: Oppose. The League of California Cities is **OPPOSED** to Proposition 26, *Proposed Constitutional Amendment: State and Local Fees and Charges: Vote Requirements and Limitations.* This opposition position was taken following review by the League's Revenue and Taxation Committee and the League Board of Directors.

Reasons for Opposition: City officials are concerned about the many potential negative effects of this measure on local revenue raising authority.

Text of Measure: http://ag.ca.gov/cms_attachments/initiatives/pdfs/i891_initiative_09-0093.pdf

Initiative Summary: Restricts in various ways the ability of the state and local governments to adopt fees. More specifically, this initiative:

1) States via findings that: (A) Since the enactment of Proposition 13 in 1978, increases in state taxes require a two-thirds vote in each house of the Legislature; (B) Since the enactment of Proposition 218 in 1996, local tax increases must be approved by voters; (C) Despite these limitations rates for state income tax, sales and use tax, and state and local business taxes continue to escalate; (D) Recently, the Legislature added another $12 billion in taxes; (E) This escalation in taxation does not account for the recent phenomenon whereby the Legislature and local governments have disguised new taxes as "fees" without having to abide by (Prop 13 and Prop. 218) voting requirements; (F) Fees that are couched as "regulatory" which exceed the reasonable costs of actual regulation, or are simply imposed to raise revenue for a new program and are not part of any licensing or permitting program, are actually taxes and should be subject to the limitations applicable to the imposition of taxes; and (G) the measure states that it defines a "tax" for state and local purposes so that neither the Legislature nor local governments can circumvent these restrictions by simply defining new or expanded taxes as "fees."
2) Changes applicable to the **STATE**:
    - Amends Section 3 of Article XIII A to delete language that requires a two-thirds vote of both houses of the Legislature for "*any change to state taxes enacted for the purpose of increasing revenues collected thereto, whether by increased rates or changes in computation*" and instead substitutes a new standard which requires a two-thirds vote of both houses of the Legislature for ***"Any change in state statute which results in any taxpayer paying a higher tax."*** *This changed standard appears designed to eliminate recent legislative interpretations of the existing phrase "purpose of increasing revenues" that allow, via majority vote, one tax to be increased if another tax is lowered by an equivalent amount.*

    - Creates a definition of a "tax" to include any levy, charge or exaction of any kind imposed by the state except for:
        a. A charge imposed for a specific benefit conferred or privilege granted directly to the payor that: (1) is not provided to those not charged, and (2) does not exceed

the reasonable costs to the state of conferring the benefit or granting the privilege.

b. A charge imposed for a specific governmental service or product provided directly to the payor that: (1) is not provided to those not charged, and (2) does not exceed the reasonable costs to the state of providing the product or service.

c. A charge imposed for the reasonable regulatory costs to the state *"incident to"* issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

d. A charge imposed for entrance or use of state property, or its purchase rental or lease, except for Article XI, Section 15 (The Constitutional reference to Vehicle License Fees VLF). *While this reference to the VLF is awkwardly located in this measure, in a clause that otherwise relates to state property, it presumably reflects that VLF charges are already considered taxes at the state level).*

e. A fine, penalty, or other monetary charge imposed by the judicial branch or the State as the result of a violation of law.

- Applies the above changes to any state statute tax adopted after January 1, 2010. Declares any tax adopted prior to the effective date of the Act that is not in compliance with the above requirements and definitions is void 12 months after the effective date, unless the tax is reenacted by the Legislature and signed by the Governor in conformance with its provisions.

3) Changes applicable to **Local Governments:**

- Amends Section 1 of Article XIII C to add to definitions applicable to local taxation authority a definition of "tax" that is virtually identical to the definition applicable to the state outlined above (See Paragraph #2), with the following "additions" (added to the local definition) and "exceptions" (included in the state definition, but missing from the local definition):

a. Additions: There are two additional items-- that are only applicable to local governments -- that are added to the list of exceptions from the definition of "tax," described in paragraph #2, they are: (1) a charge imposed as a condition of property development, and (2) assessments and property-related fees imposed in accordance with the provisions of Article XIII D, adopted by Proposition 218 in 1996.

b. Exceptions: While language used in the definition of "tax" applicable to state and local government is very similar, in several instances the wording in the local government section is slightly different. The reason to point this out is that these differences may lead to future different legal interpretations: (1) the term *"to the payor"* is dropped from the end of two provisions describing an exception to a tax applicable to (A) benefits conferred or a privilege granted, and (B) a specific governmental service or product provided; (2) the term *"for"* is used in the language related to licenses and permits applicable to local government, as opposed to the potentially broader *"incident to"* in language applicable to the state; and (3) the exception related to Vehicle License Fees included in the state definition is missing from the local definition. *This omission may or may not be designed to reflect that in some instances local governments have levied a local "fee" on VLF registrations, such as in San Mateo which imposes a local vehicle registration fee (a regulatory fee) for various congestion management relief and storm water cleanup programs. That said, other provisions of this measure may capture the San Mateo type "fee" as a "tax."*

4) Changes applicable to both **State and Local Governments**:
   - Requires both the state and local governments to bear the burden of proof by a "preponderance of the evidence" that a levy, charge or exaction is: (1) not a tax; (2) that the amount is no more than necessary to cover reasonable costs of the governmental activity; and (3) that the manner in which those costs are allocated to a payor bear a fair and reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. *(This is currently the standard recognized by the California Supreme Court.)*

5) Includes a "conflicting measures" provision stating that should another measure appear on the same ballot relating to the legislative or local votes required to enact taxes or fees that the provision of this measure shall prevail in its entirety should it receive a greater number of affirmative votes, and the conflicting measure be deemed null and void. The measure also contains a "severability clause" which permits any provisions that are not held to be invalid or unconstitutional to remain in effect.

Background:
This initiative is fueled, in part, by recent legislative budgetary battles where the business community has become concerned with proposals put forth by Legislative Democrats which include the following:

- A budget package sent to the Governor in December of 2008 which proposed to repeal all taxes on gasoline and replace it with an equivalent fee.
- A legal interpretation proffered by Legislative Democrats, and supported by Legislative Counsel, that the Prop 13 two-thirds legislative vote requirements do not apply to a measure which decreases a state tax then enacts a replacement tax by an equivalent amount because it is not a *"change to state taxes enacted for the purpose of increasing revenues."* The recent "gas tax swap" is an example of this concept. Earlier versions of the gas tax swap, which were not adopted, also included a proposal to allow regions to levy their own "fees" on gas to pay for transit and other services.
- A concern that legislators are seeking to save General Fund dollars whenever possible by enacting new fees.

Other features of this initiative (*through the narrow and precise exceptions to the new definition of "tax")* seek to address longstanding concerns in the business community with the decision in *Sinclair Paint v. State Board of Equalization (1997).* In the *Sinclair Paint* case, the Court upheld a fee imposed exclusively on paint manufacturers that had used lead in the production of paint to mitigate health effects of lead on children. The fee supported a program that provided evaluation, screening, and medically necessary follow-up services for children who were potential victims of lead poisoning. In upholding the fee, the Court found that the fee was a mechanism to require manufacturers and other persons whose products have exposed children to lead contamination to bear a fair share of the cost of mitigating the adverse health effects their products created in the community.[2]

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[2] The Court referred to the following valid regulatory fees: regulatory fee imposed on A.B.C. licensees to support pilot project to abate nuisances associated with sale of alcoholic beverages; landfill fee based on land use to reduce illegal waste disposal; waste disposal surcharge imposed on waste haulers; fee to support emissions-based formula for recovering direct and indirect costs of pollution emission permit programs.

Under current law, a "regulatory fee," may not exceed the reasonable cost of providing services necessary to the activity for which the fee is charged and may not be levied for unrelated revenue purposes. To demonstrate that a regulatory fee is not a special tax, the government must prove (1) the estimated costs of the service or regulatory activity; and (2) the basis for determining the manner in which the costs are apportioned, so that charges allocated to a payor bear a fair or reasonable relationship to the payor's burdens on or benefits from the regulatory activity. Whether the fees collected exceed the cost of the regulatory program need not be proved on an individual basis. Rather, the agency is allowed to employ a flexible assessment of proportionality within a broad range of reasonableness in setting fees.

Recently another regulatory fee was upheld in a case called *California Building Industry Association v. San Joaquin Valley Air District* (2009) 178 Cal.App.4th 120. The CBIA challenged the District's indirect source review (ISR) rules which are intended to encourage developers to reduce indirect pollution (mobile source emissions, caused by new development projects). Under the ISR, the developer can reduce emissions by incorporating pollution-reducing features in the project, or paying a fee to fund off-site projects that will reduce emissions, or a combination of the two. The Court upheld the ISR (fee) as a valid regulatory fee which may be charged to cover the reasonable cost of a service or program connected to a particular activity; which may not exceed the amount required to carry out the purposes and provisions of the regulation; and which bear a reasonable relationship to the fee payor's burdens on or benefits from the regulatory system.

Fiscal Impact:
The analysis by the Legislative Analyst and Director of Finance finds "Potentially major decrease in state and local revenues and spending, depending upon future actions of the Legislature, local governing bodies, and local voters."

