

# **Solano County**

675 Texas Street  
Fairfield, California 94533  
[www.solanocounty.com](http://www.solanocounty.com)



## **Agenda - Final**

**Tuesday, June 12, 2018**

**8:30 AM**

**Board of Supervisors Chambers**

### **Board of Supervisors**

*John M. Vasquez (Dist. 4), Chair*  
*(707) 784-6129*

*Erin Hannigan (Dist. 1), Vice-Chair*  
*(707) 553-5363*

*Monica Brown (Dist. 2)*  
*(707) 784-3031*

*James P. Spering (Dist. 3)*  
*(707) 784-6136*

*Skip Thomson (Dist. 5)*  
*(707) 784-6130*

SOLANO COUNTY BOARD OF SUPERVISORS  
HOUSING AUTHORITY, SPECIAL DISTRICTS,  
SOLANO FACILITIES CORPORATION, AND  
IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY

Temporary parking permits for the County Parking Garage are available from the Board Clerk for visitors attending the Board of Supervisors' meeting for more than 2 hours.

The County of Solano does not discriminate against persons with disabilities and is an accessible facility. If you wish to attend this meeting and you will require assistance in order to participate, please call the Office of the Clerk of the Board of Supervisors at 707-784-6100 at least 24 hours in advance of the event to make reasonable arrangements to ensure accessibility to this meeting.

Non-confidential materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Solano County Government Center, 6th Floor Receptionist's Desk, 675 Texas Street, Fairfield, during normal business hours.

If you wish to address any item listed on the Agenda, or Closed Session, please submit a Speaker Card to the Board Clerk before the Board considers the specific item. Cards are available at the entrance to the Board chambers. Please limit your comments to three minutes. For items not listed on the Agenda, please see items from the public below.

## **AGENDA**

### **CALL TO ORDER - 8:30 A.M.**

### **ROLL CALL**

### **CLOSED SESSION**

- 1      **18-425**      Conference with Labor Negotiators: Solano County representatives: Marc Fox, Jeannine Seher, Mark Love, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American Physicians and

Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors); Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

Conference with Real Property Negotiators: Property: APN: 0130-262-010 - Old St. Mary's and APN: 0129-320-280/0129-320-290; Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant County Administrator and Mike Lango, Director of General Services; Negotiating party: Jeremy Craig; Under negotiation: Price and terms

Conference with Legal Counsel - Existing Litigation: The People v. ConAgra Grocery Products Company et al. and related cross-action

Conference with Legal Counsel - Potential Litigation: One case

Attachments: [A - Memorandum](#)

## **RECONVENE - 9:00 A.M.**

## **REPORT OF ACTION IN CLOSED SESSION (IF APPLICABLE)**

## **SALUTE TO THE FLAG AND A MOMENT OF SILENCE**

## **PRESENTATIONS**

### Public Defender:

- 2      [18-408](#)      Adopt and present a resolution and plaque of appreciation honoring Dawn Polvorosa, Deputy Public Defender, upon her retirement from the Public Defender's Office, with over 28 years of dedicated public service to Solano County (Chair Vasquez)

Attachments: [A - Resolution](#)

Sheriff's Office:

- 3      **18-399**      Adopt and present a resolution and plaque of appreciation honoring Correctional Officer Ignacio Villaseñor, upon his retirement from the Sheriff's Office, with over 28 years of dedicated public service to Solano County (Chair Vasquez)
- Attachments:    [A - Resolution](#)

Resource Management:

- 4      **18-413**      Approve and present a plaque of appreciation to David Rothrock, Senior Engineering Technician, upon his retirement from the Department of Resource Management, with over 17 years of dedicated public service to Solano County (Supervisor Spering)

Health and Social Services:

- 5      **18-369**      Approve and present a plaque of appreciation honoring Suzanne Wang, Public Health Nurse, upon her retirement from the Department of Health & Social Services, Public Health Division, with over 10 years of dedicated service to Solano County (Supervisor Spering)

**ITEMS FROM THE PUBLIC**

*This is your opportunity to address the Board on a matter not listed on the Agenda, but it must be within the subject matter jurisdiction of the Board. Please submit a Speaker Card before the first speaker is called and limit your comments to three minutes. The Board will hear public comments for up to fifteen minutes. Any additional public comments will be heard at the conclusion of the meeting. Items from the public will be taken under consideration without discussion by the Board and may be referred to staff.*

**ADDITIONS TO OR DELETIONS FROM THE AGENDA****APPROVAL OF THE AGENDA****PUBLIC COMMENT ON CONSENT CALENDAR**

*Each speaker shall have 3 minutes to address any or all items on the Consent Calendar.*

**APPROVAL OF THE CONSENT CALENDAR**

*The Board considers all matters listed under the Consent Calendar to be non-controversial or routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion unless Board members request specific items be discussed and/or removed from the Consent Calendar.*



## CONSENT CALENDAR

### GENERAL GOVERNMENT

#### Board of Supervisors:

- 6      **18-415**      Authorize the County's contribution of \$3,500 from the General Fund contribution allocated to District 3 to benefit Meals On Wheels (\$1,200), Child Haven Inc. (\$800), Rebuilding Together Solano, Inc. (\$800) and Faith In Action (\$700)

#### County Administrator:

- 7      **18-421**      Approve an Appropriation Transfer Request increasing appropriations by \$450,000 for anticipated court appointed attorney and capital case costs in excess of the FY2017/18 Other Public Defense budget, funded by a transfer of \$150,000 anticipated savings in Salaries and Benefits within Other Public Defense and an increase General Fund Contribution of \$300,000, offset by decreased General Fund Contributions within the Public Safety Fund 900 (4/5 vote required)

#### Human Resources:

- 8      **18-432**      Adopt a resolution amending the Alphabetical Listing of Classes and Salaries to increase the hourly rate for the Peer Group Co-Facilitator to comply with the California minimum wage

Attachments:    [A - Resolution](#)

#### Library:

- 9      **18-407**      Approve an agreement with ACCO Engineered Systems, Inc. of Sacramento for \$750,239 to remove and replace the existing boiler/chiller for the Fairfield Library Boiler/Chiller Replacement Project at 1150 Kentucky Street in Fairfield and make related improvements to the air distribution system; Authorize the Director of Library Services to execute the agreement and any amendments within the approved project budget; and Approve an Appropriation Transfer Request (ATR) in the amount of \$1,302,316 from the Library's Contingency Fund for project completion (4/5 vote required)

Attachments:    [A - Agreement](#)  
                          [B - Bidders of Record](#)  
                          [C - Estimated Project Budget](#)

## HEALTH AND SOCIAL SERVICES

### Health and Social Services:

- 10      **18-370**      Approve an Appropriation Transfer Request of \$72,407 recognizing unanticipated revenue for FY2017/18 for the Health Care Program for Children in Foster Care funded by the California Department of Health Care Services, to provide public health nurse expertise in meeting the medical, dental, mental and developmental needs of children and youth in foster care (4/5 vote required)
- 11      **18-398**      Approve a 3 year contract with Crestwood Behavioral Health, Inc. for a total amount of \$13,139,264 to provide 23-hour crisis stabilization services for the period of June 1, 2018 through June 30, 2021 funded through MHSA Community Services and Support funds; and Authorize the County Administrator to execute the contract and any subsequent amendments that remain within budget appropriations
- Attachments:    [A - Contract](#)

## CRIMINAL JUSTICE

### Sheriff's Office:

- 12      **18-401**      Adopt a resolution approving participation in the California Department of Water Resources Statewide Flood Emergency Response Grant Program - Round Three, in the amount of \$908,000, with a performance period of July 1, 2018 to December 30, 2021; and Authorize the Sheriff or his designee to take all necessary actions for the purpose of obtaining grant funding
- Attachments:    [A - Resolution](#)  
                         [B - Grant Budget](#)

## LAND USE/TRANSPORTATION

### Resource Management:

- 13      **18-362**      Adopt a resolution accepting the dedication of 1,658 square feet of right of way easement for public roadway and public utility purposes on Belmont Avenue and Carrot Lane for Minor Subdivision MS-17-01(Snyder)
- Attachments:    [A - Map](#)  
                         [B - Resolution](#)

- 14     **18-397**     Adopt a resolution designating the month of July 2018 as Parks and Recreation Month in Solano County  
Attachments:    [A - Resolution](#)
- 15     **18-412**     Approve the Notice of Completion for the Highway Safety Improvement Program (HSIP6) Putah Creek & Dixon Avenue West Shoulder Widening Project and the Notice of Completion for the Storm Damage Repair FHWA Project  
Attachments:    [A - Notice of Completion - Putah Creek & Dixon Ave](#)  
                              [B - Notice of Completion - Storm Damage Repair](#)

## MISCELLANEOUS ITEMS

### Board of Supervisors:

- 16     **18-391**     Approve the reappointment of Bruce DuClair to the Airport Land Use Commission, representing District 4, for a term to expire May 3, 2021

### First 5 Solano:

- 17     **18-402**     Approve the Solano Children's Alliance membership appointments of Maria Guevara, Candace Floyd, and Robert Tobin for the term of June 12, 2018 to June 12, 2022; and Approve appointments of Michalle Shown-Rodriguez and Francie McInerney-Macmillan as alternates for the term of June 12, 2018 to June 12, 2022  
Attachments:    [A - Membership Roster](#)

### Workforce Development Board:

- 18     **18-430**     Approve the appointment of Tim Healer as the Business Representative to the Workforce Development Board (WDB) of Solano County, for a term to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA)  
Attachments:    [A - Application & Letter of Recommendation](#)
- 19     **18-431**     Approve the reappointments of Rhuenette Alums, Kimberly Beiner, Kevin Beutler, Celia Esposito-Noy, Fadi Halabi, Gerald Huber, Peggy Huston, Scott Reynolds, and Jon Riley to the Workforce Development Board (WDB) of Solano County for a 4 year term to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA)

## REGULAR CALENDAR

### Rescheduled Consent Items

#### Consider the following:

- A)
- B)
- C)

### GENERAL GOVERNMENT

#### Auditor-Controller:

- 20      **18-417**      Receive a presentation from the Auditor-Controller's Office for the 2017 Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Award

Attachments:    [A - CAFR2017 Certificate Award](#)  
                         [B - CAFR2017 Press Release](#)

#### County Administrator:

- 21      **18-422**      Receive a report on the Solano County 2017 Index of Economic and Community Progress

Attachments:    [A - 2017 Index](#)

- 22      **18-414**      Receive an update from staff and the County's State Legislative Advocate on the status of legislation that is of interest to the County; and Consider taking a watch position on AB 1971 and AB 998, which were reviewed by the County's Legislative Committee on May 21, 2018 and referred to the full Board for consideration

Attachments:    [A - Legislative Committee Agenda - May 21, 2018](#)  
                         [B - Federal Legislative Update](#)

Human Resources:

- 23**      **18-400**      Receive a presentation from Doug Pryor, Bartel and Associates, LLC, on the projected long-term Public Employees' Retirement System (CalPERS) costs for the County of Solano, including the projected financial impacts to the County resulting from the February 2018 CalPERS Board of Administration decision to amend the amortization policy; Receive financial scenarios to address the County's goal to reach a 90% funded status for pensions over time; Receive recommendations on alternative pension contribution scenarios from the Pension Advisory Committee; and Approve an Appropriation Transfer Request (ATR) increasing appropriations by \$6.6 Million in the respective funds for an additional payment to the CalPERS Public Safety Plan unfunded liability account funded by the General Fund CalPERS Rate Reserve (4/5 vote required)

**Attachments:**    [A - Bartel Associates, LLC Report](#)  
                          [B - Projected CalPERS Retirement Rates & Costs](#)  
                          [C - Historical CalPERS Rates & Costs](#)  
                          [D - Safety Schedule of Amortization Bases](#)  
                          [E - MISC Schedule foAmortization Bases](#)

**HEALTH AND SOCIAL SERVICES**Health and Social Services:

- 24**      **18-423**      Receive a presentation of Health and Social Services' five year financial forecasts for Mental Health and Health Services

**BOARD MEMBER COMMENTS AND REPORTS ON MEETINGS****ADJOURN:**

*To the Board of Supervisors Budget Hearings beginning on June 19, 2018 at 9:00 A.M.,  
Board Chambers, 675 Texas Street, Fairfield, CA*



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## Agenda Submittal

<b>Agenda #:</b>	1	<b>Status:</b>	Closed Session
<b>Type:</b>	Closed Session	<b>Department:</b>	County Counsel
<b>File #:</b>	18-425	<b>Contact:</b>	Dennis Bunting, 784-6145
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	

**Title:** Conference with Labor Negotiators: Solano County representatives: Marc Fox, Jeannine Seher, Mark Love, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American Physicians and Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors); Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

Conference with Real Property Negotiators: Property: APN: 0130-262-010 - Old St. Mary's and APN: 0129-320-280/0129-320-290; Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant County Administrator and Mike Lango, Director of General Services; Negotiating party: Jeremy Craig; Under negotiation: Price and terms

Conference with Legal Counsel - Existing Litigation: The People v. ConAgra Grocery Products Company et al. and related cross-action

Conference with Legal Counsel - Potential Litigation: One case

**Governing body:** Board of Supervisors

**District:** All

**Attachments:** A - Memorandum

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes	___	No	<u>X</u>
Public Hearing Required?	Yes	___	No	<u>X</u>

## CLOSED SESSION MEMO

- A. LICENSE/PERMIT DETERMINATION (GC § 54956.7)  
a. Number of applicants:\_\_\_\_\_
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (GC § 54956.8)  
  
Property: APN: 0130-262-010 - Old St. Mary's and APN: 0129-320-280/0129-320-290;  
Agency negotiators: Birgitta E. Corsello, County Administrator, Nancy Huston, Assistant  
County Administrator and Mike Lango, Director of General Services; Negotiating party:  
Jeremy Craig; Under negotiation: Price and terms
- C. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION  
  
The People v. ConAgra Grocery Products Company et al. and related cross-action.
- D. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION  
(GC § 54956.9)  
a. Significant exposure to litigation pursuant to GC § 54956.9 (b): One case  
b. Initiation of litigation pursuant to GC § 54956.9(c):
- E. LIABILITY CLAIMS-JOINT POWERS AUTHORITY (GC § 54956.95)  
a. Claimant:\_\_\_\_\_  
b. Agency against whom claim filed:\_\_\_\_\_
- F. THREAT TO PUBLIC SERVICES OR FACILITIES (GC § 54957)  
a. Consultation with:\_\_\_\_\_
- G. PUBLIC EMPLOYEE APPOINTMENT  
a. Title:
- H. PUBLIC EMPLOYMENT (GC § 54957)  
a. Title:
- I. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (GC § 54957)  
a. Title:
- J. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (GC § 54957)  
a. No information required
- K. CONFERENCE WITH LABOR NEGOTIATORS (GC § 54957.6);  
  
Conference with Labor Negotiators: Solano County representatives: Marc Fox, Jeannine Seher, Mark Love, Birgitta E. Corsello, and Nancy Huston. Employee organizations: Teamsters, Local 150 for Unit 1 (Attorneys); SEIU Local 1021 for Unit 2 (Nurses), Unit 5 (Health and Welfare Employees), Unit 7 (Regulatory, Technical and General Services Employees), Unit 8 (General Services Supervisors), Unit 9 (Clerical Employees) and Units 82, 87, 89, and 90 (Extra Help Employees); Solano County Deputy Sheriff's Association for Unit 3 (Law Enforcement Employees) and Unit 4 (Law Enforcement

Supervisors); Public Employees Union, Local One for Unit 6 (Health and Welfare Supervisors) and Unit 16 (Mid-Management Employees); Stationary Engineers, Local 39 for Unit 10 (Skilled Craft and Service Maintenance Employees); Union of American Physicians and Dentists for Unit 11 (Physicians, Dentists and Psychiatrists); Solano County Probation Peace Officer Association for Unit 12 (Probation Employees) and Unit 15 (Probation Supervisors); Solano County Sheriff's Custody Association for Unit 13 (Correctional Officers); Teamsters, Local 856 for Unit 14 (Correctional Supervisors); Solano County Law Enforcement Management Association for Unit 17 (Law Enforcement Management) and Unit 18 (Sheriff's Office Management); Professional and Technical Engineers, Local 21 for Unit 19 (Executive and Senior Management); Unit 60 Legislative Group; Unit 61 (unrepresented Executive Management Employees), Unit 62 (unrepresented Senior Management Employees) and Unit 30 (Confidential Employees)

- L. CASE REVIEW/PLANNING (GC § 54957.8)
- M. REPORT INVOLVING TRADE SECRET (GC § 54962, etc.)
  - a. Estimated year of public disclosure:\_\_\_\_\_
- N. HEARINGS
  - a. Subject matter:\_\_\_\_\_
  - (nature of hearing, i.e. medical audit comm., quality assurance comm., etc.)





# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	2	<b>Status:</b>	Presentation
<b>Type:</b>	Resolution-Presentation	<b>Department:</b>	Public Defender
<b>File #:</b>	18-408	<b>Contact:</b>	Lesli M. Caldwell, 784-6899
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt and present a resolution and plaque of appreciation honoring Dawn Polvorosa, Deputy Public Defender, upon her retirement from the Public Defender's Office, with over 28 years of dedicated public service to Solano County (Chair Vasquez)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Public Defender's Office recommends that the Board of Supervisors adopt a resolution and plaque of appreciation honoring Dawn Polvorosa, Deputy Public Defender, upon her retirement from the Public Defender's Office, with over 28 years of dedicated public service to Solano County.

### **SUMMARY/DISCUSSION:**

Dawn Polvorosa was hired on August 20, 1989 by the Office of the Public Defender as a Deputy Public Defender II. She was promoted to a position of Deputy Public Defender V on June 16, 1996. She served as a defense attorney in every unit of the Department and as a Misdemeanor Unit supervisor for many years. She worked as a felony trial lawyer until her retirement on June 9, 2018.

Ms. Polvorosa has proven herself to be a valuable asset in multiple positions in the Department throughout her career at the Solano County Public Defender's Office. Her contributions to the Department and to the County overall have been substantial, especially in assisting and developing younger attorneys who have joined the Department after her. Her tenacious litigation style made her a formidable advocate on behalf of her clients. The knowledge and training she possessed and provided has proved to be vital to many lawyers tasked with protecting the public by defending the Constitution.

### **FINANCIAL IMPACT:**

The costs associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget. The costs associated with preparation and purchase of the resolution materials and plaque are included in the Board's FY2017/18 Adopted Budget.

### **ALTERNATIVES:**

The Board could choose not to adopt the resolution honoring Ms. Polvorosa. This is not recommended as Ms. Polvorosa has provided over 28 years of dedicated service to the County. This is an opportunity to recognize Ms. Polvorosa for her excellent work in providing the indigent citizens and defendants in this County with outstanding, detailed, and deep knowledge of the law and the circumstances of each of her clients and therefore exemplary representation.

**OTHER AGENCY INVOLVEMENT:**

The County Administrator's Office has reviewed this item and concurs with the Department's recommendation.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

# Resolution No. 2018-

## **RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS HONORING DAWN POLVOROSA UPON HER RETIREMENT FROM THE OFFICE OF THE PUBLIC DEFENDER WITH OVER 28 YEARS OF DEDICATED PUBLIC SERVICE TO SOLANO COUNTY**

**WHEREAS**, Dawn Polvorosa grew up in San Leandro, CA and attended the University of the Pacific, graduating with her B.A. in Political Economics in 1984; and

**WHEREAS**, Dawn Polvorosa then attended McGeorge School of Law, receiving her Juris Doctor Degree in 1987 and was admitted to the California State Bar in 1988; and

**WHEREAS**, Ms. Polvorosa worked as a law clerk for the Law Firm Kazan and McClain, then the Law Firm of Chandler, Bruner and Ricks, and finally the Sacramento District Attorney's Office from 1986 through 1988; and

**WHEREAS**, Ms. Polvorosa worked at the Community Legal Service Clinic as a Governing Board Member, supervising ten student attorneys and maintaining a personal caseload; and

**WHEREAS**, Ms. Polvorosa was honored as the Recipient of the Emil Gumpert Trial Advocacy Award in 1987; and

**WHEREAS**, Ms. Polvorosa started her Public Defender career in the Contra Costa County Public Defender's Office in 1988; and

**WHEREAS**, Ms. Polvorosa continued her Public Defender career in the Solano County Public Defender's Office in August of 1989 and has remained with the Office for over 28 years; and

**WHEREAS**, Dawn Polovorsa has coached Mock Trial at Alhambra High School for the last 23 years providing over one hundred hours of volunteer time each year to the team; and

**WHEREAS**, Ms. Polvorosa has been assigned some of the Department's most serious cases and has distinguished herself and brought distinction to the Department through her supervision of many junior attorneys as well as providing tenacious defense to the indigent population of the County of Solano; and

**WHEREAS**, Dawn Polvorosa has dedicated herself with great distinction to the work of the Public Defender for nearly 30 years in gratifying, but often thankless and misunderstood work.

**NOW, THEREFORE BE IT RESOLVED**, that the Solano County Board of Supervisors hereby recognizes and thanks Dawn Polvorosa for her dedicated service to the Office of the Public Defender, the clients of that Office and the people of this county on the occasion of her retirement as an employee of Solano County.

Dated this 12<sup>th</sup> day of June, 2018

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JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	3	<b>Status:</b>	Presentation
<b>Type:</b>	Resolution	<b>Department:</b>	Sheriff's Office
<b>File #:</b>	18-399	<b>Contact:</b>	Angelica Russell, 784-7064
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt and present a resolution and plaque of appreciation honoring Correctional Officer Ignacio Villaseñor, upon his retirement from the Sheriff's Office, with over 28 years of dedicated public service to Solano County (Chair Vasquez)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	District 4		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATION:

The Sheriff recommends that the Board of Supervisors adopt and present a resolution and plaque of appreciation honoring Correctional Officer Ignacio Villaseñor, upon his retirement from the Sheriff's Office, with over 28 years of dedicated public service to Solano County.

### SUMMARY/DISCUSSION:

Ignacio Villaseñor began his service with the Sheriff's Office as an entry-level Correctional Officer on July 29, 1989 and was promoted to journey level on August 5, 1990. Officer Villaseñor worked nearly every duty assignment available to a Correctional Officer and served as a member of the Sheriff's Office Recruitment Team, Custody Response Team, and Honor Guard Team.

Officer Villaseñor served as a mentor to his fellow Correctional Officers as a Recruit Training Officer and Jail Training Officer as well as a taser instructor and acted as the Sheriff's Office liaison and instructor for the Corrections Program at the Napa Valley College Criminal Justice Training Center. He was named the Solano County Sheriff's Office Correctional Officer of the Year in 2008, and was selected to serve as the 2017 United States Air Force Thunderbirds "Hometown Hero" and given the opportunity to fly with the Thunderbirds at Travis Air Force Base on May 5, 2017.

Officer Villaseñor placed officer safety as his paramount concern and was persistent in ensuring his peers went home safely after every shift and was a consummate professional while on duty; he consistently presented a pleasant demeanor and was committed to putting forth his best effort every day.

Officer Villaseñor was a highly valued member of the Sheriff's Office and will be greatly missed by his friends and co-workers. The resolution honors Ignacio Villaseñor for nearly 29 years of service and commends his dedication and public service to Solano County. Officer Villaseñor's official last date of employment with the

Sheriff's Office was May 19, 2018.

**FINANCIAL IMPACT:**

The costs associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget. The costs associated with preparation and purchase of the resolution materials and plaque are included in the Board's FY2017/18 Adopted Budget.

**ALTERNATIVES:**

The Board may elect not to award the resolution and plaque of appreciation; however, this is not recommended, as this is an opportunity to honor Correctional Officer Ignacio Villaseñor for nearly 29 years of dedicated public service to the Sheriff's Office and the citizens of Solano County.

**OTHER AGENCY INVOLVEMENT:**

None.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

# Resolution No. 2018 -

## **RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS HONORING CORRECTIONAL OFFICER IGNACIO VILLASEÑOR UPON HIS RETIREMENT FROM THE SOLANO COUNTY SHERIFF'S OFFICE WITH OVER 28 YEARS OF DEDICATED PUBLIC SERVICE**

**WHEREAS**, Ignacio Villaseñor began his service with the Sheriff's Office as an entry-level Correctional Officer on July 29, 1989 and was promoted to journey level on August 5, 1990; and

**WHEREAS**, Officer Villaseñor worked nearly every duty assignment available to a Correctional Officer and served as a member of the Sheriff's Office Recruitment Team, Custody Response Team, and Honor Guard Team; and

**WHEREAS**, Officer Villaseñor served as a mentor to his fellow Correctional Officers as a Recruit Training Officer and Jail Training Officer as well as a taser instructor; and

**WHEREAS**, Officer Villaseñor acted as the Sheriff's Office liaison and instructor for the Corrections Program at the Napa Valley College Criminal Justice Training Center; and

**WHEREAS**, Officer Villaseñor was named the Solano County Sheriff's Office Correctional Officer of the Year in 2008, and was selected to serve as the 2017 United States Air Force Thunderbirds "Hometown Hero" and given the opportunity to fly with the Thunderbirds at Travis Air Force Base on May 5, 2017; and

**WHEREAS**, Officer Villaseñor placed officer safety as his paramount concern and was persistent in ensuring his peers went home safely after every shift; and

**WHEREAS**, Officer Villaseñor was a consummate professional while on duty and consistently presented a pleasant demeanor and was committed to putting forth his best effort every day; and

**WHEREAS**, Officer Villaseñor retired on May 19, 2018 after 28 years and 10 months of outstanding and dedicated service to Solano County; and

**WHEREAS**, Officer Villaseñor was a highly valued member of the Sheriff's Office and will be greatly missed by his friends and co-workers.

**NOW, THEREFORE, BE IT RESOLVED**, that the Solano County Board of Supervisors hereby honors and recognizes Ignacio Villaseñor for his distinguished service to the citizens of Solano County and wishes him a him a long, healthy, and happy retirement.

Dated this 12<sup>th</sup> day of June, 2018

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JOHN VASQUEZ, Chairman  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

675 Texas Street  
Fairfield, California 94533  
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## Agenda Submittal

<b>Agenda #:</b>	4	<b>Status:</b>	Presentation
<b>Type:</b>	Presentation	<b>Department:</b>	Resource Management
<b>File #:</b>	18-413	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve and present a plaque of appreciation to David Rothrock, Senior Engineering Technician, upon his retirement from the Department of Resource Management, with over 17 years of dedicated public service to Solano County (Supervisor Spering)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	District 3		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATION:

The Department of Resource Management recommends that the Board of Supervisors approve and present a plaque of appreciation to David Rothrock, Senior Engineering Technician, upon his retirement from the Department of Resource Management, with over 17 years of dedicated public service to Solano County.

### SUMMARY/DISCUSSION:

David Rothrock grew up in Bishop, California, and began his career in the agricultural business. In 1986, David took a job with Trade King, a hay exporter in Fallon, Nevada, eventually promoting to Operations Manager. In 1996, he then went to work at Hans Hilleby Farms in Woodland, California, as a manager in farm operations. In 1999, Mr. Rothrock began taking math, engineering and computer aided drafting courses in the evenings at Solano Community College, shifting his goals towards a career in Public Works Engineering. On August 1, 2000, Mr. Rothrock was hired by Solano County as an Engineering Technician (Entry) working in the Department of Transportation.

Mr. Rothrock initially worked on office engineering tasks related to projects, surveying, and drafting. Having an interest and a talent for field work, he transitioned to a position on the survey crew which provided him significant training opportunities to learn about road grading, construction staking, traffic controls, and general construction. He was promoted to Engineering Technician (Journey) on February 3, 2002. Mr. Rothrock then transitioned into the Construction Section in Public Works Engineering, where he began working as an inspector on County road and bridge projects.

On November 16, 2008, Mr. Rothrock was promoted to Senior Engineering Technician becoming a lead inspector for Public Works Engineering. Mr. Rothrock excelled in his inspection duties, exercising fair judgment with attention to detail. He is noted for providing detailed reporting and timely payment to contractors. Mr. Rothrock's keen eye for quality control lead to him maintaining the soils and concrete

laboratory, as well as leading our inspector certification programs. He also built and maintained Public Works Engineering spreadsheets for quantity calculations and payments for our projects.

As a result of his commitment to quality inspection and testing, and desire and ability to improve our contractor payment processes, David Rothrock has earned the respect and admiration of his colleagues. He retired as a Senior Engineering Technician on June 2, 2018 after 17 years of dedicated service to Solano County and its residents. Mr. Rothrock plans to return to farming near Fallon, Nevada, and continue the organic alfalfa farming business that his parents started.

**FINANCIAL IMPACT:**

The costs associated with preparing the agenda item is included in the department's FY2017/18 Adopted Budget as are the costs associated with preparation and purchase of the plaque of appreciation for David's service to the County

**ALTERNATIVES:**

The Board could choose to not approve the plaque of appreciation. This alternative is not recommended because Mr. Rothrock's service to Solano County is worthy of recognition and provides a positive example for others.