Existing League Policy:
As an initial reference point, the League adopted an Oppose position to both Proposition 13 in 1978, and Proposition 218 in 1996, due to their significant limitations on local revenue raising authority. Based upon the stated findings, this initiative measure is designed to *"ensure the effectiveness of these constitutional limitations."*

The League also opposed a similar measure, Proposition 37 of 2000. Prop. 37 required a two-thirds vote of State Legislature, or either majority or two-thirds of local electorate, to impose on any activity fees used to pay for monitoring, studying, or mitigating the environmental, societal or economic effects of that activity when the fees impose no regulatory obligation upon the payor. The measure also sought to redefine various fees as taxes, and contained exclusions for certain real property related fees, assessments and development fees, and damages, penalties, or expenses recoverable from a specific event. It also contained a provision that stated it did not apply to fees enacted before July 1, 1999, or increased fees due to inflation or greater workload, as specified. Prop. 37 failed with a narrow 48% Yes, and 52% "No" vote at the November, 2000, election.

While there are no adopted League policies that encompass all aspects of this measure, here are three related policy reference points:

- League's 2010 Strategic Goals. One of the three strategic priorities adopted by the League Board and leadership for 2010 is to: "**Protect Local Control and Funding for Vital Local Services.** Use statewide ballot measure and legislative and legal advocacy to achieve reforms that protect local control and abolish the power of the state to borrow, divert or impose restrictions on the use of all local revenue sources, including locally imposed or levied taxes, the local shares of all transportation tax revenues (including public transit funding), the redevelopment tax increment, and any other local revenue source used to fund vital local services."

- The most applicable League' Revenue and Taxation policy is under the subject of "Additional Revenue" and reads: "Additional revenue is required in the state/local revenue structure. There is not enough money generated by the current system or allocated to the local level by the current system to meet the requirements of a growing population and deteriorating services and facilities. (Note: the underlined wording above was added to League policy at the Committee's previous meeting)

- League policy from the Housing, Community and Economic Development Committee reads: "The League supports providing local discretion in the assessment, collection and usage of development fees. The state should provide infrastructure funding to help local communities meet California's growth demands and to increase housing affordability. The League opposes limiting the ability of cities to levy fees to provide for infrastructure or services."

Comments:

1) **Sponsor's Intent:** The "Stop Hidden Taxes" initiative is sponsored by the California Chamber of Commerce and California Taxpayers' Association, with coalition of taxpayers, employers and small businesses. In their view, passing this measure would restrict what they describe as "loopholes in the law," which allow taxes to be raised on products and services because they are called "fees." Another objective of this coalition is to oppose initiative #09-0057, the "On Time Budget Act of 2010," an initiative proposal which would allow legislative budgets to be adopted with a majority vote, and is a potential target of the "conflicting measures" clause included in this initiative.

2) **Definition of "Tax":** The word "tax" is not now defined either in the Constitution or in the state statutes.[1] This initiative defines a tax to include "any levy, charge, or exaction of any kind" with certain enumerated exceptions. Included within the list of exceptions for local government are:

   - User fees or charges for a specific government service or product.
   - Charge for entrance to or use of government property (e.g. park).
   - A fine, penalty or other charge imposed for violating the law.
   - Charge imposed for a specific benefit conferred or privilege granted.
   - Charge imposed for reasonable regulatory costs incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders
   - A charge imposed as a condition of property development.
   - Assessments and property–related fees imposed in accordance with Proposition 218.

If this measure is approved by the voters, the true interpretation of how it will apply will likely take years of litigation. Local agencies will need to individually examine local fees charged to

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[1] The Courts have said that "tax" has "no fixed meaning;" that it is a legal issue for the courts to decide based upon an independent review of the facts. Government Code section 50076 defines what is not a tax ("a fee that exceeds the reasonable costs of providing a service") but does not define what a tax is.

determine how the specific definitions used in this measure may affect an existing fee. As an example, the following are examples of fees that appear to be excluded from the list of exceptions and, therefore, would be "taxes" under the new definition:

- A fee imposed to mitigate the significant environmental impacts of a project.
- An assessment to abate a nuisance.
- A charge for a specific government service or product which is not paid by all persons receiving the service or product (e.g. could not give a senior or low-income exception).
- A charge imposed for a regulatory program designed to mitigate the social or economic burdens created by the operations of the fee payers. This means that, for example, the following two fees would be taxes: the ARB's fee imposed on sources of greenhouse gas emissions to pay for implementation of the AB 32 program; and the proposed "transportation fee" that was originally included in the Democrats' gas tax swap proposal.
- A charge imposed by Fish & Game to review Environmental Impact Reports.

3) **Burden of Proof:** Under existing law, the government has the burden of proving that a fee or charge is not a tax; that the amount is no more than is necessary to cover the reasonable costs of the governmental activity; and that the manner in which the costs are allocated to a payor are proportional to the payor's burdens on, or benefits received from the governmental activity. The initiative incorporates this rule into the Constitution. City attorney's report that there are three basic legal tests of the burden of proof: preponderance of evidence (lowest); clear and convincing evidence (mid-range); and beyond reasonable doubt (highest).

4) **Application to Existing Fees:** It is unclear how this measure will be construed to apply to existing fees that have been adopted by state or local governments. The section that applies to the state would void non conforming statutes enacted between January 1, 2010, and before the effective date of the Act. No specific date is mentioned for the provisions that apply to local government. Both state and local existing fees could become subject to challenge that they are "unconstitutional."

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NOTE: *The "Stop Hidden Taxes" coalition produced a list of the following (verbatim) examples of fees that presumably could be viewed as "taxes" if the measure passes. While this list does not represent a legal conclusion on any of these "fees," it provides some context for the types of fees the sponsors desire to capture. Also, depending on the specific circumstances, changes could be made to narrow the scope, use or application of a fee to fit the exceptions provided in the measure.*

SPECIFIC INDUSTRY EXAMPLES

Restaurants

- *Fees on alcohol to litigate public nuisance associated with sale or consumption*
- *Fees on canned beverages to mitigate waste/recycling*
- *Fees on soda to mitigate obesity and other negative health effects*
- *Fees on unhealthy foods, fats, sugar to mitigate negative health effects*
- *Health inspection/monitoring fees*
- *Traffic impact fees*

- *Parking impact fees*
- *Air quality impact fees*
- *Water quality impact fees*
- *Fees on waste production*
- *Energy use surcharges and fees*
- *Fees on snack food*
- *Fees on food packaging for takeout orders*
- *Public safety cost mitigation fees*

Public Utilities
- *Trenching fees for diminution in durability or longevity of roads, traffic congestion mitigation, mitigate potential damage to existing infrastructure*
- *Alternative energy fees*
- *Fossil fuel consumption fees*
- *Eco-impairment fees for hydro-facilities*

Alcohol
- *Mitigation fees to address public nuisances associated with sale or consumption*
- *Mitigation fees to pay for health services provided by government (mental and physical) for alcoholics or those injured or otherwise affected by alcoholics*
- *Fees to fund public programs to prevent illegal consumption by minors or discourage abuse by adults through education, research into causes and possible cures for alcoholism*

Oil
- *Carbon consumption fees for pollution mitigation (injuries related to effects of pollution)*
- *Eco-Impairment fees (effects of drilling, storage, or consumption on habitat or parks and recreation areas)*
- *Carbon consumption fees to discourage consumption and encourage use of alternative fuel sources. Additionally, fuel consumption as a means for measuring "road damage fees"*
- *Oil severance fee to mitigate oil spill clean-up, and build larger response and enforcement capabilities*
- *Hazardous waste fees to support general hazardous waste/substances programs.*
- *An Air District might impose a refinery gate fee to mitigate harm from diesel exhaust emissions. A city or county might impose pipeline fee to enhance public safety to respond to pipeline accidents*
- *A state or local agency may impose gasoline fee at the pump for clean-up and mitigation of MTBE contamination at service stations or in lakes and groundwater.*
- *A local or regional agency might impose a gasoline fee at the pump for mass transit. (Note: fees could still be assessed if connected to a specific regulation, problem or liability identifiable to the fee payer.)*

Tobacco
- *Mitigation fees: Fees for mitigating the adverse health effects of tobacco products (including evaluation, screening, and necessary follow-up services who are deemed potential victims of tobacco related injuries)*
- *Deterrence fees: Fees to discourage consumption (by increasing cost of product) and/or to educate the general public on the consequences of tobacco consumption. Fees to prevent illegal consumption by minors*

Telecommunications

- *Cellular: Fees to reduce the impacts of DWTs (Driving While Talking), burdens on the 911 system, potential future effects of close proximity radio frequency exposure*
- *Trenching fees for diminution in durability of roads, traffic congestion mitigation mitigate potential damage to existing infrastructure*

Technology Companies

- *Fees to mitigate the Digital Divide*
- *Ergonomic and repetitive motion injury mitigation*
- *Site location fees for traffic mitigation and growth impacts*
- *Youth and video game violence prevention fee*
- *Hardware disposal fees*
- *Toxic/Waste fees*

Agriculture

- *Chemical/gene/hormone and other "altered food" products fees (a perceived threat for "altered food" could result in fees being levied for research, screening, testing and treatment should adverse consequences materialize or simply as a means of discouraging their use out of perceived negative externalities)*
- *Spoiled/infected food mitigation fees*
- *Insecticide abatement fees*