**OTHER AGENCY INVOLVEMENT:**

The County Administrator's Office has reviewed the item and concurs with the Department's recommendation.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**





# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	5	<b>Status:</b>	Presentation
<b>Type:</b>	Presentation	<b>Department:</b>	Health and Social Services
<b>File #:</b>	18-369	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve and present a plaque of appreciation honoring Suzanne Wang, Public Health Nurse, upon her retirement from the Department of Health & Social Services, Public Health Division, with over 10 years of dedicated service to Solano County (Supervisor Sperring)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	District 3		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Health and Social Services (H&SS) recommends that the Board approve and present a plaque of appreciation honoring Suzanne Wang, Public Health Nurse, upon her retirement from the Public Health Division, with over 10 years of dedicated service to Solano County.

### **SUMMARY/DISCUSSION:**

Ms. Wang began her career in Solano County H&SS, Public Health Division on September 30, 2002 as a Public Health Nurse in California Children's Services (CCS) Program. Since that time Ms. Wang has worked in a variety of programs throughout H&SS including Child Welfare Services (CWS) and Health Care Program for Children in Foster Care (HCPCFC) Program from 2002 through February 2008 and District Nursing and Community College Student Health Center (SCCHC) from 2013 through May 24, 2018.

While in CWS, Ms. Wang chaired the Bay Area Deputy Director (BADD) Foster Care Subcommittee. At the Community College, Ms. Wang provided services to students and staff in a nurse-run clinic where she worked independently with very limited supervision. She collaborated with community agencies to hold the Solano Community College Health Fairs every semester for the college population. During the summer months when the SCCHC was closed, Ms. Wang returned to the County office to assist nurses in other programs, performing nurse home visitation, communicable disease follow-up and investigation, updating policies and procedures, and completing other special projects.

During her tenure with the County, Ms. Wang has provided quality service and worked effectively with a variety of clients and age groups with varying medical, emotional and mental health needs. Ms. Wang has been very conscientious and displayed diligence in performing her job duties. She has a strong ability to identify, analyze and solve problems, and meet the needs of her clients.

While Ms. Wang is retiring from the County, she is not finished working altogether. Ms. Wang plans to return to school to finish her Masters in Science degree and Family Nurse Practitioner Certification. Upon completion, she plans to explore other avenues and new opportunities in her nursing career.

Ms. Wang's retires from Solano County on May 24, 2018 and her contributions to the Department will be missed. Solano County H&SS, Public Health Division staff congratulate her on her retirement and wish her all the best in her future endeavors.

**FINANCIAL IMPACT:**

The cost associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget. The costs associated with preparation and purchase of the plaque are included in the Board's FY2017/18 Adopted Budget.

**ALTERNATIVES:**

The Board may choose not to present a plaque of appreciation to Ms. Wang, Public Health Nurse. This is not recommended because this is an opportunity to recognize Ms. Wang's dedication and outstanding contributions to the County and the community.

**OTHER AGENCY INVOLVEMENT:**

None.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



# Solano County

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## Agenda Submittal

**Agenda #:** 6  
**Status:** Consent Calendar  
**Type:** Non-County Contributions  
**Department:** Board of Supervisors  
**File #:** 18-415  
**Contact:** Jim Spering, 784-6136  
**Agenda date:** 06/12/2018  
**Final Action:**  
**Title:** Authorize the County's contribution of \$3,500 from the General Fund contribution allocated to District 3 to benefit Meals On Wheels (\$1,200), Child Haven Inc. (\$800), Rebuilding Together Solano, Inc. (\$800) and Faith In Action (\$700)  
**Governing body:** Board of Supervisors  
**District:** District 3  
**Attachments:**

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X  
Public Hearing Required? Yes \_\_\_ No X

### DEPARTMENTAL RECOMMENDATION:

Supervisor Jim Spering requests that the Board authorize the County's contribution of \$3,500 from the General Fund contribution allocated to District 3 to benefit Meals On Wheels (\$1,200), Child Haven Inc. (\$800), Rebuilding Together Solano County, Inc. (\$800) and Faith In Action (\$700).

### SUMMARY/DISCUSSION:

#### Justification:

During the 2017/18 Budget Hearings, the Board appropriated \$5,000 to allow District 3 to support community service programs. District 3 recommends the distribution of the remaining funding as follows:

#### Meals On Wheels (\$1,200)

Meals On Wheels, a non-profit 501(c)(3) corporation, is a county-wide program. In the Fairfield-Suisun area, the organization provides over 300 seniors (60 years or older) with nutritious meals delivered to their home by a group of dedicated volunteers. These are seniors who no longer are able to cook or grocery shop for themselves.

Meals On Wheels also serves the congregate dining program at the Fairfield Senior Center where seniors can come and enjoy a nutritious meal with other seniors in the Fairfield community.

The meals are planned by a registered dietician and are prepared in the central kitchen facility in Suisun.

For many seniors, this may be the only warm meal of the day. The meal service allows many seniors to remain independent longer and stay in their homes.

Funds will be used to provide nutritious meals.

Child Haven (\$800)

Child Haven, Inc, a non-profit 501(c)3 corporation, began providing services more than 30 years ago in Solano County. While the delivery of services changed slightly over the years, the mission has not. Child Haven programs provide intensive therapeutic mental health and developmental services for children and their families with the belief that early intervention, education, and targeted professional services help children heal and families grow.

Children served at Child Haven often suffer from severe neglect, have experienced the trauma of physical or sexual abuse and have been exposed to violence. Nearly 450 children, ages birth to 18, receive services at Child Haven each year.

Funds will be used for direct services as Matching Funds to support Child Haven's Child Abuse Treatment program.

Rebuilding Together Solano County (\$800)

As a housing nonprofit organization, Rebuilding Together Solano County assists low-income homeowners, specifically low-income seniors, disabled individuals and veterans, on providing them with a healthy and safe home. The cost of owning and maintaining a home can be a challenge for these vulnerable citizens with little disposable income for home repairs and modifications.

During a one-day project, local businesses, community members and concerned residents come together from all walks of life to rehabilitate homes in Solano County. This is accomplished with volunteer skilled and unskilled labor, donated materials/services and financial support from within Solano County.

In 2016, more than 4,500 Rebuilding Together volunteers rehabilitated 27 homes for low-income homeowners (seniors / veterans / disabled) and held more than 36 community facility workdays in Solano County.

Funds will be used for Work Day Rehabilitation materials for homes in Fairfield or Suisun.

Faith In Action (\$700)

Faith in Action: Interfaith Volunteer Caregivers of Solano County promotes the independence, ends the isolation, and sustains the dignity of homebound frail elders, seniors with cancer and other chronic illnesses, seniors with disabilities, the medically uninsured, and their family caregivers throughout Solano County. The organization provides non-acute, non-medical support services to enrolled care receivers by matching them with trained volunteers.

The program was formed in 1997; in 2000, the agency incorporated as a 501(c)(3) nonprofit. Over 500 seniors are enrolled in the various programs and are connected to approximately 150 volunteers.

The agency evolved out of a concern regarding the number of frail seniors and persons with chronic illnesses who lived alone and who were being discharged to their homes without any caregiver support. Many could no longer drive due to their age or illnesses, making it difficult to get to follow-up appointments and necessary treatment. The lack of transportation also proved to be a barrier in buying groceries or obtaining needed medications.

Volunteers are matched with care recipients in 1:1 relationships, providing connection to the community. This

"service provision through relationship" model looks not only to assisting care recipients in maintaining their independence, while helping them to age in place, but also to the building up of sense of self and an increased quality of life.

Funding will be used only for program and volunteer services and not for salaries and office expenses.

Guidelines for Grant Funding Requests:

During the 2017/18 Budget Hearings, the Board appropriated \$25,000, \$5,000 to each supervisorial district, to allow Board members to support community service programs. The Board directed County Counsel to provide guidelines on how to recommend funding for qualifying agencies or programs. The guidelines are as follows:

- 1) Each supervisor must submit the proposed expenditure to the County Counsel and the Auditor/Controller for initial review.
- 2) The Board must approve the expenditure by a majority vote.
- 3) The Board must determine that the expenditure is for a public purpose.
- 4) The Board may authorize an expenditure of public funds to a nonprofit organization so long as the County retains ultimate control over the exercise of judgment and discretion of the intended program.
- 5) To ensure accountability, all expenditures are subject to periodic audit by the Auditor/Controller; and
  - a) If the recipient provides an activity, program or service ("activity"), it shall provide an activity report within 30 days of the activity that states the number of persons attending (if applicable) or participating activities carried out, feedback from participants (if applicable) and benefits of the activity. The recipient's failure to provide a report may result in its being considered ineligible for future funding.
  - b) If the recipient is purchasing property or making improvements, it shall use the funds for only the specified purposes and allow representatives of the county to inspect and/or audit the purchase or the contractor's performance, the facility or the portion improved with the funds and/or the records pertaining to the expenditures. The recipient shall retain for inspection and audit purposes any and all books, receipts, documentation and other records of the expenditures for three (3) years from date of receiving funds.

FINANCIAL IMPACT:

This expenditure is included in the District 3 FY2017/18 budget.

ALTERNATIVES:

The Board could choose not to authorize this expenditure. However, this is not recommended as this item is consistent with Board policy.

OTHER AGENCY INVOLVEMENT:

This report was prepared in coordination with the County Administrator's Office, County Auditor-Controller's Office and County Counsel.



# Solano County

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## Agenda Submittal

**Agenda #:** 7 **Status:** Consent Calendar  
**Type:** ATR **Department:** County Administrator  
**File #:** 18-421 **Contact:** Ian Goldberg, 784-6116  
**Agenda date:** 06/12/2018 **Final Action:**  
**Title:** Approve an Appropriation Transfer Request increasing appropriations by \$450,000 for anticipated court appointed attorney and capital case costs in excess of the FY2017/18 Other Public Defense budget, funded by a transfer of \$150,000 anticipated savings in Salaries and Benefits within Other Public Defense and an increase General Fund Contribution of \$300,000, offset by decreased General Fund Contributions within the Public Safety Fund 900 (4/5 vote required)  
**Governing body:** Board of Supervisors  
**District:** All  
**Attachments:**

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes	___	No	<u>X</u>
Public Hearing Required?	Yes	___	No	<u>X</u>

### DEPARTMENTAL RECOMMENDATION:

The County Administrator recommends the Board Approve an Appropriation Transfer Request increasing appropriations by \$450,000 for anticipated court appointed attorney and capital case costs in excess of the FY2017/18 Other Public Defense budget, funded by a transfer of \$150,000 anticipated savings in Salaries and Benefits within Other Public Defense and an increase General Fund Contribution of \$300,000, offset by decreased General Fund Contributions within the Public Safety Fund 900 (4/5 vote required).

### SUMMARY/DISCUSSION:

The Other Public Defense budget funds the cost of indigent defense in cases where a conflict is present with the County-staffed Public Defender or Alternate Public Defender Offices, and the services of Court-appointed counsel are arranged. In addition the Other Public Defense budget includes funds for indigent defense costs incurred in capital cases.

General Fund costs in this department are a Constitutional responsibility. The County's General Fund exposure, represented by the Court's appointment of private attorneys is driven by two factors: the availability of Public Defender and/or Alternate Public Defender staff to provide representation where appropriate, and the number of hours required by private attorney/investigator/special witness/psychiatric evaluations/court reporter to properly represent indigent defendants. Cost exposures related to the number of private defense hours and, by implication, the incidence of criminal activity and arrest rates, are beyond the County's control. In addition costs related to capital cases which may be handled by the Public Defender or Alternate Public Defender are also subject to same cost exposures.

The FY2017/18 Working Budget for Other Public Defense does not reflect sufficient appropriations to cover projected expenditures through the end of the fiscal year. The Mid-year financial projections included increases in expenditures beyond the Working Budget to address increased costs for Other Public Defense and to address costs for multiple pending capital cases, which are now in trial. The County Administrator recommends approval of an Appropriation Transfer Request increasing appropriations by \$450,000 for anticipated court appointed attorney and capital case costs in excess of the FY2017/18 Other Public Defense budget. This increase in appropriations is funded by a transfer of \$150,000 in anticipated salary and benefits savings within the Other Public Defense Budget, and a \$300,000 increase in the General Fund Contribution. The increased General Fund Contribution to Other Public Defense (Fund 900) is funded by a decrease from the General Fund Contribution to Probation (Fund 900).

**FINANCIAL IMPACT:**

The Other Public Defense budget is part of the Public Safety Fund 900 and is full offset by County General Fund and State reimbursement where applicable. Per Penal Code 987.9 payments advanced for the preparation and / or presentation of the defense in an existing indigent capital case are subject to State reimbursement for expenses incurred. Because capital cases are usually tried over a period of years, any State reimbursement will be used to replenish the funds to be used in the preparation and/or presentation of the defense over succeeding fiscal years. As a significant portion of the overruns are related to capital case costs, the County will be submitting the expenses related to capital cases for reimbursement from the State.

The total expenditures for Other Public Defense has experienced continued increases over the past several years. In FY2013/14 the total expenditure was \$1,841,989, in FY2014/15 the costs climbed to \$2,510,770, in FY2015/16 it was \$2,714,099, FY2016/17 was \$2,864,873 and in FY2017/18 the total cost is projected to exceed the current Working Budget of \$2,939,244 by up to an additional \$450,000. The increases are the result of increased Other Public Defense caseload and an increase in costs related to capital cases.

**ALTERNATIVES:**

The Board can choose not to approve the appropriations transfer request to increase the Other Public Defense budget appropriations; this is not recommended since this would result in the inability to pay claims for bona-fide business expenses for which the County may be liable.

**OTHER AGENCY INVOLVEMENT:**

The Public Defender and County Counsel have been consulted regarding the recommendation.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**



# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	8	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Human Resources
<b>File #:</b>	18-432	<b>Contact:</b>	Marc Fox, 784-2552
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution amending the Alphabetical Listing of Classes and Salaries to increase the hourly rate for the Peer Group Co-Facilitator to comply with the California minimum wage		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATIONS:**

The Human Resources Department recommends that the Board of Supervisors adopt a resolution amending the Alphabetical Listing of Classes and Salaries to increase the hourly rate for Peer Group Co-Facilitator to comply with California minimum wage.

### **SUMMARY:**

The California minimum wage increased from \$10.50 to \$11.00 per hour effective January 1, 2018. The Peer Group Co-Facilitator is the only job classification that falls below the California minimum wage. The Director of Human Resources recommends the salary schedule be amended to reflect the California minimum wage.