Food (Retailers/Grocers/Malls)

- *Traffic impact fees (malls and Big Box retailers)*
- *Public safety impact fees (added security necessary because of increase concentration of people)*

Fast Food

- *Traffic impact fees (where traffic backs-up at the drive-through)*
- *Litter abatement fees*
- *Fees to fund education, outreach, screening and treatment for obesity (fast foods having high concentrations of fat) or similar programs to discover, measure and treat the adverse health consequences of high cholesterol or caffeine*

TAXES

Entertainment

- *Arenas/promoters/sports teams: Traffic impact fees. Public safety cost mitigation fees*
- *Television/movies: Location mitigation fees (relating to traffic impacts, clean-up, public safety and emergency services). Fees on television and movie programming to mitigate effects of violence on youth or similar anti-social consequences linked to programming*

Non-Indian Gaming

- *Public safety mitigation fees (for expenses associated with a perceived increase in a criminal element associated with activity-including increase police presence, specialized investigation units)*
- *Fees to mitigate effects on compulsive gamblers or other associated addictive consequences including screening, education, and treatment*

Pharmaceuticals

- *Mitigation for subsequently discovered health risks potentially associated with a particular drug product*
- *Fees to fund drug education*
- *Fees related to health research*
- *Fees to fund health treatment*
- *Emergency care fees*
- *Fees covering the cost of the uninsured or underinsured*
- *Pharmaceutical cost fees to cover the poor and/or elderly*
- *Fees related to covering immunizations for children*

Railroads

Generally protected by the federal "4-R Act" enacted by Congress to protect railroads from discriminatory local taxes. However, the 4-R Act applies to "taxes" and not fees or assessments. So long as the exaction does not contribute to the general fund of the government, it may not be considered a "tax" under the 4-R Act. See Wheeling & Lake Erie Railway Co. v. Public Utility Commission, et. al., Nos. 96-3703, 3704 (1998)

- *Consequently, fees to mitigate railroad-crossing accidents are potential*
- *Eco-impairment fees for effects of train traffic on ecosystems or potential effects of rail accidents*
- *Pollution abatement fees (whether for emissions or sound)*
- *Carbon consumption fees*

Airlines

- *Pollution abatement fees*
- *Noise abatement fees (also affected by any carbon consumption fees)*
- *Crash mitigation fees (reimbursing local governments for costs of search and rescue, recovery or salvage and investigation)*
- *Runway maintenance fees*
- *Ground traffic congestion/mitigation fees*

Truckers

- *Road damage fees to mitigate damage to streets and highways caused by heavy truck traffic/spills*
- *Fees to mitigate the adverse effects of long haul trucking and or fund programs to research evaluate and reduce potential of trucking accidents. Fees to mitigate health costs related to injuries of truck drivers or increased risk of traffic fatalities due to size of trucks used (SUV plus mitigation fee). Could be affected by carbon fuel consumption fees or pollution mitigation fees*

Auto Manufacturing

- *Carbon fuel consumption fees. Road damage fees based on size of vehicle*
- *Accident fees (for costs of responding to and treating victims) based on size/safety rating of vehicle.*
- *A deterrence fee based on fuel efficiency to fund mass transit*
- *Tire disposal fees to mitigate costs and hazards of tire disposal*
- *Off-road mitigation fee on 4-wheel drive and all-terrain vehicles to offset eco-damage of off-*

road automobile use

Chemicals

- *Most closely related to Sinclair paint circumstance where a product is deemed hazardous, its use discontinued, and then after the fact businesses are pursued for mitigation fees*
- *Mitigation fees to offset adverse health effects of a chemical or chemical by-product*
- *Accident/hazard mitigation fees (educating public on proper usage, storage and disposal of household chemicals; offset health costs in responding to accidents relating to household chemical accidents)*

General Business

- *Fees on businesses to fund indoor air quality maintenance and investigation programs*
- *Hazardous waste fees to support general hazardous waste/substances programs*

Insurance

- *Fees on property casualty insurers for firefighting, earthquake and flood mitigation/preparation, uninsured drivers and auto case court costs, among many others*
- *Fees on health insurers for such things as premium assistance for lower income consumers and those who lack coverage, cover costs of certain medical procedures and tests and fees for consumer protection/intervention services against insurers"*

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Support:

"Stop Hidden Taxes" is a coalition of taxpayers, employers and small businesses and is sponsored by the California Chamber of Commerce and California Taxpayers' Association
American Rental Association
Americans for Prosperity
Americans for Tax Reform
Anaheim Chamber of Commerce
Association of California Life and Health Insurance Companies
California Automotive Wholesalers' Association
California Beer & Beverage Distributors
California Black Chamber of Commerce
California Business Alliance
California Business Properties Association
California Cotton Ginners and Growers Association
California Distributors Association
California Forestry Association
California Grocers Association
California Hispanic Chambers of Commerce
California Hotel & Lodging Association
California Landscape Contractors Association
California League of Food Processors
California Manufacturers & Technology Association
California Metals Coalition
California Retailers Association

California Small Brewers Association
California Taxpayer Protection Committee
Chemical Industry Council of California
Chino Valley Chamber of Commerce
Citizens for California Reform
Coalition of Labor, Agriculture & Business of Santa Barbara County
Contra Costa Taxpayers Association
Dana Point Chamber of Commerce
Family Winemakers of California
Howard Jarvis Taxpayers Association
Industrial Environmental Association
Latin Business Association
Milpitas Chamber of Commerce
National Federation of Independent Business – California
National Taxpayers Union
Newport Beach Chamber of Commerce
Nisei Farmers League
North Valley Hispanic Chamber of Commerce
Orange County Taxpayers Association
Oxnard Chamber of Commerce
Pleasant Hill Taxpayers Association
Pomona Chamber of Commerce
Redlands Chamber of Commerce
Sacramento Hispanic Chamber of Commerce
San Diego Tax Fighters
Small Business Action Committee
Temecula Valley Winegrowers Association
The Wine Group
Valley Industry & Commerce Association
Valley Taxpayer's Coalition
Ventura County Taxpayers Association
Western Agricultural Processors Association
Western Home Furnishings Association
All Star Rents
Ampelos Cellars
Anders-Lane Artisan Wines, LP
A-V Equipment Rentals, Inc.
Award Painting Co.
Barney's Beanery
Bart Enterprises, Inc.
BMP Consulting Services, LLC
Bray Vineyards
Brochelle Vineyards
Bryant Family Vineyard
Cal-West Rentals
Cantara Cellars
Cedar Mountain Winery
Cedar Roof Care
Celebrations Party Rentals & Tents
Chandelle of Sonoma
Chase Family Cellars

Cheer EDU
Clos Saron
Cloverdale Saw & Mower Center
Consilience Wines
Cooper-Garrod Estate Vineyards
Cottonwood Canyon Vineyard
Diageo
Drew Family Cellars
Duckhorn Wine Company
Duralast Construction, Inc.
E-Marc Engineering, Inc.
Fallbrook Winery
Fong Enterprise
Foster's Wine Estates Americas
Four Brix Winery
Gandrud Financial Services Corporation
Heidrun Meadery
Heringer Estates, LLC
Honig Vineyard & Winery
Hopper Creek Winery
ISU Insurance Services – ARMAC Agency
Jada Vineyard & Winery
Joe's Buggy Haus, Inc.
John Christopher Cellars
Korbel
Lafond Winery and Vineyard
La Honda Winery
Lamborn Family Wine
Lancaster Estate
Liquid Bamboo, Inc.
Lost Coast Vineyards, Inc.
M.A.C. Wines, LLC dba Three Wine Company
Marine Mechanical Repair, Inc.
McGrail Vineyards & Winery
Midsummer Cellars
Mokelumne Glen Vineyards
Napa Barrel Care
The Nipomo Wine Group – Phantom Rivers Winery
Paraiso Vineyards
PBG Capital, Inc.
Pedrizzetti Winery
Per Bacco Cellars
Performance Design & Landscape
Pilot Peak Vineyard and Winery
Pleasant Valley Vineyards, Inc.
Pleasanton Rentals, Inc.
ProTravel International
Rhodes Landscape Design, Inc.
Rocca Family Vineyards
Rochioli Winery
Rodney Strong Vineyards

Sausal Winery
Sawyer Cellars
Scheid Vineyards
Schmidt Family Properties
Schug Carneros Estate Winery
Scott Valley Chiropractic
Seghesio Family Vineyard
Shadow Mountain Vineyards & Winery, Inc.
Silver Mountain
SkyDance Skydiving
Solune Winegrowers
Steltzner Vineyards
Stiles Truck Body & Equipment, Inc.
Still Waters Vineyards
Summit Lake Vineyards & Winery L.L.C.
Terravant Wine Company
Terry Hoage Vineyards
Tolosa Winery
Tre Anelli
Trinchero Family Estates
V.Santoni & Co.
Vie-Del Company
Weibel Family Vineyards and Winery
Westbrook Wine Farm
William Knuttel Winery
Windsor Oaks Vineyards & Winery

Opposition:
California Tax Reform Association

(A coalition is forming to oppose this measure titled "Taxpayers Against Protecting Polluters." While opponents have yet to officially register, the opposition is expected to mirror the opponents of Prop. 37, which included environmentalists, labor, health issue groups and others.)