### **FINANCIAL IMPACT:**

The fiscal impact for the current fiscal year is estimated at less than \$100 as only one extra-help employee, who began County employment in May 2018, is impacted and the Probation Department will absorb the added cost within their current budget allocation.

### **DISCUSSION:**

The California legislature previously enacted, and the Governor signed into law, increases to the California minimum wage. Minimum wage increases occur over time with the latest increase effective January 1, 2018, where the California minimum wage increased to \$11.00 per hour. The California minimum wage is greater than the federal minimum wage (\$7.25 per hour). There is one job classification, Peer Group Co-Facilitator, impacted by the change to the California minimum wage. The Peer Group Co-Facilitator is used in the Probation Department to serve the Center for Positive Change clients and, currently, there is only one extra-help employee in this job classification. The one extra-help employee began County employment in May



2018.

**ALTERNATIVES:**

The Board could choose not to approve the increase in hourly rate for this job classification, but this would result in the County being out of compliance with the current California minimum wage.

**OTHER AGENCY INVOLVEMENT:**

The Human Resources Department worked with the Auditor-Controller's Officer and the Probation Department.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

RESOLUTION NO. 2018 - \_\_\_\_\_

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS AMENDING THE ALPHABETICAL LISTING OF CLASSES AND SALARIES**

**Whereas**, regulation of compensation of officers and employees of the County may be fixed by resolution of the Board of Supervisors; and

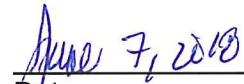
**Whereas**, the Alphabetical Listing of Classes and Salaries requires modification from time to time,

**Resolved**, that the Solano County Board of Supervisors authorize the Director of Human Resources to make any technical corrections if needed;

**Further resolved**, that the Solano County Board of Supervisors amends effective May 20, 2018 the Solano County Alphabetical Listing of Classes and Salaries as follows:

OT	Class #	Class Title	EER	Grade	Salary Range
09	781090	Peer Group Co-Facilitator	00	029	\$11.00 per hour

  
\_\_\_\_\_  
Director of Human Resources

  
\_\_\_\_\_  
Date

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on \_\_\_\_\_ by the following vote:

AYES: SUPERVISORS \_\_\_\_\_

NOES: SUPERVISORS \_\_\_\_\_

EXCUSED: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_  
JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

ATTEST:

BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

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## Agenda Submittal

<b>Agenda #:</b>	9	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Contract	<b>Department:</b>	Library
<b>File #:</b>	18-407	<b>Contact:</b>	Bonnie Katz, 784-1502
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve an agreement with ACCO Engineered Systems, Inc. of Sacramento for \$750,239 to remove and replace the existing boiler/chiller for the Fairfield Library Boiler/Chiller Replacement Project at 1150 Kentucky Street in Fairfield and make related improvements to the air distribution system; Authorize the Director of Library Services to execute the agreement and any amendments within the approved project budget; and Approve an Appropriation Transfer Request (ATR) in the amount of \$1,302,316 from the Library's Contingency Fund for project completion (4/5 vote required)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Agreement, B - Bidders of Record, C - Estimated Project Budget		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes	No	<u>X</u>	
Public Hearing Required?	Yes	No	<u>X</u>	

### DEPARTMENTAL RECOMMENDATION:

The Solano County Library recommends that the Board of Supervisors:

- 1) Approve an agreement with ACCO Engineered Systems, Inc. of Sacramento for \$750,239 to remove and replace the existing boiler/chiller for the Fairfield Library Boiler/Chiller Replacement Project at 1150 Kentucky Street in Fairfield and make related improvements to the air distribution system;
- 2) Authorize the Director of Library Services to execute the agreement and any amendments within the approved project budget; and
- 3) Approve an Appropriation Transfer Request (ATR) in the amount of \$1,302,316 from the Library's Contingency Fund for project completion (4/5 vote required).

### SUMMARY/DISCUSSION:

The Solano County Library recommends the Board approve an agreement with ACCO Engineered Systems, Inc. for \$750,239 (Attachment A - Agreement for Construction Services) as the lowest responsible bidder for the Fairfield Library Boiler/Chiller Replacement Project (Project) located at 1150 Kentucky Street, in Fairfield.

On March 13, 2018, the Board approved a sole source agreement with Trane for \$499,684 for the manufacture of custom heating, ventilation and air conditioning (HVAC) equipment to replace the current HVAC equipment at the Solano County Library Headquarters/Fairfield Library, located at 1150 Kentucky Street

in Fairfield pending the selection of a contractor for the installation.

This agreement is for the installation of the equipment, which includes replacing the existing main boiler/chiller unit serving the Library at 1150 Kentucky Street that is currently at the end of its useful life, and corresponding modifications to interior air distribution duct work that will provide more consistent heating and cooling across all library floor space. Additionally, obsolete air system controls will be replaced to allow better monitoring and control of heating and cooling in the building.

The project was advertised by General Services Department, on behalf of the Library, as required by Public Contract Code. A single bid was received (Attachment B - Bidders of Record) with ACCO Engineered Systems, Inc. being the only responsible bidder. The County has exercised the right to negotiate the final contract price with ACCO Engineered Systems as the sole bidder, per Specification Section 00 11 00, Notice To Bidders, Item X. The contract value of \$750,239 is per a negotiated reduction of \$20,980 from ACCO Engineered Systems Inc.'s initial bid of \$771,219.

**FINANCIAL IMPACT:**

The total budget for the Project is updated from the previously estimated \$1,658,463 to \$1,802,000, based on the actual project bid result (Attachment C - Estimated Project Budget). The construction contract amount is within the updated budget allowance for construction of the project. The project is funded from Library's contingency funds. An appropriation transfer request (ATR) in the amount of \$1,302,316 from the Library's contingency is requested so the project can be completed.

**ALTERNATIVES:**

- 1) The Board could reject the bid or direct staff to re-bid the Project. This action is not recommended since the Project was advertised in accordance with Public Contract Code requirements and ACCO Engineered Systems, Inc. submitted a responsive bid within the available Project construction budget, and rejection would result in a loss of value in the County's investment in the Project to date.
- 2) The Board could postpone the Project. This action is not recommended because the condition of the existing equipment is deteriorating, it would not be wise to invest additional monies in repairing the unit, and available funding will lose value over time to cost escalation.

**OTHER AGENCY INVOLVEMENT:**

General Services Department is managing the project on behalf of the Library. The Department of Resource Management, Building and Safety Services, has approved construction plans, and County Counsel has reviewed the contract as to form.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**



837069

RECEIVED

SECTION 00 52 00 - AGREEMENT FOR CONSTRUCTION SERVICES

MAY 30 2018

**AGREEMENT**

CONTRACTS DEPT.

made as of the 12<sup>th</sup> day of June, in the year of Two Thousand and Eighteen between the COUNTY OF SOLANO, a political subdivision of the State of California, (referred to as 'Owner') and the Contractor: ACCO Engineering Systems, Inc.

the Project: **Solano County Fairfield Library – Boiler/Chiller Replacement  
Solano County Library, Fairfield, CA**

The Owner and the Contractor agree as set forth below.

**ARTICLE 1**  
**THE CONTRACT DOCUMENTS**

The Contract documents consist of this Agreement, the General Conditions and those documents enumerated in Sub-paragraph 1.1.1 of the General Conditions, which documents are incorporated into and made a part of this Agreement

**ARTICLE 2**  
**THE WORK**

The Contractor shall perform all the Work required by the Contract Documents for **Solano County Fairfield Library – Boiler/Chiller Replacement, Fairfield, CA.**

**ARTICLE 3**  
**TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

The Work to be performed under this Contract shall commence no later than five (5) calendar days after the Notice to Proceed is issued to the Contractor, and shall be carried out and completed according to the schedule set forth in Document 00 73 00/ Supplementary Conditions, and Section 00 11 00/ Notice To Bidders.

The Contractor agrees that the Work will be completed in 120 calendar days from the Notice to Proceed. The Contractor agrees that the County will suffer economic damages, which may be difficult to quantify, in the event that the Work is not completed within this time period and therefore, Contractor agrees to pay the County liquidated damages in the amount outlined in Document 00 73 00/ Supplementary Conditions, Article 1.4, Liquidated Damages for each and every calendar day of delay beyond the 120 calendar days provided above.

**ARTICLE 4**  
**CONTRACT SUM**

The County shall pay the Contractor for the performance of the Work, subject to additions and deductions by Change Order or as otherwise provided in the Contract Documents, the Sum of the Base Bid of Seven hundred fifty thousand, two hundred thirty-nine dollars And No Cents (\$750,239.00) for a total Contract Sum of Seven hundred fifty thousand, two hundred thirty-nine dollars And No Cents (\$750,239.00).



## **ARTICLE 5 PROGRESS PAYMENTS**

Based upon Applications for Payment submitted to the Project Manager by the Contractor and Project Certificates for Payment issued by the Project Manager, the County shall make progress payments on account of the Contract Sum to the Contractor as provided in the Contract Documents as follows:

**Progress Payments:** The Contractor shall on or before the first day of each month, make an estimate of the work performed during the preceding month and submit same to the Project Manager for checking and approval. On or about the 20th day of the month following the month in which the work was performed, the County shall pay to the Contractor ninety five (95%) percent of the value of said work in place, as checked and approved by the Project Manager. The balance of five (5%) percent of the estimate shall be retained by the County until the time of final acceptance of said work.

## **ARTICLE 6 FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be paid by the County to the Contractor when the Work has been completed, the Contract fully performed, the Project Manager has issued a Project Certificate for Payment which approves the final payment due the Contractor, Board of Supervisors of Solano County has formally accepted the project as complete by Resolution and Notice of Completion filed by the County Recorder's Office.

## **ARTICLE 7 MISCELLANEOUS PROVISIONS**

- 7.1 Terms used in this Agreement, which are defined in the Document 00 72 00/ General Conditions of the Contract for Construction, shall have the meanings designated in those Conditions.
- 7.2 Notices shall be addressed as follow:

OWNER:  
**COUNTY OF SOLANO**  
**Bonnie A. Katz,**  
**Director of Library Services**  
1150 Kentucky Street  
Fairfield, CA 94533

CONTRACTOR:  
**ACCO Engineered Systems, Inc.**  
Name STEPHEN ALWAN  
9290 Beatty Drive  
Sacramento, CA 95826



**Prevailing Wages.** The Contractor agrees that State Prevailing Wages apply to this Project and that the Contractor will pay the rates for each trade or craft and shall require the subcontractors on the project to pay the rates for each trade and craft. The Payroll Submittal Information attached as Section 00 45 46/ Payroll Information is incorporated as if set forth in full and is a part of this Contract. The Contractor agrees to repay the County any and all amounts paid to any subcontractor in violation of Public Contract Code Section 6109.

**ARTICLE 8**  
**EXECUTION OF AGREEMENT**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COUNTY:

By:

Bonnie A. Katz,  
Director of Library Services

CONTRACTOR:

By:

DAVID OSBURN, Assistant Secretary

Date:

Date:

5/31/18

APPROVED AS TO FORM:

County Counsel of Solano County, California

By:

Bernadette Cruz, Dyer

NOTE: If the Contractor is a corporation, attach to this Contract a certified copy of the by-laws, resolutions, or excerpts of a meeting of the Board of Directors of the Corporation authorizing the person executing this Agreement to do so for the Corporation.

**END OF SECTION**

Bidders of Record  
Bid Results  
Solano County Fairfield Library Boiler/Chiller Replacement Project

Name of Firm	Location	Bid
ACCO Engineering Systems, Inc.	Sacramento, CA	\$ 771,219



ESTIMATED PROJECT BUDGET

Fairfield Library Central Plant Upgrades

Solano County

1150 Kentucky Street

Updated: 05/29/2018

Option #1A

Replace Evaporative Cooled Chiller/Boiler Packaged Unit, VAV replacement, duct work mods

HARD COSTS		Cost
	Mechanical & Electrical Work	\$750,239
	Allowance: Maxim boom truck to unload and load unit at County "Corp yard".	\$6,000
	Solano County Purchase chiller/boiler unit	\$499,684
	Temporary Equipment - Includes set up/take down of a chiller or boiler rental	\$37,500
	Contingency (15%) of mechanical contract & Controls	\$187,489
SOFT COSTS		Costs
	Design	\$186,180
	Project Management	\$117,512
	Permits	\$5,179
	Special Inspections	\$9,190
	Direct Costs	\$3,027
TOTAL ESTIMATED PROJECT BUDGET		\$1,802,000
Approved funding for purchase of Trane unit		(\$499,684.00)
Additional funding required		\$1,302,316



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	10	<b>Status:</b>	Consent Calendar
<b>Type:</b>	ATR	<b>Department:</b>	Health and Social Services
<b>File #:</b>	18-370	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve an Appropriation Transfer Request of \$72,407 recognizing unanticipated revenue for FY2017/18 for the Health Care Program for Children in Foster Care funded by the California Department of Health Care Services, to provide public health nurse expertise in meeting the medical, dental, mental and developmental needs of children and youth in foster care (4/5 vote required)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Health & Social Services (H&SS) recommends that the Board approve an Appropriation Transfer Request (ATR) of \$72,407 recognizing unanticipated revenue for FY2017/18 for the Health Care Program for Children in Foster Care (HCPFC) funded by the California Department of Health Care Services (DHCS), to provide public health nurse expertise in meeting the medical, dental, mental and developmental needs of children and youth in foster care (4/5 vote required).

### **SUMMARY:**

Social workers and probation officers with case management responsibilities are required, with assistance from Public Health Nurses (PHN), to monitor the developmental, dental and mental health needs of children and youth in foster care. Assembly Bill 1111 (Chapter 147, Statutes of 1999) enacted Welfare and Institutions Code Section 16501.3 to establish the Health Care Program for Children in Foster Care (HCPFC) and increase the use of PHNs in meeting the health care needs of children in foster care. PHNs were given authority to receive medical records directly from physicians to coordinate health care services and serve as a liaison with health care professionals and other providers of health-related services, including coordination of appropriate medical treatment and follow-up. With this additional funding, Solano County PHNs will provide additional assistance to Child Welfare and Probation Department staff as well as increase the number of children receiving services.

### **FINANCIAL IMPACT:**

For FY2017/18, H&SS is requesting approval of an ATR in the amount of \$72,407 to accept unanticipated revenue from the DHCS, per Child Health and Disability Prevention program letter 18-01, to support County

child welfare efforts in providing health care oversight and monitoring of children and youth in foster care. The allocation will fund PHN case management services that comply with specific administrative functions eligible for enhanced federal matching funds through the Medicaid Title XIX Program. There are no County General funds associated with this request.

### **DISCUSSION:**

In FY2016/17, the Board approved the acceptance of a new funding source for the HCPCFC and on May 23, 2017, the Board approved acceptance of unanticipated revenue for FY2016/17 in the amount of \$49,718. This request is to approve additional unanticipated revenue in the amount of \$72,407 in HCPCFC funds, which provide for a PHN to work collaboratively with Solano County Child Welfare Services (CWS) social workers and consult with the Probation Department to ensure that children, youth, and non-minor dependents in foster care receive all needed health care services. The PHN provides health care oversight of the physical, behavioral, dental, and developmental needs to an average of 350 children in foster care, including those in out-of-county and out-of-state placement.

The PHNs perform administrative activities to oversee and monitor health care needs and do not provide direct medical services to children. These administrative activities can only be performed by an individual with the required level of medical expertise, Skilled Professional Medical Personnel (SPMP). As required by Welfare and Institutions Code (WIC) section 16501.3(d), the activities of PHNs are limited to specific administrative functions eligible for enhanced Federal Financial Participation matched at up to a maximum of 75% through the Medicaid Title XIX program. The allowable SPMP activities under the new funding include, but are not limited to:

Foster Care Public Health Nurses may:

- Review and interpret medical reports for case workers and the courts.
- Expedite timely referrals for medical, dental and mental health services.
- Follow children placed out of county to assure health care access to needed services.
- Serve as a resource to facilitate referrals to early intervention providers, specialty providers, dentists, mental health providers and other community programs.
- Review and document in the child's health and education passport the completion of laboratory tests, other screenings and measurements, evaluations, and assessments required to meet reasonable standards of medical practice.
- Provide guidance and consultation to social workers and probation officers in the scheduling of periodic follow up visits with physicians, laboratory services, and other necessary health services.
- Review, interpret, and document as necessary, the results of laboratory tests, screenings, and evaluations for case planning and coordination.
- Review clinical documentation to assess the child or youth's progress in meeting treatment plan goals.

Allowing PHNs to assist social workers and probation officers in the coordination of health care needs is intended to support the ability of child welfare agencies to provide an additional level of attention to improve the developmental, dental and mental health care needs of children and youth in foster care.

### **ALTERNATIVES:**

The Board may choose not to approve the ATR of unanticipated revenue from DHCS for the HCPCFC Program. This is not recommended because with the increased funds, Solano County has an opportunity to increase the oversight and follow-up of children in need of additional health care services.

### **OTHER AGENCY INVOLVEMENT:**

H&SS worked with County Counsel, Solano County Probation Department on the agreement to accept the additional funds from DHCS and the Health Care Program for Children in Foster Care.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	11	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Contract	<b>Department:</b>	Health and Social Services
<b>File #:</b>	18-398	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve a 3 year contract with Crestwood Behavioral Health, Inc. for a total amount of \$13,139,264 to provide 23-hour crisis stabilization services for the period of June 1, 2018 through June 30, 2021 funded through MHSA Community Services and Support funds; and Authorize the County Administrator to execute the contract and any subsequent amendments that remain within budget appropriations		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Contract		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Health & Social Services (H&SS) recommends the Board approve a 3 year contract with Crestwood Behavioral Health, Inc. for \$13,139,264 to provide 23-hour crisis stabilization services for the period of June 1, 2018 through June 30, 2021 funded through MHSA Community Services and Support funds; and Authorize the County Administrator to execute the contract and any subsequent amendments that remain within budget appropriations.

### **SUMMARY:**

Since November 2012, Health and Social Services has operated a 23-hour Crisis Stabilization Unit (CSU) at 2101 Courage Drive, Fairfield. The CSU provides psychiatric crisis services to Solano County for individuals who are acutely suicidal, homicidal, or gravely disabled. As part of an ongoing effort to ensure the highest quality of services, the Behavioral Health Division engaged in a recent procurement process to identify a new CSU vendor. Crestwood Behavioral Health, Inc., (Crestwood) was selected to provide CSU services. The contract is effective June 1, 2018 through June 30, 2021 for a contract amount not to exceed \$13,139,264. The implementation will assure a smooth transition between vendors, and Crestwood will have the month of June to hire and train staff for expected launch of service delivery on July 1, 2018.

### **DISCUSSION:**

On September 27, 2016, H&SS' Behavioral Health Division completed the FY2016/17 Annual Update and MHSA Three-Year Integrated Program and Expenditure Plan for FY2017/20, following an extensive community planning process required by the Department of Healthcare Services (DHCS). The approved plan included provisions for a Crisis Stabilization Unit to provide crisis stabilization mental health services for consumers

experiencing acute psychiatric symptoms. Crisis stabilization services reduce the likelihood of suicide, homicide and other poor outcomes, and ensure that appropriate interventions occur within the community before more costly and restrictive placements in a psychiatric facility occur.

On July 1, 2011, the Department issued a request for proposal (RFP) for a Crisis Stabilization Unit. ANKA Behavioral Health, Inc. was selected and began operating the CSU in October 2012. With the MHSA 2014 Annual Update, the Department selected another vendor to provide CSU services. On August 5, 2014, the Board of Supervisors approved a contract with Exodus Recovery Services to operate the CSU. Since its inception in 2012, the CSU has significantly improved services to the acutely mentally ill, assisting emergency departments and jails by reducing the inappropriate housing of individuals experiencing a mental health crisis in a medical or jail setting while awaiting transfer to a 72-hour facility. Similarly, the operation of the CSU provides a centralized site for individual evaluations pursuant to State law and reduces the wait time formerly spent by law enforcement with clients in hospital emergency rooms.

With the MHSA Three-Year Integrated Program and Expenditure Plan for FY2017/20 allocated programs, the CSU services continued to be a high priority among stakeholders. Solano continues to strive to improve its CSU services, especially in the area of capacity and overall integration with the larger mental health system and the community. The CSU is also viewed as a critical service by our local hospitals and law enforcement agencies.

On March 13, 2018, the Department issued a request for proposal (RFP) for the provision of a Crisis Stabilization Unit (RFP# 9487-0312-18). The County received four proposals in response to the RFP. After a review panel evaluated the submitted proposals, Crestwood was chosen as the best among the proposed vendors and invited to enter into a contract for FY 2017/18 in a Notice of Intent to Award released on April 17, 2018.

The Department has chosen Crestwood because of their culturally relevant services, compassionate trauma-informed service model, therapeutic environment, and utilization of evidence-based practices by the Commission on Accreditation of Rehabilitation Facilities, as well as their 50 years of experience in providing quality psychiatric services in communities across California. Crestwood has a long history of providing long-term care and began providing crisis stabilization services in 2008 in Kern County, and opened its first Psychiatric Health Facility in Bakersfield in 2010. Crestwood has collaborated with communities to provide psychiatric crisis services to those requiring intensive treatment programs with a high level of safety and structure, as well as providing opportunities for clients living in the community requiring support and education to live independently. Crestwood worked with the County, community partners and community stakeholders for two years to create, develop and license the Crestwood Psychiatric Health Facility (PHF) in 2014, located in Vallejo. Since opening the doors to the PHF, Crestwood has served of 2,100 clients with a 97.4% reintegration rate into the community. With a commitment to recovery, Crestwood proposes to integrate the same wellness oriented model to the CSU and focus on client self-management, recovery and efforts to stabilize clients within the least restrictive setting.

Several outcomes are monitored in accordance with this service delivery, which include seclusion and restraint rates, average length of stay, rates of discharge to the community versus inpatient hospitals, and customer satisfaction.

#### **FINANCIAL IMPACT:**

The total cost of the 3 year agreement with Crestwood is \$13,139,264. The CSU is funded with MHSA Community Services and Support monies offset with Medi-Cal revenue generated. Funds for this contract are included in the FY18/19 Requested and Supplemental Budget. This item does not impact County General Fund.

**ALTERNATIVES:**

The Board may choose not to approve the contract with Crestwood. This is not recommended as it would severely limit the ability of the Department to provide emergent crisis stabilization services to Solano residents, and could result in increased psychiatric hospitalization rates. Community partners such as law enforcement, local hospital emergency departments, and others who have benefitted from the current crisis response system would also suffer negative clinical and fiscal effects.

**OTHER AGENCY INVOLVEMENT:**

Per the guidelines of the MHSA Community Planning process, multiple community-based organizations, and mental health service providers, consumers and their families, probation, law enforcement, school districts, family resource centers, hospitals and emergency departments, family members of consumers, and other stakeholders were involved in identifying the services needed to strengthen the mental health system of care as outlined in the MHSA Three-Year Integrated Program and Expenditure Plan for FY 2017/2020. Crisis stabilization services which were identified as a priority program are outlined in the -Community Supports and Services (CSS) component of the plan, County Counsel has reviewed the contract as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



**County of Solano  
Standard Contract**

*For County Use Only*  
CONTRACT NUMBER:  
03813-18  
(Dept., Division, FY, #)  
H&SS/MH  
BUDGET ACCOUNT:  
7739  
SUBJECT ACCOUNT:  
3153

1. This Contract is entered into between the County of Solano and the Contractor named below:

Crestwood Behavioral Health, Inc. a Delaware for profit corporation

CONTRACTOR'S NAME

2. The Term of this Contract is:

June 1, 2018 to June 30, 2021

3. The maximum amount of this Contract is:

\$13,139,265

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of this Contract:

Exhibit A – Scope of Work

Exhibit B – Budget Detail and Payment Provision

Exhibit C – General Terms and Conditions

Exhibit D – Special Terms and Conditions

This Contract is made on June 4, 2018.

CONTRACTOR	COUNTY OF SOLANO
Crestwood Behavioral Health, Inc. a Delaware for profit corporation	
CONTRACTOR'S NAME	Birgitta E. Corsello
	County Administrator
	TITLE
	275 Beck Avenue, MS 5-200
	ADDRESS
	Fairfield CA 94533
	CITY STATE ZIP CODE
	Approved as to Content:
	Gerald Huber 06/06/2018 12:09 PM EDT
	Gerald R. Huber, Director
	Health & Social Services Department
	Approved as to Form:
	Bernadette Curry 06/06/2018 01:16 PM EDT
	COUNTY COUNSEL
SIGNATURE	
Gary Zeyen, Controller	
PRINTED NAME AND TITLE	
520 Capitol Mall, Suite 800	
ADDRESS	
Sacramento CA 95814	
CITY STATE ZIP CODE	

Rev. 12/17/09

**CONTRACT MUST BE EXECUTED BEFORE WORK CAN COMMENCE**



## **EXHIBIT A**

### **SCOPE OF WORK**

#### **I. PROGRAM DESCRIPTION**

Contractor will provide 23-hour crisis stabilization unit (CSU) services for the County which will include the provision of psychiatric crisis services to Solano County residents who are acutely suicidal, homicidal, or gravely disabled. Services include psychiatric evaluation in person or via telepsychiatry by a qualified prescribing practitioner; the administration of medication; crisis stabilization support including facilitation of placement in inpatient settings and/or discharge to the community.

Crisis stabilization services are outlined in the Solano County Mental Health Services Act (MHSA) Integrated Three-Year Plan for Fiscal Year 2018/19.

#### **II. CONTRACTOR RESPONSIBILITIES**

##### **1. PROGRAM SPECIFIC ACTIVITIES**

- A. Contractor will operate a designated locked 23-hour Crisis Stabilization Unit (CSU) in compliance with all California licensing and regulatory requirements and standards, including California Code of Regulations, Title 9, Section 1840.348 for Crisis Stabilization Services in a space provided for that purpose by the County.
  - 1) Assume physical custody of consumers admitted to the CSU on Welfare and Institutions Code (WIC) § 5150 holds and ensure safe transfer of consumers referred by other custodians including but not limited to: County clinical staff, EMT's, emergency departments and peace officers.
    - a. Upon referral of a transfer from a local Hospital Emergency Department, the CSU Intake Coordinator or responsible party will provide response by telephone to the referring party within one hour of receiving the completed referral packet.
    - b. Contractor will comply with the provisions of WIC § 5150.2 such that whenever a peace officer has transported a person to a designated facility for assessment under Section 5150, that officer shall be detained no longer than the time necessary to complete documentation of the factual basis of the detention under Section 5150 and a safe and orderly transfer of physical custody of the person.
    - c. Contractor will document the transfer on the form provided for this purpose by Solano County Mental Health Quality Improvement.
  - 2) For consumers who voluntarily admit themselves to the CSU the Contractor will develop WIC § 5150 applications as appropriate for CSU consumers who are not able to be stabilized and safely discharged to the community or an appropriate lower level of care and will pursue appropriate inpatient psychiatric hospitalization for those consumers.
    - a. Consumers presenting voluntarily for admission must be screened with a valid risk screening tool, and if appropriate or requested, provided a comprehensive evaluation and offered stabilization services.
    - b. Contractor shall maintain a log of all consumers that voluntarily present at the CSU to include: documentation of purpose of visit; outcome of basic risk screening; and disposition.
    - c. Should this person leave before a WIC 5150 evaluation is complete, nursing staff will determine and document that said person left against medical

advice and determine if further emergent response is needed or other engagement strategies initiated.

- 3) County recognizes that the CSU is primarily a mental health treatment facility and not a medical clinic. Nevertheless, Contractor will make every reasonable effort to ensure that consumers are not transported to emergency rooms for routine medical clearance not required by a 72-hour Lantermann-Petris Short (LPS) designated psychiatric hospital or care unless it is acutely necessary and consumers cannot be safely screened and treated at the CSU without medical intervention beyond the scope of its licensed medical professionals.
- 4) In the following situations an individual may be diverted from the CSU:
  - a. Has an acute medical condition that requires immediate attention and amelioration at a Hospital Emergency Department before psychiatric stabilization can be safely undertaken.
  - b. Is intoxicated because of ingested alcohol or other drugs (AOD), to a degree that renders the consumer unable to participate meaningfully in the process of psychiatric stabilization and whose physical health requires examination in a Hospital Emergency Department.
  - c. Is assaultive and cannot be safely managed in the CSU.
  - d. Perceived psychiatric distress is clearly not attributable to a condition that would be amenable to intervention in a mental health CSU and who does not meet medical necessity criteria for CSU intervention.
- 5) For each consumer admitted to the CSU, Contractor will at a minimum do the following:
  - a. Look up the individual's insurance to determine coverage.
  - b. Look the individual up in the County's electronic health record (EHR) Avatar system to determine if the individual is open to the MHP.
  - c. If the individual is open to the system and open to a County provider, Contractor will print out a Report 117I MH Client Facesheet.
  - d. If the individual is open to the system and open to a County provider, Contractor will review/print out Report 157I Allergies & Medication to view current medication list.
  - e. If the individual is open to the system and open to a County provider, Contractor will review/print out Report 146 Progress Notes to review recent progress notes written by the case manager and/or treating physician.
- 6) Perform a basic psychosocial assessment, including assessment of symptoms related to co-occurring mental health and substance abuse disorders to include:
  - a. Demographic data
  - b. Psychiatric history
  - c. Trauma assessment
  - d. Lethality risk
  - e. Vocational status/history
  - f. Chemical dependency
  - g. Legal issues
  - h. Physical Health Questionnaire
  - i. Medication Usage Questionnaire
  - j. Recreational/Leisure Assessment
  - k. Patient Satisfaction Form
  - l. Spiritual Inquiry
- 7) Confer and consult with community partners including but not limited to law enforcement, emergency departments, County and Contractor mental health providers, outside crisis or suicide hotlines/warm lines, as well as concerned family

members or other community members upon their request about the appropriateness of writing WIC § 5150 holds or appropriate management strategies for consumers.