Differing Newspaper Editorials on Prop 26

CONTRA COSTA TIMES
ContraCostaTimes.com

Contra Costa Times editorial: Vote no on Proposition 26's unfair requirements

MediaNews editorial

Posted: 09/10/2010 12:01:00 AM PDT

Updated: 09/13/2010 03:41:20 PM PDT

CALIFORNIA HAS more laws against unwanted tax increases than do most states. This state is one of a handful that requires a two-thirds vote by the Legislature to raise taxes. It also takes a two-thirds majority of local voters to pass a tax for a specific purpose and a majority vote for a general use tax.

These restrictions can make it more difficult to raise state and local revenues, but they offer considerable protections for taxpayers.

Proposition 26 would make it even more difficult for governments to raise revenues by placing new, highly restrictive requirements on approving new taxes and fees or raising rates.

Californians' dissatisfaction with efforts by state and local governments to call taxes fees, and thereby be able to increase them with a majority vote, is understandable. We sympathize with voter frustration about the way the Legislature has juggled funds to make the state budget appear balanced.

But Prop. 26 goes too far in fiscally handcuffing local and state governments. It widens the definition of a state or local tax to include many legitimate fees or charges.

Many of the fees and charges that would become taxes under Prop. 26 are those imposed to deal with health, environmental or other societal concerns.

For example, the state imposes a regulatory fee on oil manufacturers to pay for local oil-collection programs, recycling and inspections of used-oil recycling

facilities.

The state also charges hazardous waste businesses a fee, which is used to clean up toxic waste sites and evaluate waste source reduction plans, among other related purposes.

These fees would all become taxes under Prop. 26 and require a two-thirds vote of the Legislature. The measure also would repeal the change in California fuel taxes, which gave the state more flexibility on how it could use gas tax money, specifically to pay off transportation bonds. Otherwise, the state would have had to take the money from a depleted general fund.

Like Prop. 22, which seeks to overly restrict the state's ability to borrow local funds during a severe e conomic downturn, Prop. 26 is tax policy overkill. It is a complex, comprehensive and far-reaching measure fraught with many negative unintended circumstances.

There are already many restrictions on raising taxes. Any changes should be handled one issue at a time, not by a sweeping ballot initiative that is an overreaction to both local and state fiscal policies.

NO ON PROP 26

Vote no on Prop. 26 - 'Polluter Protection Act'

September 19, 2010 | By Janis R. Hirohama

Proposition 26 is another attempt by the oil, alcohol and tobacco industries to shift onto taxpayers the burden of paying for the pollution and public health impacts of their businesses. It is so broad and so poorly written that it will negatively affect virtually every area of state and local government operations. Conservatives and liberals alike have good reason to oppose Prop. 26.

The business interests behind Prop. 26 want to change the state Constitution so that legitimate fees to mitigate environmental problems, protect public safety or respond to public nuisances would be labeled as "taxes." Defining fees so narrowly that most such fees would become "taxes" means they will require a two-thirds vote of the Legislature or a two-thirds vote in local elections. It would become virtually impossible to make businesses pay for the costs they impose on taxpayers.

The proponents' own materials give these examples of fees that would become almost impossible to enact:

-- City or county pipeline fee to enhance public safety to respond to pipeline accidents.

-- Fees on oil companies for oil spill protection and response.

-- Fees on tobacco companies for adverse health effects and anti-smoking programs.

-- Even fees on promoters of large events to pay for public safety and traffic impacts.

Redefining these fees as "taxes" means that legislators who have pledged not to increase taxes wouldn't vote for them, and the two-thirds vote would be virtually impossible to reach - a great protection scheme for polluters. That's why opponents call it the "Polluter Protection Act."

Prop. 26 also handcuffs the normal functioning of government. Each time a local government considers a fee to cover costs imposed by activities such as street-digging by utility or cable companies, it will have to consider the cost of an election, the time and expense of a campaign, and the uncertainty of getting a two-thirds supermajority vote. The resulting expense and delays would make it extremely difficult to make businesses pay on a timely basis for the costs they create.

Local governments can't and shouldn't stop these activities, so the costs will have to fall on an already overburdened public. That's why Prop. 26 is strongly opposed by the League of California Cities and the California State Association of Counties, whose members of all political persuasions understand that it harms their ability to operate normally and sticks taxpayers with the bill.

Even worse, Prop. 26 would cost the state budget $11 billion over the next 10 years and add $1 billion immediately to the deficit. The measure contains a serious flaw that reverses a gas-tax agreement worked out with Gov. Arnold Schwarzenegger in February to provide $1 billion per year in budget flexibility at no cost to services or to taxpayers. That billion-dollar flaw arises from a clause that virtually eliminates the ability to provide budget flexibility even without raising any revenue, thereby retroactively overturning a budget fix that had no opposition.

RELATED ARTICLES

Prop. 19 - End marijuana prohibition, vote yes
September 19, 2010

Record declines in Bay Area property taxes
July 11, 2010

Prop. 22 stops state raids on local coffers
August 29, 2010

Ten years ago, voters rejected a similar polluter protection measure, Prop. 37. Now, we need to defeat this even more extreme version. The League of Women Voters of California joins Sierra Club California, the American Lung Association, the California Nurses Association, police and firefighters, consumer groups and environmental groups in opposing Prop. 26.

Janis R. Hirohama is the president of the League of Women Voters of California. For more information, go to www.noonproposition26.com. Contact The Chronicle at sfgate.com/chronicle/submissions/#1.

Statewide Health Organization Opposes Prop 26

PR Newswire Public Interest Services

2 hrs 22 mins ago

DAVIS, Calif., Sept. 27 –
DAVIS, Calif., Sept. 27 /PRNewswire-USNewswire/ -- Describing Proposition 26 as an insidious effort by tobacco, alcohol and oil interests to limit the power of local communities to protect the health of their residents, the California Center for Public Health Advocacy (CCPHA) board of directors unanimously voted to oppose the state proposition.

"Proposition 26 would take away the right of cities, counties and the state to protect the public's health," explains CCPHA's Executive Director Dr. Harold Goldstein. "This initiative is a blatant attempt by the oil, tobacco and alcohol industries to force the public to pay for cleaning up the environmental and health damages they cause. How gullible does big business think we are?"

Prop 26 would amend the Constitution to require cities, counties and the state Legislature to have a 2/3 vote, rather than simple majority, to enact fees on industries that endanger our health, pollute our air and dirty our water. If successful, Prop 26 would cost fiscally strapped municipalities billions of dollars in lost revenue.

"One of government's fundamental responsibilities is to protect its citizens from harmful industry practices. Now the oil, tobacco and alcohol industries want to make it as difficult to hold them accountable as it is to pass a state budget. Our organization will fight tooth and nail against this cynical power grab," Goldstein said.

CCPHA is an independent, nonpartisan, nonprofit organization leading efforts in California to establish state and local policies to protect the public's health. For more information on this legislation, visit the CCPHA site at: www.publichealthadvocacy.org.

SOURCE California Center for Public Health Advocacy

YES ON PROP 26

Yes on Prop. 26

September 19, 2010 | By Juri McCorkle

State and local politicians are using a loophole in the law to raise taxes by disguising them as "fees" - circumventing constitutional requirements for passing taxes on goods like food, gas, beverages, cell phones and even emergency services. These hidden taxes add billions of dollars in higher costs that consumers, taxpayers and small businesses pay every day.

Proposition 26 would close this loophole. It would protect taxpayers against efforts by local politicians and the state Legislature to increase taxes by disguising them as fees. Prop. 26 would require tax-like fees to be treated like taxes, requiring voter approval for local fees and a two-thirds vote of the Legislature for state fees.

Under Prop. 26, legitimate fees - those that cover the cost of a service - can still be passed with a majority vote of the Legislature or be approved by local officials. Fees for things like driver's or fishing licenses or penalties for violating the law would still be considered fees under Prop. 26.

What Prop. 26 will stop is the alarming and frequent practice of raising taxes under the guise that they are "fees." This problem is particularly bad at the local level, where politicians don't want to give voters their right to vote on local taxes. Local politicians say they need the money for public services, but they fail to mention they need the money because they can't control their own wasteful spending. The result: Taxpayers, consumers and small business owners all pay more local taxes without our rightful chance to vote on them.

San Francisco Supervisor John Avalos' alcohol mitigation "fee" ("Supervisors approve alcohol fee," Sept. 15) is the most recent example of a hidden tax. It will harm San Francisco restaurants, hotels, bars and grocery stores. The tax comes at a time when San Francisco's restaurant and hospitality industries are reeling from declining sales. It will cost more than 300 San Franciscans their jobs while reducing San Francisco's economic activity by $23 million, according to the Distilled Spirits Council.

San Francisco small business owners already pay more than their fair share to help fund the city's public health and employment benefits - with sick leave requirements, Healthy San Francisco levies and a higher minimum wage than surrounding counties. Why is it that politicians claim they're "fighting for small business owners," but when they want more revenue, we're the first place they come looking?

Prop. 26's opponents would like you to believe that the initiative will undermine California's environmental and consumer protection laws. This is simply wrong. The truth is that polluters will still pay for any environmental damage they cause. The initiative preserves and protects these legitimate fees, such as those to clean up environmental or ocean damage and those to fund consumer regulations. Prop. 26 would ensure California's rightful place at the vanguard of environmental stewardship and protection.