- 8) Provide mental health services that are person-centered, safe, effective, timely and equitable; supported by friends and the community; promote wellness and recovery; and fully incorporate shared decision-making among consumers, family members and providers with proper consumer consent. Contractor will provide the following services, but not limited to:
  - a. Welcome and Comfort Rooms
  - b. Group intervention strategies, as appropriate
  - c. Deploy a trauma-informed approach
  - d. Peer mentoring and counseling
  - e. Spiritual Support
  - f. Yoga, medication, and relaxation education and support, and
  - g. Wellness counseling
- 9) From a Quality Improvement perspective, review all WIC § 5150 holds periodically as appropriate for all consumers on the unit who are detained on holds and are awaiting placement in a designated 72-hour accepting psychiatric facility, whether placed by Contractor's employees or community partners who may legally write WIC § 5150 holds.
- 10) Contractor staff who will evaluate, write, or release a WIC § 5150 hold at the CSU must be certified by Solano County. Holds may only be dropped by 'Designated' Contractor personnel with appropriate licensure and qualifications in accordance with the contractor and Solano County Policy and supported by a clinical evaluation.
- 11) Employ evidence-based crisis intervention and acute stabilization strategies.
  - a. Dialectical Behavioral Therapy (DBT)
  - b. Wellness and Recovery Action Plans
  - c. Dual recovery models
- 12) Provide robust pharmacological, psychological and behavioral management of emotional disturbance, psychosis and acute states of danger to self or others in the CSU.
- 13) When medically indicated, employ psychotropic medications, including parenteral medications, with the consent of the patient, guardian or conservator, or in such cases as may constitute a psychiatric emergency when consent cannot be reasonably given and withholding medication would place such a patient in danger of great harm to self or others.
  - a. An eligible prescribing provider will be available either in-person or via telepsychiatry to evaluate consumers who have been placed on a 5150 hold, 7 days per week 10 hours per day.
  - b. Contractor shall make every reasonable attempt not to change medications prescribed by patient's psychiatrist or primary care physician (if psychotropic medication has been prescribed) without first consulting with patient's care provider/s. Any changes should also be reflected in Avatar for the treating provider to review at a later time.
  - c. Contractor shall restrict medications to those listed in the Partnership Health Plan Formulary except under unusual circumstances when County designee may assist.
- 14) Initiate family and natural support resource mobilization upon consumer consent.
- 15) Screen consumers for Full Service Partnership (FSP) status.
  - a. Consumers who are enrolled in FSP programs who are in need of emergent or urgent care during non-work hours shall be evaluated and triaged with immediate notification of their FSP Primary Service Coordinator/Case

- Manager within the first three hours of the individual's stay. Such notification may consist in a phone call, an encrypted email, or fax.
- b. Train and instruct Contractor staff in use of Crisis Management Plans for all FSP consumers, and shall check, upon admission of an FSP client, whether a given individual has such a plan on file, and to the extent possible, follow the plan.
- 16) Consumers who are enrolled in the Mental Health Plan (MHP) who are in need of emergent or urgent care shall be evaluated and treated with immediate notification to the Primary Service Coordinator/Case Manager/Program within the first three hours of the individual's stay. Such notification may consist in a phone call, an encrypted email, or fax.
- a. In the event that the consumer's MHP Case Manager placed consumer on the WIC § 5150, Contractor will communicate with the MHP Case Manager to collaboratively develop an appropriate discharge plan.
- 17) Contractor shall ensure that minors, 17 years or younger, are not in physical contact with adult consumers on the CSU at any time. Contractor will design staffing and facilities to achieve maximum flexibility in age, gender and acuity mix of consumers admitted to the CSU and shall not establish an arbitrary number of admissions dedicated to consumers of any specific age category, gender or level of acuity. To further assist children/youth in feeling comfortable and safe on the unit Contractor will:
- a. Use developmentally appropriate styles of communication and methods of interacting including non-threatening activities such as use of apps, video games, books, games, etc.
  - b. Include parents and caregivers in the treatment and planning for the minor.
- 18) If a consumer can be treated outside of an inpatient setting, the lowest level of care appropriate should be utilized. The Contractor should refer to the Crisis Residential Treatment program when clinically appropriate in order to divert from inpatient psychiatric hospitalization and/or the Crisis Aftercare program, Overnight Peer Respite program, or any other appropriate service approved by the County.
- 19) Verify the consumer's insurance and county of responsibility, ensuring that the Contractor only authorizes inpatient psychiatric treatment for consumers who are the responsibility of Solano County.
- a. If a consumer has private insurance, Contractor will make and document all efforts to contact consumer's insurance for authorization for payment and/or placement.
  - b. If consumer's county of responsibility is not Solano County, Contractor will make and document all efforts to contact the consumer's county of responsibility for authorization for payment and/or assistance with accessing inpatient placement.
  - c. Authorization for payment is indicated by signature on the RIPH. Solano County payment for authorization is not allowable for consumers who have private insurance or Medi-Cal from another County. Any exception must be expressly approved by the County program designee.
  - d. Consumers with Medicare or Solano County Medi-Cal should be hospitalized at a facility that aligns with the payor source.
  - e. Contractor will make all attempts to reduced unnecessary utilization of non-Medi-Cal beds for Medi-Cal eligible consumers.
- 20) For Solano Medi-Cal beneficiaries, seek beds first in the Crestwood Psychiatric Health Facility (PHF), then in any other available Medi-Cal eligible psychiatric hospitals approved by County for consumers subject to WIC § 5150 holds. In the

event a Medi-Cal eligible placement is not available, Contractor may locate an alternative facility. Placement in such a non-Medi-Cal facility shall be the financial responsibility of the County; however excessive placement in psychiatric inpatient units without Medi-Cal reimbursement could require a corrective action plan if it is demonstrated that such placement was unnecessary due to the availability of other Medi-Cal reimbursable options at the time. Contracted facilities are preferred for County-responsible admissions.

- a. For consumers with Medicare insurance, verify the number of bed days available, and make efforts to place in Medicare approved facilities, which does not currently include the Crestwood PHF or CBH Deer Park.
  - b. Contractor will not place privately insured consumers in the Crestwood PHF unless an expressed exception is provided by County designee.
  - c. Contractor will use the County's "Decision Tree" process and will include a completed decision tree form in each placement packet.
  - d. Contractor shall assure that hospitalization rates of consumers held pursuant to WIC § 5150 is appropriate through Contractor's internal concurrent review processes.
  - e. Contractor will participate in retrospective reviews by County to assure that each hospitalization is medically necessary and could not be averted, that placement in Medi-Cal reimbursable beds is optimal, and that overstays are nonetheless avoided except when absolutely necessary.
- 21) Contractor will arrange for appropriate transportation for consumers to receiving LPS designated psychiatric facilities and will coordinate with receiving hospitals to facilitate safe transfer.
  - 22) Contractor shall provide the County Hospital Liaison Unit copies of placement packets for each individual placed in an inpatient facility before the end of the shift, but no more than 12 hours of placement.
  - 23) Engage in effective discharge planning as demonstrated by providing linkage, referral and consultation with resources outside of the CSU including the County's internally operated mental health programs, contracted mental health programs, County substance abuse, law enforcement, emergency departments, community-based organizations and spiritual leaders, among others.
  - 24) Facilitate access to consumers by Solano County's Patient's Rights Advocates and vice versa.
- B. Contractor will staff and operate the CSU in compliance with all California licensing and regulatory requirements and standards, including California Code of Regulations, title 9, section 1840.348 for crisis stabilization services.
- 1) Pre-qualify its personnel by appropriate health, substance use, security and background screens, including driving record, and will provide results to County's Health & Social Services Administration or Special Investigations Branch (SIB) upon request. All employees must meet County standards for Live Scan and other appropriate background clearance and will receive County ID badges that must be worn at all times while on County premises or conducting Contractor's business while representing County. This paragraph should not be construed to alter in any way the independent contractor relationship established in Section 11 of Exhibit C to this Contract.
  - 2) Develop recruitment and retention initiatives to provide program staffing that is reflective of and responsive to the cultural and linguistic needs of the CSU and target population, and to ensure that staffing remains appropriate at all census levels.
  - 3) Contractor will train and certify all CSU staff in the following areas:

- a. First aid and CPR at the Medical Providers level of the American Heart Association or equivalent, including instruction in the use of the Automated External Defibrillator (AED).
  - b. Customer service related training and training specific to working with mental health consumers.
  - c. Emergency and disaster planning and response.
  - d. Mandated reporting requirements.
  - e. Legal and ethical issues relevant to treatment in the CSU.
  - f. Mental health crisis assessment and treatment.
  - g. Compliance training related to documentation, claiming, and billing practices.
  - h. Management of Assaultive Behavior/de-escalation training.
- C. Contractor will designate a Program Administrator during normal County business hours and an Administrator on call 24/7/365 who shall respond to pages by designated County staff and CSU program staff within 15 minutes by telephone or in person to consult concerning urgent problems and their resolution.
- D. Notify the County designated CSU liaison when consumers have exceeded 24 hours (“overstay”) on the unit due to delays in obtaining inpatient admission. Contractor staff should document in detail the efforts to place in an appropriate facility and the barriers to placement.
- E. Notify the County designated CSU liaison or other administration staff immediately if CSU goes on “diversion” due to excessive census and it is necessary to turn away consumers. Before turning away any consumers who present at the CSU site during a diversion period, the CSU conduct reasonable risk assessment. If a consumer is at high risk of suicide or homicide, instruct police or other persons accompanying the individual that they must report to nearest E.D.; document risk assessment and disposition, and notify County designated CSU liaison or administration immediately by email. Written documentation must include alternative disposition and presence or absence and level of suicidality/homicidality. If imminent risk is identified, Contractor will ensure that consumer is placed on a 5150 and transported safely to nearest emergency room.
- F. Identify high users and collaborate with the County in developing consumer-specific treatment approaches.
- G. Participate in the County’s LPS monthly meeting and other such meetings as County may designate, providing such data or information as may be requested.
- H. Contractor shall ensure that the County “CSU Consumer Satisfaction Evaluation” forms are available on the unit—posted in an area that is accessible and that consumers are freely able to complete the evaluations anonymously.
  - 1) The County will provide the evaluation tool and the evaluation receptacle.
- I. Contractor shall ensure the safety of consumers, family members, visitors and staff at the CSU.
  - 1) Use of a no-restraint room and wellness tools to address the needs of consumers who are agitated or experiencing a trauma.
  - 2) Utilize every resource to assist the consumer in self- management.
  - 3) Notify the client’s support system, conservator or case manager for support and assistance in determinate the most effective intervention.
  - 4) Use medication as appropriate to address agitation.
  - 5) Maintain appropriate records demonstrating accordance with Contractor policy for all use of seclusion and restraint.
  - 6) Provide unarmed security 24/7 to assist Contractor in maintaining safety and good order at the CSU.

- 7) Implement a protocol for security screening and control of persons and belongings upon admission to the CSU including strategies for safeguarding personal property, vector control and transferring contraband to law enforcement.
- 8) If the census or acuity of the admitted population warrants, additional staff may be required, beyond the minimum ratios in order to provide appropriate care.
- J. Maintain a clinical record within the County's Avatar system in accordance with all applicable County, State and Federal regulations. Records shall clearly document medical necessity for treatment. Any records shall be maintained in a form that anticipates transfer to the County's Netsmart Avatar Electronic Health Record (EHR) System and Order Connect for e-prescribing. Upon implementation of the forms specific to Contractor needs, Contractor will utilize the County's EHR system for the majority of the charting to include at a minimum:
  - 1) Client look up and admission process
  - 2) Chart review of existing medical record
  - 3) Timely completion of progress notes summarizing their needs and services
  - 4) Biopsychosocial Assessment or Inter-Disciplinary Assessment
  - 5) Physician evaluation
  - 6) Order Connect for e-prescribing and logging medication changes
- K. Serve as Solano County's Access Line after- hours (after 5pm to 8:30am) telephone service on weekdays, weekends, and County holidays and when initial requests for services are made directly to the CSU. The County is developing an Avatar screen that when complete will represent appropriate documentation of the telephone call. Telephone access duties shall include the following:
  - 1) Conducting brief evaluation of consumers' needs.
    - a. Triage cases and assigning an initial routine or emergent status.
  - 2) For all requests for service, provide an explanation of how to access specialty mental health services, including how to obtain an initial intake assessment to determine medical necessity for ongoing behavioral health care.
  - 3) Provide information regarding the Solano County Problem Resolution Process as needed.
  - 4) Utilize translation services when bilingual triage staff are unavailable to ensure that linguistic needs of callers are met.
  - 5) Complete referral forms for all calls received on the Access line and faxing forms to Solano County Access unit for follow up and date entry.
  - 6) Log all after-hour Access calls per Solano County Quality Improvement requirements.
  - 7) The Contractor is responsible to ensure that all new Contractor employees are trained on the after-hour call protocol and may request additional training and support from the County Access Unit Supervisor or designee.

## **2. GENERAL ACTIVITIES**

- A. Ensure that service is individualized and based upon the need of each consumer and in accordance with the County MHP level of care system.
- B. Make coordination of service care an integral part of service delivery which includes providing education and support to consumers/family members as well as consulting with community partners including but not limited to: other mental health providers, physical care providers, schools (if appropriate), etc.
- C. Maintain documentation/charting according to industry standards. For all consumers entered into the Solano County MHP electronic health record Contractor shall adhere to documentation standards set forth by the MHP in accordance with Solano Behavioral Health trainings, practices and documentation manual.