Prop. 26 is simple. It forces politicians to be honest. It protects our right to vote on local taxes. Prop. 26 would give voters - and small business owners - more control so politicians can't play games with our tax dollars.

Jun McCorkle is an owner of the Dell'uva Restaurant in North Beach. To comment to The Chronicle, go to sfgate.com/chronicle/submission/#1.

genda Date: 10-5-10

genda Item: 9b

RESOLUTION NO XX- 2010

A RESOLUTION IN SUPPORT OF MEASURE O TO FUND LOCAL TRANSPORTATION IMPROVEMENTS IN CONTRA COSTA COUNTY

THE CITY COUNCIL
City of Clayton, California

WHEREAS, the maintenance and improvement of our local transportation infrastructure have been underfunded for many years because of dramatic declines in existing state and local funding sources; and

WHEREAS, a well-maintained and adequately funded transportation system supports economic growth, ensures the safety of motorists, bicyclists and pedestrians, provides mobility for all residents, protects our environment, and enhances our quality of life; and

WHEREAS, the Contra Costa Transportation Authority has placed a measure on the November 2, 2010 ballot which, if passed, would levy a $10 vehicle registration fee (VRF) on each motor vehicle registered within Contra Costa County, which VRF would generate approximately $8,500,000 annually to be used for transportation-related congestion and water pollution mitigation programs and projects in Contra Costa County; and

WHEREAS, the passage of Measure O would generate the funding to help maintain neighborhood streets, fix potholes, provide transportation options, improve traffic circulation, provide transit options including senior and disabled services, reduce congestion, reduce water pollution from oil and gas runoff, and provide safe routes to schools; and

WHEREAS, all funding from Measure O would remain local and can not be taken by the state, and

WHEREAS, Measure O includes an Expenditure Plan that allocates seventy-one percent (71%) of the net revenue for the repair and maintenance of local streets and roads, and twenty-one percent (21%) for transit services and eight percent (8%) for pedestrian and bicycle improvements, with no more than five percent (5%) for program administration, and

WHEREAS, an Implementation Plan would be updated every five years and annual audits performed to ensure all funds be spent for programs and projects in Contra Costa County.

NOW, THEREFORE, BE IT RESOLVED that the Clayton City Council by vote of approval by Councilmembers: Endorses Measure O, the Local Transportation Improvement in Contra Costa County measure on the November 2, 2010 ballot.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 5th day of October 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

____
Hank Stratford, Mayor

ATTEST:

____
Laci J. Jackson, City Clerk

VOTER INFORMATION PAMPLET

VOTER INFORMATION PAMPHLET

Containing

MEASURE O

CONTRA COSTA TRANSPORTATION AUTHORITY

TUESDAY, NOVEMBER 2, 2010

Arguments in favor of or against the proposed measure are the opinions of the authors.

If you would like to receive this information in Spanish please call (925) 335-7800. If you have already requested voting information in Spanish, the information will be mailed to you automatically.

Si desea recibir esta información en español, por favor llame al (925) 335-7800. Si ya solicitó información para votar en español, ésta será enviada automáticamente por correo.

VEHICLE REGISTRATION FEE MEASURE O
CONTRA COSTA TRANSPORTATION AUTHORITY

CONTRA COSTA TRANSPORTATION IMPROVEMENT MEASURE

To repair and maintain local streets and roads; improve traffic flow, bicycle, pedestrian and driver safety; and improve public transportation efficiency; shall a local vehicle registration fee of ten dollars be established in Contra Costa with expenditures subject to strict monitoring and with all revenues staying in Contra Costa?

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF
VEHICLE REGISTRATION FEE MEASURE O

California law provides that a countywide transportation planning agency, to fund transportation-related projects and programs, may impose a fee of up to $10 (ten dollars) on the registration or renewal of a motor vehicle registered in the county, with the approval of a majority of voters voting at an election for that purpose.

The Board of the Contra Costa Transportation Authority has adopted a resolution proposing a fee of $10 (ten dollars) on the registration or renewal of motor vehicles registered in Contra Costa County. The fee would be in addition to the existing registration or renewal fee paid on motor vehicles registered in the County. The fee would be paid on all motor vehicles except those vehicles that are expressly exempted under the Vehicle Code from the payment of registration fees. If the measure proposed by the Contra Costa Transportation Authority is passed by voters, the fee will be imposed on each annual motor vehicle registration or renewal of registration occurring on or after six months following the adoption of the measure by the voters. The fee would be paid in perpetuity unless later terminated by voters.

The ballot measure states that the proceeds of the fee will be used to "repair and maintain local streets and roads; improve traffic flow, bicycle, pedestrian and driver safety; and improve public transportation efficiency." The Board of the Contra Costa Transportation Authority has adopted an expenditure plan allocating the revenue from the fee to transportation-related programs and projects. The expenditure plan states that 71 percent of the funds generated by the fee would be allocated to local road improvement and repair, 21 percent of the funds would be allocated to transit for congestion relief, and 8 percent of the funds would be allocated to pedestrian and bicycle access and safety, after administrative costs are deducted. Proceeds from the fee may be used only for the specific purposes set forth in the ballot measure and according to statutory provisions.

A "yes" vote is a vote in favor of authorizing the fee.

A "no" vote is a vote against authorizing the fee.

ARGUMENT IN FAVOR OF VEHICLE REGISTRATION FEE MEASURE O

Vote Yes on Measure O to keep vital revenue in Contra Costa County to address our local transportation needs. All funding will stay right here – none of it can be taken by the State. Funding from state government is unreliable. Measure O will provide a secure, local source of funds for critically important local transportation projects.

Vote Yes on Measure O to repair and maintain local streets and roads, making them safer for drivers, pedestrians and bike riders. Better streets and roads help keep down our gas costs, lower our vehicle maintenance costs and reduce greenhouse gas emissions. Measure O will also help us qualify for matching transportation funding grants.

Vote Yes on Measure O to improve public transportation in Contra Costa County. This includes making it easier for residents in every part of the County to get to work and school using public transportation, as well as making it easier for residents who combine public transit and other forms of transportation to get where they're going.

Vote Yes on Measure O to promote programs that improve our air quality and benefit the environment by reducing pollution from cars and trucks. Measure O will also promote programs to reduce commute hour traffic, like telecommuting and ride sharing, and increase the use of technology to improve the flow of traffic on our busiest roads and freeways.

Contra Costa County residents need reliable, efficient, green transportation options – for better quality of life, stronger economy and cleaner environment. Measure O will fund our local transportation priorities now — when we need it most.

For more information, please visit our website, www.YesonCCTIM.com.

Please join us and Vote Yes on Measure O.

Mark DeSaulnier
California State Senator

Lesa R. McIntosh
EBMUD Board

Dave Hudson
San Ramon City Council

Save Mount Diablo
Ronald Brown, Executive Director

Julie Pierce
Clayton City Council

REBUTTAL TO ARGUMENT IN FAVOR OF VEHICLE REGISTRATION FEE MEASURE O

We have coped with crumbling roads for too long. Contra Costa residents agree that repairing and maintaining local roads is Contra Costa's #1 transportation priority. Yet Measure O money will charge car owners millions for a variety of other projects and services, such as express buses, sidewalk repairs, bus turnouts, and bike lane striping.

Contra Costa's car owners should not have to pay an additional $8.5 million each year for things they don't want!

The simple fact is: If CCTA truly wanted to improve road quality they would have placed a tax-dedicated roads measure on the ballot. Instead they want a "fee" which they can spend on a variety of pet projects to benefit a handful of special interests while neglecting deteriorating roads.

Other problems with this "fee":

- We maintain this measure is a tax that could end up wasting taxpayer dollars in court.
- The "fee" is hidden since it will be buried on your Vehicle License Renewal.
- The "fee" is permanent – but how the money is spent can change.
- The state Vehicle License Renewal fee was raised last year to balance the state budget and may be raised again for that purpose if Proposition 21 passes in November.
- The CCTA is a powerful, hidden bureaucracy not directly accountable to the public.

We need road repair and maintenance – not a new $8.5 million "fee" to pay for a grab bag of special interest projects!

Vote *__NO__* on Measure O!

For more information see www.SayNOonO.info and www.cocotax.org

Contra Costa Taxpayers Association
Kris Hunt, Executive Director

Alliance of Contra Costa Taxpayers
Kenneth Hambrick, Chairman

Pleasant Hill Taxpayers Association
Jack Weir, President
Director

Lafayette Taxpayers Association
Donald Lively, Executive

Frank Manske
Member, Local Hospital Board

ARGUMENT AGAINST VEHICLE REGISTRATION FEE MEASURE O

The Contra Costa Transportation Authority (CCTA) already receives a half cent on every dollar of taxable spending in Contra Costa County. Now the CCTA wants $10 more added permanently to your annual car registration.

Despite extraordinarily difficult economic times and belt-tightening for Contra Costa businesses and families, the CCTA is another government agency refusing to live within its means. Instead, the CCTA is spending its time (and $1.15 million of our money) on a new election.

The annual $8.5 million wouldn't be just be devoted to road repairs – though its promoters may want you to believe it would. In reality, 71% of their spending-plan allocation for "Local Road Improvement and Repair" includes things like "Bus stop improvements" and "accommodation of bicycles and pedestrians on local roadways."

The 21% allocated to "Transit for Congestion Relief" also funds "rapid bus facilities" and "express and feeder bus service."

Another 8% of Measure O's spending exclusively funds "Pedestrian and Bicycle Safety and Access."

There are other problems with this "fee":

- **In fact, it's a tax, not a "fee"** so it could easily end up in court.
- Because Measure O would add the same charge to each vehicle license fee, regardless of your car's value or number of miles

driven, it would most impact those who can least afford it — like the poor and elderly.

- The Measure O "fee" would be paid ONLY by car owners; but much of Measure O's annual $8.5 Million in new taxes would benefit bicyclists and already under-utilized bus systems.

It's time to send politicians and government bureaucrats a clear message: ***LIVE WITHIN YOUR MEANS.***

Vote *NO* on Measure O!

Contra Costa Taxpayers Association
Kris Hunt, Executive Director

Alliance of Contra Costa Taxpayers
Kenneth E. Hambrick, Chairman

Bill Gram-Reefer
Concord Resident

Wendy Lack
Small Business Owner, Pleasant Hill

Richard Soderholm
Commander, USN, Retired;
Former Contra Costa Grand Jury Member

REBUTTAL TO ARGUMENT AGAINST VEHICLE REGISTRATION FEE MEASURE O

Voting Yes on Measure O means investing locally to fix and maintain our streets and roads and make many other improvements that our transportation system badly needs. Measure O will benefit all Contra Costa County residents whether you drive, ride public transit, travel by bike, walk or use some combination.

Voting Yes on Measure O means not relying on the state to meet our most urgent transportation needs. Our local Contra Costa Transportation Authority has a proven record of success in using our transportation dollars wisely on the projects that are most important to us and provide the greatest value.

Two previous measures approved by voters — Measure C in 1988 and Measure J in 2004 — allowed us to dramatically improve our quality of transportation. These measures widened and improved Interstates 80 and 680 and Highway 4, including upgrading interchanges across the County. They extended BART, improved and maintained local streets and roads, and supported transportation programs for seniors and the disabled. Voter support is also the reason that construction of the fourth bore of the Caldecott Tunnel is now under way.

Opponents of Measure O were either against these improvements or want to pretend they never happened. But the record is clear: Local funding has positively transformed how we get to work and school, and how we visit family and friends. Measure O will continue our record of success — following a transparent process for shaping our County's future that involves the entire community.

Please join us and Vote Yes on Measure O to ensure we can continue to meet our local transportation needs.

Federal Glover
Supervisor Dist. V
Contra Costa County

Jim Frazier
Vice Mayor of Oakley

Janet Abelson
Mayor of El Cerrito

Contra Costa Council
Linda Best, President & CEO

Susan Rainey
Mayor of Walnut Creek

FULL TEXT OF
VEHICLE REGISTRATION FEE MEASURE O

CONTRA COSTA
transportation
authority

A MEASURE PROVIDING FOR TRANSPORTATION IMPROVEMENT IN CONTRA COSTA COUNTY THROUGH A TEN DOLLAR VEHICLE REGISTRATION FEE

Section 1. Title

This Measure shall be known as the "Contra Costa Transportation Improvement Measure." If passed, the entity implementing the Measure will be the Contra Costa Transportation

Authority, acting as the designated Contra Costa County Congestion Management Agency (hereafter the "Authority").

Section 2. Period of Fee

This Measure is intended to govern the imposition and collection in Contra Costa County of a ten dollar fee for transportation-related programs and projects that provide a benefit to or otherwise have a relationship with the persons who will be paying the fee. The new fee authorized by this Measure shall be imposed on each annual motor-vehicle registration or renewal of registration occurring on or after six months following the November 2, 2010 election (hereafter the "Vehicle Registration Fee") at which the Measure has been approved by the voters, unless terminated by the voters of Contra Costa County.

Section 3. Purpose

This Measure authorizes a ten dollar fee to be imposed in perpetuity for transportation-related projects and programs in Contra Costa County that provide a benefit to or otherwise have a relationship with the persons who will be paying the fee and that are consistent with an expenditure plan allocating revenue to said projects and programs and the regional transportation plan adopted pursuant to California Government Code section 65080. The Authority has adopted an Expenditure Plan allocating the revenue from the fee to transportation-related programs and projects that provide a benefit to or have a relationship with the persons who pay the fee, which Expenditure Plan is attached hereto and incorporated herein by this reference as though fully set forth herein.

The purposes of this Measure are further as follows:

a. To authorize a ten dollar increase in motor vehicle registration, to be imposed in perpetuity, in accordance with California Government Code section 65089.20.

b. To improve, construct, maintain and operate certain transportation projects and programs as identified in the Expenditure Plan adopted by the Authority, and as that Plan may be amended from time to time pursuant to applicable law. These Expenditure Plan programs and projects include but are not limited to those that have the following purposes:

1. Providing matching funds for funding made available from other sources.

2. Creating or sustaining congestion mitigation programs and projects, as they are defined in California Government Code section 65089.20(c)(2)(A).

3. Creating or sustaining pollution mitigation programs and projects, as they are defined in California Government Code section 65089.20(c)(2)(B).

Section 4. Contract with Department of Motor Vehicles

The Authority shall contract with the Department of Motor Vehicles to collect and remit to the Authority the fee imposed pursuant to California Government Code section 65089.20 upon the registration or renewal of registration of a motor vehicle registered in the County, except those vehicles that are expressly exempted under this code from the payment of registration fees, pursuant to California Vehicle Code section 9250.

Section 5. Use of Proceeds

a. The proceeds of the fees governed by this Measure shall be used solely for the programs and purposes set forth in the Expenditure Plan and for the administration thereof.

b. The Authority will administer the proceeds of the fee to carry out the purposes described in the Expenditure Plan. All projects must comply with the Expenditure Plan and provide a benefit to or otherwise have a relationship with the persons paying the fee.

c. Pursuant to California Government Code section 65089.20, not more than five percent of the fees shall be used for administrative costs associated with the programs and projects.

d. Pursuant to California Vehicle Code section 9250.4, the initial setup and programming costs identified by the Department of Motor Vehicles to collect the fee upon registration or renewal of registration of a motor vehicle shall be advanced by the Authority and repaid from the fee. Any such contract payment shall be repaid, with no restriction on the funds, to the Authority as part of the initial revenue available for distribution. The costs deducted pursuant to this paragraph shall not be counted against the five percent administrative cost limit specified in California Government Code section 65089.20(d).

e. The costs of placing the Measure authorizing imposition of the fee on the ballot as advanced by the Authority, including payments to the County Registrar of Voters and payments for the printing of the portions of the ballot pamphlet relating to the Vehicle Registration Fee, may be paid or repaid from the proceeds of the fee, and shall be counted towards the 5% limit on administrative costs. At the discretion of the Authority, these costs may be amortized over a period of years.

f. Up to a maximum of $150,000, the costs of preparing the Expenditure Plan as advanced by the Authority, may be paid or repaid from the proceeds of the fee subject to the 5% limit on administrative costs. At the discretion of the Authority, these costs may be amortized over a period of years.

Section 6. No Use Outside Contra Costa County

The proceeds of the fees imposed by this Measure shall be spent only inside the limits of Contra Costa County, except for instances where the proposed expense is matched by funding from the county where the expenditure of fee proceeds is proposed to be made and the Authority finds that such expenditure would provide a benefit to or otherwise have a relationship with those who pay the fee in Contra Costa County. None of the proceeds, outside of the costs incurred by the Department of Motor Vehicles to collect the fee, or any routine license fees, permit fees or taxes, shall be available to or taken by the State of California.

Section 7. Amendments

The Expenditure Plan shall not be amended for five years. After five years, it is expected that the Expenditure Plan will be amended from time to time. Amendments to the Expenditure Plan shall be approved by a two-thirds vote of the Authority's Board. All relevant jurisdictions within the County will be given a minimum of 45 days notice and opportunity to comment on any proposed Expenditure Plan amendment prior to its adoption. Any amended Expenditure Plan shall provide funding only for projects that provide a benefit to or otherwise have a relationship with the persons paying the fee.

Section 8. Bonding Authority

The Authority shall be authorized to issue bonds or other financial instruments for the purposes of implementing the Expenditure

Plan. The bonds will be paid from the Vehicle Registration Fee proceeds generated pursuant to this Measure. The costs associated with bonding will be borne only by the project and programs included in the Expenditure Plan, and such costs of issuance will be subject to public comment before approving any bond sale.

Section 9. Severability

If any part of this Measure or the application thereof to any person or circumstance is held invalid, the remainder of the Measure and the application of such part to other persons or circumstances shall not be affected. If any proposed expenditure based on this Measure or the Expenditure Plan is held invalid, those funds shall be redistributed proportionately to other expenditures in accordance with the Expenditure Plan.

Section 10. Effective Date

This Measure shall take effect immediately upon closing of the polls in Contra Costa County on the day of the election at which the Measure is adopted by a majority of the electors voting. Notwithstanding this effective date, the first collection of a Vehicle Registration Fee for registration of a new vehicle will not take place until six months following the effective date, pursuant to Government Code section 65089.20. Also, pursuant to Government Code section 65089.20, with respect to a renewal of registration, no Vehicle Registration Fee shall be collected if the date for renewal is prior to expiration of that six month period.