- D. Ensure that direct clinical services are provided by a multi-disciplinary team including licensed physicians, nursing staff, licensed psychiatric technicians, registered/ waived clinicians, trained support counselors, and peer/family support specialists.
  - 1) Assessment activities that include assigning a diagnosis can only be provided by licensed or license eligible staff. RN staff may be eligible to assign a diagnosis in provided they meet the following criteria: have had psychiatric training, or have 2 years in the field of MH
  - 2) If Contractor employs staff with less education than a BA in a mental health or social work field, and less experience than 2 years in a mental health related field, the Contractor will provide and document training around any service activity for which the staff will be providing.
- E. Contractor shall supervise unlicensed staff in accordance with Medi-Cal and the applicable California State Board guidelines and regulations.
- F. Utilize clinical outcome measures and level of care assignment tools prescribed by the County. Such measures and tools will remain in effect until County officially notifies Contractor of a change in practice. Contractor will work with County Contract Manager and MHP Quality Improvement when implementing additional measures.
- G. Offer hours of operation during which services are provided to Medi-Cal mental health consumers that are no less than the hours of operation offered to commercial insurance mental health consumers, or comparable to Medicaid fee-for-service if Contractor serves only Medi-Cal mental health consumers.
- H. Provide information (including brochures, postings in lobby, afterhours voicemail message, etc.) that communicates how mental health consumers can access 24/7 services (e.g. crisis stabilization unit phone number and the after-hours phone lines for full services partnerships) when medically necessary.
- I. Participate in County Mental Health Services Act (MHSA) planning activities as requested to include the MHSA Partner meeting, stakeholder planning meetings, etc.
- J. Include in all media related to the scope of work of program funded activities by this Contract and provided to the public, a reference to the Solano County Board of Supervisors, Health and Social Services and the Mental Health Services Act as the sponsors and funding source. When logos are used on Contractor's material, Contractor will include a copy of the County seal as well as the MHSA logo.
- K. Be responsible for the day-to-day janitorial needs of the CSU.
- L. Notify County of any major facility maintenance needs of the CSU, Major maintenance is defined as any repair anticipated to cost more than \$1,000.

### **3. PERFORMANCE MEASURES**

- A. Contractor will provide linkage/referral services to at least 90% of consumers being discharged from the CSU to the community as documented in the chart.
- B. At least 70% of the consumers who complete the CSU Satisfaction Evaluation will report overall satisfaction with the services received as evidenced by endorsing "Agree" on question #6 on the evaluation.
- C. Contractor will make efforts to ensure that appropriate inpatient facilities are used for consumers requiring hospitalization as evidenced by at least 95% of the placement packets including a completed "Solano County Decision Tree" form.
- D. For after-hours access calls, at least 90% of the test calls made will pass the threshold of meeting the DHCS criteria of:
  - 1) Utilize translation services to ensure that linguistic needs of callers are met.
  - 2) Conducting brief evaluation of consumers' needs; triaging cases and assigning an initial routine or emergent status.



- 3) For all requests for service, provide an explanation of how to access specialty mental health services, including how to obtain an initial intake assessment to determine medical necessity for ongoing behavioral health care.
- 4) Provide information regarding the Solano County Problem Resolution Process as needed.

#### **4. REPORTING REQUIREMENTS**

- A. Collect, compile and submit monthly MHSA agreed upon contract deliverables and consumer demographic data by the 15<sup>th</sup> of each month unless granted an extension by the County Contract Manager or designee.
  - 1) Submit the monthly Service Delivery Reporting Form which includes:
    - a. Number of unduplicated consumers served.
    - b. Number of services provided per specific program activities: acute crisis services, urgent medication clinic and telepsychiatry.
    - c. Unduplicated count of consumers served in each program activity acute crisis services, urgent medication clinic and telepsychiatry.
  - 2) Submit the monthly Demographic Report Form to include demographic categories determined by MHSA regulations which include:
    - a. Age group
    - b. Race
    - c. Ethnicity
    - d. Primary Languages
    - e. Sexual orientation
    - f. Gender assigned sex at birth
    - g. Current gender identity
    - h. Disability status
    - i. Veteran status
- A. Prepare a biannual and annual evaluation of program activities, submitted by January 15<sup>th</sup> and July 15<sup>th</sup> of each contract year including aggregated data and narrative reports on program deliverables. The following information should be included:
  - 1) Compilation of all biannual/annual data.
  - 2) Narrative of collaborative aspects of the program, if applicable.
  - 3) Agreed upon client outcomes and benchmarks for success.
  - 4) Any challenges or barriers to the provision of services.

#### **5. CONTRACT MONITORING MEETINGS**

- A. Contractor's designee will meet regularly with the County designated CSU Program Liaison to review specific consumer cases, monitor CSU census, review process for placing consumers in inpatient settings, address barriers or challenges.
- B. Meet with County Contract Manager and/or designee on at least a quarterly basis, or more frequently as needed, to assess program demographic and outcome data, discuss challenges, barriers, and successes, assess fiscal status, and identify recommendations for program.

#### **6. PATIENT RIGHTS**

- A. Patient rights shall be observed by Contractor as provided in Welfare and Institutions Code section 5325 and Title 9 of the California Code of Regulations, HITECH, and any other applicable statutes and regulations. County's Patients' Rights advocate will be given access to consumers, and facility personnel to monitor Contractor's compliance with said statutes and regulation.
- B. Freedom of Choice: County shall inform consumers receiving mental health services, including patients or guardians of children/adolescents, verbally or in writing that:

- 1) Acceptance and participation in the mental health system is voluntary and shall not be considered a prerequisite for access to other community services.
  - 2) They retain the right to access other Medi-Cal or Short-Doyle/Medi-Cal reimbursable services and have the right to request a change of provider, staff persons, therapist and/or case manager.
- C. Contractor shall adopt and post in a conspicuous place a written policy on patient rights in accordance with California Code of Regulations, title 22, section 70707, California Welfare and Institutions Code section 5325.1 and 42 Code of Federal Regulations.

## **7. CULTURAL COMPETENCE**

Contractor shall ensure the delivery of culturally and linguistically appropriate services to consumers by adhering to the following:

- A. Contractor shall provide services pursuant to this agreement in accordance with current State Statutory, regulatory and Policy provisions related to cultural and linguistic competence as defined in California State Department of Mental Health (DMH) Information Notice No: 97-14, "Addendum for Implementation Plan for Phase II Consolidation of Medi-Cal Specialty Mental Health Services-Cultural Competence Plan Requirements," and the Solano County Mental Health Plan Cultural Competence Policy. Specific statutory, regulatory and policy provisions are referenced in Attachment A of DMH Information Notice No: 97-14, which is incorporated by this reference.
- B. Agencies which provide mental health services to Medi-Cal beneficiaries under Contract with Solano County are required to participate as requested in the development and implementation of specific Solano County Cultural Competence Plan provisions including, but not limited to:
  - 1) Develop and assure compliance with administrative and human resource policy and procedural requirements to support the hiring and retention of a diverse workforce.
  - 2) Provide culturally sensitive service provision including assurance of language access through availability of bilingual staff or interpreters and culturally appropriate evaluation, diagnosis, treatment and referral services.
- C. Provision of Services in Preferred Language:
  - 1) Contractor shall provide services in the preferred language of the consumer and/or family member with the intent to provide linguistically appropriate mental health services per ACA 1557 45 CFR 92, nondiscrimination in healthcare programs. This may include American Sign Language (ASL). This can be accomplished by a bilingual clinician or the assistance of an interpreter. The interpreter may not be a family member unless the consumer or family expressly refuses the interpreter provided.
  - 2) Contractor shall ensure that all staff members are trained on how to access interpreter services.
  - 3) Contractor will provide informational materials as required by Section 9.D below, legal forms and clinical documents that the consumer or family member may review and/or sign shall be provided in the consumer/family member's preferred language whenever possible.
  - 4) Contractor shall at a minimum provide translation of written informing materials and treatment plans in the County's threshold language of Spanish for Spanish-preferred consumers and/or family members.
- D. Cultural Competence Training:
  - 1) Contractor shall ensure that all staff members including direct service providers, office support, and leadership complete at least one training in cultural competency per year.

- a. On a monthly basis, Contractor will provide County Quality Improvement with an updated list of all staff and indicate the most recent date of completing Solano MHP approved Cultural Competence Training. Evidence, including sign in sheets, training syllabi, certificates of completion, and tracking sheets based on organizational charts, of Contractor staff receiving Cultural Competence training, should also be provided to County Quality Improvement at that time.
- 2) Contractor shall ensure that interpretation services utilized for communications or treatment purposes are provided by interpreters who receive regular cultural competence and linguistic appropriate training. Training specifically in terms often used in the mental health field is recommended.
- E. Participate in County and agency sponsored training programs to improve the quality of services to the diverse population in Solano County.

## **8. QUALITY IMPROVEMENT ACTIVITIES**

### **A. Medi-Cal Certification:**

- 1) If the Contractor has Medi-Cal claiming programs, then Contractor will meet and maintain standards outlined on the most up-to-date DHCS Certification Protocols, as well as any standards added by the County through the most recent Behavioral Health Division policy.
- 2) Contractor shall inform County of any changes in Contractor status, including changes to ownership, site location, organizational and/or corporate structure, program scope and/or services provided, Clinical Head of Service.
  - a. Contractor will communicate any such changes within 60 days to County Quality Improvement, utilizing the most up-to-date version of the *Solano County Behavioral Health Division Medi-Cal Certification Update Form*.
- 3) Per DHCS requirements, Contractor shall establish hours of operation to serve Medi-Cal consumers that are the same as those hours for serving non-Medi-Cal consumers.

### **B. Staff Credentialing:**

- 1) All Contractor staff providing services that are entered into the County billing and information system must have their names and other required information communicated to County Quality Improvement using County Staff Master form.
- 2) Contractor will provide County MHP Quality Improvement with a monthly updated list of Contractor staff by the date provided by MHP Quality Improvement.
- 3) Contractor will notify County Quality Improvement when a staff provider will be terminating and will demonstrate a good faith effort to notify in writing all consumers who were actively receiving services of the termination within 15 calendar days of receiving the termination notice from the staff.

### **C. Informing Materials:**

- 1) Informing materials include Solano County MHP Guide to Mental Health Services, Provider Directory, Problem Resolution forms, notices of service denial or termination.
- 2) Contractor shall ensure that informing materials are printable and given to those requesting services within 5 business days.
- 3) Contractor shall ensure that Informing Materials are made available in County threshold language of Spanish, and alternative formats. (audio and large font)
- 4) Contractor shall provide written taglines communicating the availability of written translations or oral interpretation in specific other languages.
  - a. A hard-copy page of taglines in all prevalent non-English languages in the State of California, as provided by County MHP Quality Improvement, must be attached to all written materials provided to those requesting services.

- b. Page of taglines must also be available in large print (font no smaller than 18 pt) for those with visual impairments.
- D. Contractor shall maintain medical records in such a manner that all required documentation for every consumer is stored in the secure Medical Record. Additionally, documentation will be completed with an emphasis on both timeliness and clinical accuracy, in order to establish medical necessity for all specialty mental health services provided by the Contractor, as outlined in Solano County Behavioral Health Quality Improvement documentation trainings and manual.
- E. Problem Resolution:
  - 1) Contractor shall adopt and implement the County Health and Social Services Department, Behavioral Health Division's Problem Resolution process.
    - a. The County Problem Resolution process includes Grievance, Appeal, and Expedited Appeals, as stipulated in County policy *ADM141 Beneficiary Problem Resolution Process – Grievances*, *ADM136 Beneficiary Problem Resolution Process—Mental Health Services Act Issues*, *ADM142 Beneficiary Problem Resolution Process – Appeals*, *ADM143 Beneficiary Problem Resolution Process – Expedited Appeals*, *ADM132 Request to Change Service Provider*, and *AAA210 Beneficiary Right of a Second Opinion*.
  - 2) Contractor duties regarding Problem Resolution include, but are not limited to, the following:
    - a. Contractor shall post County notices and make available County forms and other materials informing consumers of their right to file a grievance and appeal. Required materials include the following brochures: “Beneficiary Rights & Problem Resolution Guide”, “Appeal Form”, “Compliment/Suggestion Form”, “Grievance Form”, “Mental Health Service Act Issues Form”, and the “Request to Change Service Provider”. Contractor shall aid consumers in filing a grievance when requested and shall not retaliate in any manner against anyone who files a grievance.
    - b. Contractor shall forward all Problem Resolution Process brochures written and completed by or on behalf of a consumer of the MHP to County Quality Improvement, immediately but no later than 24 hours from receipt, whether or not Contractor has resolved the problem.
    - c. Contractor shall provide “reasonable assistance” to consumers completing problem resolution forms, such as providing interpreting services and free access to TTY/TTD services.
    - d. Contractor shall communicate and collaborate directly with the County Quality Improvement Problem Resolution Coordinator to provide any additional information needed regarding any follow up actions to investigate/resolve the problem identified through the problem resolution process.
- F. Serious Incident Reports (SIRs):
  - 1) Contractor will communicate the occurrence of serious incidents to the County by completing an official County Serious Incident Report form following the process outlined in County policy *ADM-1.10 Serious Incident Reporting*, including but not limited to the following:
    - a. Contractor shall verbally notify County Quality Improvement immediately but no later than 4 hours after a serious incident.
    - b. Contractor shall fax the written SIR to County Quality Improvement within 24 hours of the incident or sooner.

- c. Contractor shall communicate directly with the County Quality Improvement designee to provide any additional information needed regarding the reported incident.
  - d. Contractor and County Behavioral Health Administration/Quality Improvement shall discuss and develop recommendations to achieve more desired outcomes in the future.
  - e. Data breaches or security incidents are required to be reported to both County Quality Improvement and COUNTYHSS Compliance Unit concurrently immediately upon discovery and no later than 24 hours.
- G. Contractor Quality Improvement Process:
  - 1) Contractor will establish and maintain an internal agency quality improvement and quality assurance process, including but not limited to the following:
    - a. Internal Quality Improvement Work Plan – The plan will set goals around Access, Timeliness, Quality and Outcomes for the Contractor and will be evaluated at least annually. A new plan will be created annually and a copy submitted to County Quality Improvement by July 30<sup>th</sup> of each Fiscal Year for the current Fiscal Year. Contractor will submit a revised plan if County determines the plan to be inadequate.
    - b. Internal review of Crisis Evaluations – Contractor will internally review at least 25% of all Evaluations. A quarterly report will be sent to County Quality Improvement.
    - c. Internal review of provider progress notes – Contractor will internally review at least 10% of every provider's progress notes. A quarterly report will be sent to County Quality Improvement.
    - d. Monitoring safety and effectiveness of medication practices – If Contractor provides medication services, Contractor will establish official policy for monitoring medication practices, including operating a Medication Prescriber peer review process. Contractor policy will specifically address procedures Contractor utilizes to monitor prescribing to children and youth.
- H. Quality Improvement Committee:
  - 1) Contractor will provide a representative to participate in County quarterly Quality Improvement Committees.
  - 2) If Contractor's place of business is not located within Solano County boundaries, Contractor's representative may request to participate remotely via conference call and/or web-based interface.
- I. Annual County review of Contractor service delivery site and chart audit:
  - 1) County will engage in a site and chart review annually, consistent with practices outlined in the most up-to-date version of the *County Mental Health Utilization Review Handbook*.
  - 2) Contractor will provide all requested medical records and an adequate, private space in which for County staff to conduct the site review and chart audit.
  - 3) If Contractor operates a fee-for-service program and the chart audit results in service disallowances, County will subtract the audit disallowance dollars from a future vendor claim, once County audit report is finalized.
  - 4) County, State or Federal Officials have the right to audit for 10 years from any previous audit, therefore Contractor will retain records for 10 years from the completion of any audit.
- J. Compliance Investigations:
  - 1) At any time during normal business hours and as often as the County may deem necessary, Contractor shall make available to County, State or Federal officials for examination all of its records with respect to all matters covered by this Agreement.