CONTRA COSTA COUNTY
TRANSPORTATION IMPROVEMENT MEASURE

EXPENDITURE PLAN

EXPENDITURE PLAN PROGRAMS

The Plan identifies three types of programs that will receive funds generated by the fee. Below are descriptions of each program and the approximate percentage of the annual revenue that will be allocated to each program after deducting administrative costs.

Local Road Improvement and Repair (71%)

PROGRAM GOAL: Improve roadway condition and traffic flow to reduce congestion and pollution.

This program would provide funding for improving, maintaining and rehabilitating local roads. Eligible uses include:

- Street repaving and rehabilitation, including curbs, gutters and drains, as well as accommodation of bicycles and pedestrians on local roadways
- Traffic signal maintenance and upgrades, including pedestrian and bicycle signals
- Signing and striping on roadways, including bicycle lanes and crosswalks
- Sidewalk installation and repair
- Bus stop improvements, including bus pads, turnouts, striping and lighting
- Roadway safety improvements for motor vehicles, pedestrians and bicyclists
- Installation, operation and maintenance of advanced traffic management systems that provide congestion relief such as traffic signal interconnection, transit and emergency vehicle priority, and traveler information systems
- Motor vehicle pollution mitigation, such as the National Pollutant Discharge Elimination System (NPDES) permit fees.

Transit for Congestion Relief (21%)

PROGRAM GOAL: Improve transit access to schools and jobs to reduce reliance on automobile usage, thereby reducing congestion and pollution.

This program would provide funding to maintain and improve transit access to schools and jobs. Eligible uses include:

- Transit service expansion and preservation to provide congestion relief, such as express bus service in congested corridors
- Rapid bus facilities
- Transit priority treatments on local roadways
- Park-and-ride facility improvements
- Transit use incentives, such as student bus passes
- School bus programs run by cities/towns and/or county
- Access improvements to BART and Capitol Corridor stations, including feeder bus service.

Pedestrian and Bicycle Access and Safety (8%)

PROGRAM GOAL: Reduce conflicts with motor vehicles and encourage bicycling and walking by providing safe pedestrian and bicycle facilities, thereby reducing congestion and pollution.

This program would provide funding to improve the safety of pedestrians and bicyclists by reducing conflicts with motor vehicles and accommodating pedestrians and bicyclists in congested areas such as schools, downtowns and other high-activity locations. Eligible uses include:

- Pedestrian and bicycle access improvements to schools, activity centers and transit hubs including installation and maintenance of crosswalks, sidewalks, lighting and traffic signal treatments
- Safety improvements for bicycle and pedestrian facilities on local roads
- Improvements to multi-use trails parallel to congested highway corridors.

IMPLEMENTATION OF THE EXPENDITURE PLAN

- The Contra Costa Transportation Authority (Authority) will allocate revenues to all programs in the Plan after deducting its actual administrative costs, not to exceed 5% of annual proceeds.

- Four sub-regions have been defined in Contra Costa, and each has constituted a Regional Transportation Planning Committee (RTPC) as follows:

Sub-Region	RTPC	Jurisdictions
East County	TRANSPLAN	Antioch, Brentwood, Oakley, Pittsburg, County
West County	WCCTAC	El Cerrito, Hercules, Pinole, Richmond, San Pablo, County
Central County	TRANSPAC	Clayton, Concord, Martinez, Pleasant Hill, Walnut Creek, County
Southwest County	SWAT	Danville, Lafayette, Moraga, Orinda, San Ramon, County

- Each sub-region's share of the proceeds will be determined based on its population as indicated in the most current data available from the State Department of Finance.

- To accommodate the diversity of needs within the county, each sub-region's share of the fee proceeds will be divided among the Local Road Improvement and Repair, Transit for Congestion Relief, and Pedestrian and Bicycle Safety and Access programs based on the following percentages, respectively:

  Southwest: 85%, 10%, 5%
  East: 80%, 15%, 5%
  Central: 70%, 20%, 10%
  West: 50%, 40%, 10%
  Countywide (approximate): 71%, 21%, 8%

  On aggregate countywide, it is estimated that after deduction of actual administrative costs (up to 5%), approximately 71% of proceeds will be allocated to Local Road Improvement and Repair, 21% for Transit for Congestion Relief, and 8% for Pedestrian and Bicycle Safety and Access projects.

- Funding for Local Road Improvement and Repair, and Pedestrian and Bicycle Access programs will be annually distributed to local jurisdictions by formula weighted 50% by population (as published by the California Department of Finance) of each jurisdiction and 50% by the centerline road miles (as determined by the most recent State Controller's Report of Financial Transactions for Streets and Roads).

- A local jurisdiction's eligibility for Local Road Improvement and Repair funds is contingent upon its incorporating into its road improvement and repair projects facilities and amenities that are practicable and recognized as contributing to that jurisdiction's policies pertaining to the improvement of access and safety for bicycles, pedestrians and transit. For purposes of this requirement, 'practicable' means that the jurisdiction will, in good faith, take steps to implement its adopted bicycle and pedestrian plans and policies.

- Funding for projects and programs in the Transit for Congestion Relief category will be allocated by the Authority per recommendations of the four Regional Transportation Planning Committees as to where their respective share of the funds should be programmed. The RTPC shares will be determined based on population (as published by the California Department of Finance).

- Each Jurisdiction receiving funds shall submit periodic reports illustrating how the funded projects comply with the Expenditure Plan and provide a benefit to or otherwise have a relationship to the persons paying the fee.

YES ON “O” INFORMATION

YES on O
Improve Local Transportation

IMPROVE CONTRA COSTA COUNTY TRANSPORTATION

- Fix and repair local streets and roads
- Local funding the state can't take away
- Fill potholes, repave roads
- Improve local transit
- Increase safety for bicyclists and pedestrians

LOCAL FUNDING THAT CAN ONLY BE SPENT IN CONTRA COSTA COUNTY

Measure O will improve our local streets and roads, making them safer. Measure O will:

- Repave and upgrade our aging local streets and roads
- Ease congestion and pollution by keeping traffic moving
- Repair and construct sidewalks, gutters and drains
- Reduce motorists' gas and automobile maintenance costs
- Install advanced traffic management technology and better maintain existing traffic signals
- Improve roadway signing and striping, including bicycle lanes and crosswalks

Measure O will support transit services, helping ease traffic congestion and reduce pollution. Measure O will:

- Make public transit more efficient and easier to use
- Support express bus service in our most congested corridors and enhance connections between transit
- Provide transit-use incentives, such as student bus passes and funding for local school bus programs
- Improve access to BART and Capitol Corridor stations, including park-and-ride facilities and feeder bus service

Measure O will make getting around safer and easier for bicyclists and pedestrians. Measure O will:

- Increase pedestrian and bicycle access to schools, activity centers and transit hubs including installation and maintenance of crosswalks, sidewalks, lighting and traffic signal treatments
- Improve multi-use trails parallel to congested highway corridors

www.VoteYesOnMeasureO.com

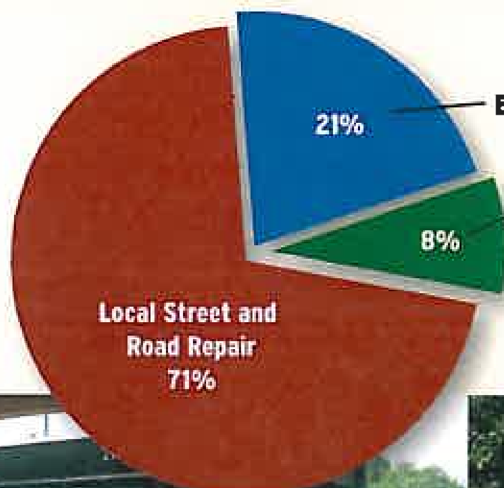
Paid for by Local Transportation Improvement Committee, a coalition of community, transportation, business and environmental organizations with major funding from the California Alliance for Jobs • 150 Post St., Ste 405, San Francisco, CA 94108 • 415.732.7700 • info@voteyesonmeasureo.com • FPPC# 1331100

218-5100-01

Local Transportation Funding the State Can't Take Away

FUNDING FOR LOCAL STREET AND ROAD REPAIR AND IMPROVEMENT ESTIMATED REVENUE (10 YEARS)			
Antioch	$6,423,580	Moraga	$1,080,230
Brentwood	$2,567,150	Oakley	$2,693,400
Clayton	$741,160	Orinda	$1,521,200
Concord	$7,107,490	Pinole	$911,500
County	$12,151,070	Pittsburg	$3,980,960
Danville	$2,861,330	Pleasant Hill	$2,167,110
El Cerrito	$1,183,690	Richmond	$4,724,850
Hercules	$1,023,490	San Pablo	$1,151,530
Lafayette	$1,746,970	San Ramon	$3,449,730
Martinez	$2,200,360	Walnut Creek	$3,803,520
TOTAL $63,496,330			

Funds from Measure O will only be used for Contra Costa projects



Whether you vote by mail or on Election Day on November 2, Vote YES on Measure O!
www.VoteYesOnMeasureO.com

YES on O
Improve Local Transportation

Contra Costa TRANSPORTATION IMPROVEMENT MEASURE

Transportation Improvement Measure Fact Sheet

The Contra Costa Transportation Authority (CCTA) has approved the placement of a measure on the November 2010 ballot that would add $10 to the cost of registering a motor vehicle in Contra Costa. The revenues will be used to improve local streets and roads, public transit and bicycle-pedestrian routes *in Contra Costa communities*. The opportunity to bring this measure to the voters is the result of state legislation that passed in 2009 (SB 83-Hancock), which requires that projects and programs funded directly benefit motor vehicle owners.

CCTA made the decision to put the measure on the ballot in light of the significant backlog of unfunded transportation needs in the county, compounded by the diminishing availability of state and federal resources. A recent study conducted by the Metropolitan Transportation Commission shows that Contra Costa will have a $500 million funding shortfall for pavement maintenance and rehabilitation projects over the next 25 years. The estimated $8.5 million generated annually by this fee will help cities and the County, over time, to make significant progress towards the improvement and repair of local streets and roads.

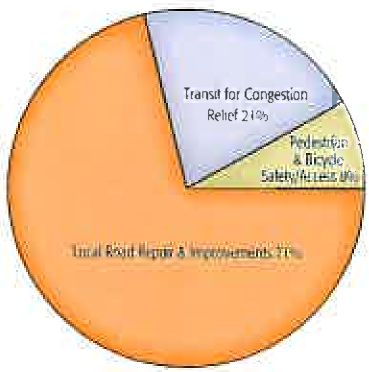
If this measure passes, the revenue that will be returned to the cities and County for local road improvement and repair annually will be the equivalent of a 55% increase in the local streets and roads funds paid out to the cities and the County in FY 2009-10 as part of Measure J (transportation sales tax) and the equivalent of one-third of the federal stimulus dollars Contra Costa received in 2009 for pavement repair.

Adopted Expenditure Plan

CCTA has developed an *Expenditure Plan* to spell out how the funds generated by the measure will be used. The *Plan*, based on broad public input, has the following specific benefits:

- All the money raised by the vehicle registration fee will be used exclusively for transportation *in Contra Costa* communities and *none of it can be taken by the State.*
- It will fund roadway repairs and maintenance and make our roads better for vehicles, cyclists, and pedestrians.
- It will establish a reliable source of funding for local transportation programs while taking into consideration the diverse transportation needs of the different parts of the County.

Approximately 79% of the revenues, after deduction of actual administration fees, will be returned annually to local jurisdictions—with 71% going towards roadway improvement and repair and 8% to pedestrian and bicycle safety and access projects. The remaining funds (21%) will go to transit projects that are selected by transportation committees in different parts of the county. All funded projects must benefit vehicle owners who pay the fee.



Funding Estimate by Jurisdiction

JURISDICTION	Estimated FY2009-10 Measure J Street Maintenance Allocation (18% return to source)	Estimated VRF Revenue Distribution (Road Maintenance and Ped/Bike improvements)	SUM
Antioch	$ 920,353	642,358	$ 1,562,711
Brentwood	$ 436,086	256,715	$ 692,801
Clayton	$ 215,745	74,116	$ 289,861
Concord	$ 1,200,957	710,749	$ 1,911,706
County	$ 1,932,016	1,215,107	$ 3,147,123
Danville	$ 517,503	286,133	$ 803,636
El Cerrito	$ 322,007	118,369	$ 440,376
Hercules	$ 293,726	102,349	$ 396,075
Lafayette	$ 356,990	174,697	$ 531,687
Martinez	$ 441,802	220,036	$ 661,838
Moraga	$ 257,574	108,023	$ 365,597
Oakley	$ 437,014	269,340	$ 706,354
Orinda	$ 327,133	152,120	$ 479,253
Pinole	$ 271,480	91,150	$ 362,630
Pittsburg	$ 609,542	398,096	$ 1,007,638
Pleasant Hill	$ 437,616	216,711	$ 654,329
Richmond	$ 990,621	472,485	$ 1,463,106
San Pablo	$ 319,580	115,153	$ 434,733
San Ramon	$ 595,684	344,973	$ 940,657
Walnut Creek	$ 690,557	380,952	$ 1,071,509
Total	$ 11,574,000	6,349,633	$ 17,923,633

For more information: Go to www.ccta.net

Public Meetings Held to Develop the Expenditure Plan

Date	*Meeting*
4/23/10	CCTA VRF Advisory Committee
4/30/10	West Contra Costa Transportation Advisory Committee (WCCTAC)
5/3/10	Southwest Area Transportation Committee (SWAT)
5/6/10	CCTA Administration & Projects Committee
5/13/10	Transportation Partnership and Cooperation (TRANSPAC)
5/13/10	TRANSPLAN
5/19/10	CCTA Authority Board
5/21/10	CCTA VRF Advisory Committee
5/24/10	Public Workshop
6/3/10	CCTA Administration & Projects Committee
6/16/10	CCTA Authority Board
7/1/10	CCTA Administration & Projects Committee
7/21/10	Public Hearing before the CCTA Authority Board

The Contra Costa Transportation Authority was established in 1988 with the passage of Measure C–Contra Costa's half-cent transportation sales tax, which was extended as Measure J in 2004. In addition to carrying out the measure programs, CCTA also serves as Contra Costa's transportation planning and congestion management agency. The board is comprised of elected officials from Contra Costa cities and the County.

NO ON “O” INFORMATION

Contra Costa Measure O Summary: on November 2, Say "*NO*" on O

<u>Measure O would add $10 to the already large annual Contra Costa County and State fees we pay for registering each automobile, and "*The fee would be paid in perpetuity unless later terminated by voters*."</u>

The Contra Costa Transportation Authority (CCTA), one of the overlapping bureaucracies which infest the Bay Area and California at large, would administer the new funds (estimated at $8.5 Million annually) — alleging that approximately 71% of the proceeds would be allocated to local road improvement and repair, 21% to [already under-utilized] transit for "congestion relief," and 8% to pedestrian and bicycle access and safety, after "administrative costs" [5%, or about $425,000 annually] are deducted. The original allocation may be modified after five years by a two-thirds vote of the CCTA board. **Measure O should be a readily apparent "NO" vote!**

<u>Essentially, it's long past time to insist that *existing* transportation tax dollars be *reduced* and *applied efficiently*:</u>

- **As is, you annually pay** a registration fee (**$34**), California Highway Patrol fee (**$22**), smog abatement fee (**$20**), existing County/District fee (**$10**), and License fee (1.15% of assessed value — **e.g. $230 on a car valued at $20,000**).
- And on each gallon of gasoline, you directly **pay a $0.353 excise tax,** plus a **2.25% special sales tax.** Rolled into that gallon's underlying cost is **another $0.173 paid by the dealer** in fuel storage taxes.
- Along with Measure O on the November ballot, there are numerous other state and local tax measures, including **an $18 add-on "fee" to benefit state parks, whether you visit them or not (Prop. 21).**
- **With 2004's Measure J, Contra Costa County taxpayers generously approved a 25-year extension of the County's existing ½-cent transportation sales tax, beyond an original expiration date of 2009.** So, of the current (outrageously high) 9.25% CCC sales tax, 0.5% is reserved for county transportation expenses.
- ***Less than 50% of the Measure J sales tax* funds *roads,* Contra Costa's greatest transportation need.** Despite many Billions in new *transit* subsidies [including Measure J] for buses, trains, and ferries: automobiles will still provide 82% of Bay Area trips in 2025, transit just 6% [Metropolitan Transportation Commission, 2001].
- **Only 11% of the Billions in new bridge-toll dollars** promoted as "traffic relief" and approved as Regional Measure 2 (also in 2004) affect roads and bridges. RM2 raised bridge tolls at the time from $2 to $3 — and provides $700 Million for ferries – twice what highways get . **Measure J handed ferries another $45 Million!**
- **Commute-time Bay Bridge tolls are now $6 — i.e., $1500 for a work-year of daily San Francisco commutes.**
- **The 7 Bay Area counties which voted on RM2 bridge "fees" are all back on the ballot this November for the $10 auto-registration add-on fee.** But you have the opportunity to say "NO" for Contra Costa County.
- **CCTA's 19-person bureaucracy averages over $105,000 each in annual salary, plus 60% more in benefits.**
- **CCTA's Board passes an annual resolution "requiring it to pay employee retirement contributions [7%] as well as its own [13.67%]," and also now funds retiree health benefits (up to $1,042 monthly as of 2008).**
- **CCTA will reportedly spend another $1.15 Million just on Measure O's election costs.**
- **Both the Contra Costa Taxpayers Association and the Alliance of Contra Costa Taxpayers urge a "NO" vote.**
- **By calling this new intended tax a "fee" (though not everyone would benefit from paying it) CCTA can get away with Measure O if 50% of voters plus one (instead of two thirds) vote yes.**

But CCTA's own $35,000 poll revealed that 49% said "Taxes are already high enough; I'll vote against any increase in taxes," vs. 38% who said "It is crucial to have high quality roads and public transit, even if it means raising taxes," and 13% who said Both/Neither/Don't Know." **So help get out the word, to "Say NO on O!"**