Additionally, Contractor will permit County, State or Federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding consumers receiving services, and other data relating to all matters covered by this Agreement.

K. Service Verification:

- 1) Contractor will submit an executed copy of Contractor Service Verification Policy once created, and will provide revised policy any time policy is revised/updated.
- 2) Contractor policy will contain measures as strict or stricter than the current County policy *QI620 Service Verification Requirements*.
- 3) Contractor will provide evidence of following policy to Quality Improvement Service Verification Coordinator at intervals during the fiscal year as stipulated by County policy *QI620*.

L. Conflict of Interest – Expanded Behavioral Health Contract Requirements:

- 1) Contractor will abide by the requirements outlined in County policy *ADM146 Disclosure of Ownership, Control and Relationship Information of Contracted Agencies*, including but not limited to the following:
  - a. Contractor will disclose the name of any person who holds an interest of 5% or more of any mortgage, deed of trust, note or other obligation secured by the Contractor to the County.
  - b. Contractor will ensure all service providers receive a background check as a condition of employment as stringent as the County background policy requirements.
  - c. Contractor will require any providers or any other person within the agency with at least a 5% ownership interest to submit a set of fingerprints for a background check.
  - d. Contractor will terminate involvement with any person with a 5% ownership interest in the Contractor who has been convicted of a crime related to Medicare, Medicaid, or CFR title XXI within the last 10 years.

M. Contractor will ensure that all Contractor staff, including administrative, provider, and management staff, receive formal Compliance training on an annual basis.

- 1) Contractor will provide evidence, including sign in sheets, training syllabi, certificates of completion, and tracking sheets based on organizational charts, of Contractor staff receiving compliance training to County Quality Improvement annually by July 15<sup>th</sup> each Fiscal Year for the training the year prior.

N. Performance Data (1915b Waiver Special Terms and Conditions):

- 1) Contractor will provide County with any data required for meeting 1915b Waiver Special Terms and Conditions requirements communicated by California DHCS, within the timeline required by DHCS.

O. Utilization Management:

- 1) Contractor will work with the County Contract Manager to monitor the following Contractor efforts:
  - a. Expected capacity to serve Medi-Cal Eligible consumers
  - b. Expected service utilization
  - c. Number and types of providers needed in terms of training, experience and specialization
  - d. Geographical location to consumers in terms of distance, travel time, means of transportation typically used by consumers, and physical access for disabled consumers
  - e. Contractor ability to communicate with limited English proficient consumers in their preferred language

- f. Contractor's ability to ensure: physical access, reasonable accommodations, culturally competent communications, accessible equipment for consumers with physical or mental disabilities
    - g. Available triage lines or screening systems
    - h. Use of telemedicine or other technological solutions, if applicable
  - 2) Additional areas of monitoring include:
    - a. Blocked billing due to missing treatment plans or MH diagnosis that results in lost revenue

**9. CONFIDENTIALITY OF MENTAL HEALTH RECORDS**

- A. Contractor warrants that Contractor is knowledgeable of Welfare and Institutions Code section 5328 respecting confidentiality of records. County and Contractor shall maintain the confidentiality of any information regarding consumers (or their families) receiving Contractor's services. Contractor may obtain such information from application forms, interviews, tests or reports from public agencies, counselors or any other source. Without the consumer's written permission, Contractor shall divulge such information only as necessary for purposes related to the performance or evaluation of services provided pursuant to this Contract, and then only to those persons having responsibilities under this Contract, including those furnishing services under Contractor through subcontracts.
- B. Contractor and staff will be responsible for only accessing consumer data from the County's electronic health record for consumers for which they have open episodes of care and for which individual staff has a specific business purpose for accessing. All attempts to access consumer data that do not meet those requirements will be considered data breaches and Contractor is responsible for reporting such breaches to County Quality Improvement and HSS Department Compliance unit immediately or within 4 hours of discovery.
- C. In the event of a breach or security incident by Contractor or Contractor's staff, any damages or expenses incurred shall be at Contractor's sole expense.

**III. COUNTY RESPONSIBILITIES**

County will:

- 1. Provide Contractor appropriate space sufficient for Contractor to carry out its duties and meet its obligations under this Contract at 2101 Courage Drive, Fairfield, CA, 94533.
- 2. If there is damage to the building the County designee will submit requests to have General Services repair the damage. If there is a safety issue due to the damage reported every effort will be made to have the repair completed same day.
- 3. Identify a County designated CSU Program Liaison, as well as back-up designees, to work closely with CSU leadership and staff.
- 4. Train and designate an appropriate number of Contractor's clinical staff to write and review WIC § 5150 holds and monitor the P&P's for placing and reviewing.
- 5. Provide technical assistance in the form of phone consultations, site visits and meetings to address challenges in implementation and performance of the Contract.
- 6. Provide training and technical assistance on the use of the Netsmart Avatar electronic health record system.
- 7. Develop reporting forms not otherwise detailed in this Contract in coordination with Contractor.
- 8. Schedule and monitor monthly test calls to assure that the Contractor is in compliance with the after-hours Access Line call requirements. Test call results will be shared with the Contractor in order to highlight both good and poor performance, identifying any training or supervision issues.
- 9. Collect consumer satisfaction evaluations and compile/report out results to Contractor.
- 10. Provide feedback on performance measures objectives in a timely manner to seek a proactive solution.

11. Provide feedback on fiscal performance and process budget modifications and contract amendments as appropriate.
12. Provide a washer and dryer in the CSU.
13. Provide the CSU facility in a broom-clean condition prior to Contractor beginning operations.
  - A. Be responsible for all major maintenance repairs to the facility.



**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. METHOD OF PAYMENT**

- A. Upon submission of an invoice and a Solano County vendor claim by Contractor, and upon approval by County, County shall, in accordance with the "Contract Budget" attached to this Contract as Exhibit "B-1" and incorporated into this Contract by this reference, pay Contractor monthly in arrears for fees and expenses actually incurred the prior month, up to the maximum amount set forth in Section 3 of the Standard Contract. Monthly claims for payment should be submitted to County by the 15<sup>th</sup> day of the subsequent month.
- B. Claims submitted by Contractor must meet the criteria set forth in section E and be documented by an agency spreadsheet specifying the County's portion of the total agency budget directly attributable to this Contract. Each invoice must specify services rendered, to whom, date of service and the accrued charges.
- C. Contractor must request approval for transfers between budget line items, which are set forth in Exhibit B-1, when the cumulative amount of such transfers exceed 10% of the total Contract amount. Requests for transfers between budget line items must be presented to the County on the County's "Budget Modification Request Form". Budget line item transfers that exceed 10% of the total Contract amount may be made only upon prior written approval of County, which approval may be withheld in the sole and absolute discretion of County. County may authorize the addition of budget line items for transfers under this section, except for indirect costs and capital expenditures (equipment or real property), provided that the line item added does not substantially change the scope of services to be provided under this Contract and does not increase the contract amount.
- D. Contractor must repay the County for any disallowed costs identified by County through monthly reports, audits, Quality Assurance monitoring, or other sources within thirty days of receipt of notice from County that the costs have been disallowed. Contractor agrees that funds to be disbursed under the terms of this contract will be withheld if repayment is not received by the County within thirty days of receipt of notice from County. Contractor may submit a written appeal to a disallowance to the County Health and Social Services Mental Health Deputy Director, or designee, within fifteen days of receipt of a disallowance notice. The appeal must include the basis for the appeal and any documentation necessary to support the appeal. No fees or expenses incurred by Contractor in the course of appealing a disallowance will be an allowable cost under this Contract and will not be reimbursed by County. The decision of the County regarding the appeal will be final.
- E. The following criteria apply to Contract Budget submitted by Contractor under this Contract:
  - 1. Requests for payment of personnel costs must include positions, salary, and actual percentage of time for each position. If Contractor provides fringe benefits to part time employees, salary and fringe benefits must be pro-rated for non-full-time employees. Salaries are fixed compensation for services performed by staff who are directly employed by Contractor and who are paid on a regular basis. Employee benefits and employer payroll taxes include Contractor's contributions or expenses for social security, employee's life and health insurance plans, unemployment insurance, pension plans, and other similar expenses that are

approved by County. These expenses are allowable when they are included and in accordance with Contractor's approved written policies and allocation plan.

2. Salaries and benefits of personnel involved in more than one contract, grant, or project must be charged to each grant based on the actual percentage of time spent on each grant or project. Timesheets for each employee whose time is charged to this contract must be maintained by Contractor and available upon request by the County.
3. Allowable operating expenses are defined as necessary expenditures exclusive of personnel salaries, benefits, equipment or payments to subcontractors. The expenses must be to further the program objectives as defined in Exhibit A and be incurred (realized) during the invoiced period. County reserves the right to make the final determination if an operating expense is allowable and necessary.
4. Indirect costs are shared costs that cannot be directly assigned to a particular activity, but are necessary to the operation of the organization and the performance of the program. The costs of operating and maintaining facilities, accounting services and administrative salaries are examples of indirect costs. In order to include indirect costs or an indirect cost rate in the contract budget, Contractor must have a negotiated indirect cost rate agreement with a federal agency. A Contractor who does not have such a negotiated indirect cost rate agreement may claim an indirect cost rate of up to 10.02% of modified total direct costs, as defined in 2 CFR 200.68, provided the Contractor does not use the Direct Allocation Method of allocating indirect costs (as discussed in Appendix IV to Part 200).
5. Regardless of whether Contractor claims indirect costs through a negotiated indirect cost rate, Direct Allocation Method or up to 10.02% of modified total direct costs, Contractor must provide the County with a cost allocation plan that clearly differentiates between direct and indirect costs. Contractor ensures that the same costs that have been treated as indirect costs have not been claimed or budgeted as direct costs, and that similar types of costs in like circumstances have been accounted for consistently. Contractor will provide this plan to County upon request. In the event that Contractor is unable to provide County with an acceptable cost allocation plan, County may disallow any indirect cost billed amounts

## **2. BILLING EXPECTATIONS**

- A. Contractor shall have the obligation and responsibility to determine any available revenues from all possible sources other than the County that can be claimed for reimbursement for treatment of services provided under this Contract. Such revenues shall include, but are not limited to, Short Doyle Medi-Cal, patient fees, patient insurance, Medicare and payments from other third party payers. Contractor shall provide the County with the necessary payer financial information in a form and manner prescribed by the County so that all revenues can be claimed timely. Amounts of claims against other revenue sources which remain unpaid due to untimely, incomplete, or improper information received from the Contractor shall be recouped from the Contractor.
- B. Determination of patient eligibility for coverage under Medicare and other reimbursement programs is the responsibility of the Contractor. County does not assume responsibility for such determination.
- C. Contractor understands and agrees that Contractor and any subcontractors will bill Short Doyle Medi-Cal for services provided. The authorized billing codes are listed in Exhibit B-2 as Contract Billing Codes.

- D. Contractor will enter services into Avatar, the County approved computerized billing system. County will provide Contractor access to Solano County's computerized billing system.
- E. Contractor will submit adequate supporting documentation as to Medi-Cal services provided no later than sixty (60) days after the last day of the month in which those services were provided.
- F. County will reconcile supporting documentation with the services in Avatar. Documentation not accurately reconciled to services in Avatar will be returned to the contractor for corrections to be resubmitted within thirty (30) days.
- G. Periodically, Contractor will meet with County to review Medi-Cal reimbursable units and any disallowances. The amount of disallowances identified from the Avatar will be deducted from a following months invoice provided that the disallowance was due to delays in Contractor providing County the necessary information for billing.

## **2. ACCOUNTING STANDARDS**

- A. Contractor shall establish and maintain a system of accounts for budgeted funds that complies with generally accepted accounting principles and practices for organizations/governmental entities as described in Exhibit C – section 13B. Additionally, Contractor must submit claims for payment under this Contract using either a cost allocation method or a direct allocation method.
- B. Contractor's cost allocation method must be supported by a cost allocation plan with a quantifiable methodology validating the basis for paying such expenditures. The cost allocation plan should be prepared within the guidelines set forth under 2 CFR (Code of Federal Regulation) Part 200, subpart E, Cost Principles and Appendix IV to Part 200, Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations.
- C. Contractor shall document all costs by maintaining complete and accurate records of all financial transactions associated with this Contract, including, but not limited to, invoices, time studies, and other official documentation that sufficiently support all charges under this Contract.

## **3. PERSONAL PROPERTY**

Contractor shall develop and maintain a system to track the acquisition of tangible personal property purchased with County funds having a cost of at least \$1,500 and submit, upon County's request, an annual accounting of all such property purchased that includes information on cost and acquisition date. Contractor shall ensure adequate safeguards are in place to protect such assets and shall exercise reasonable care over such assets to protect against theft, damage or unauthorized use. Contractor shall, upon County's request, return such assets to the County upon Contract termination; unless the depreciated value of the asset is \$0, based on a straight line method of depreciation (refer to CFR Part 200.436).

## **4. SUBMISSION OF COST REPORT**

- A. County will, at its discretion, schedule a cost report briefing in October of each fiscal year. Contractor will submit its cost report by the deadline set by the County. Contractor's cost report must be complete, accurate and formatted within the guidelines provided by the Solano County Health and Social Services Department.

- B. If Contractor is currently out of compliance with the cost report's submission requirement, Contractor agrees that funds to be disbursed under the terms of this contract will be withheld until such time as Contractor submits an acceptable Cost report. County will not be liable for any interest that may accrue as a result of delay in payment caused by Contractor's failure to submit an appropriate Cost report.
- C. Contractor must repay the County for any disallowed costs identified by County through monthly reports, audits, Quality Assurance monitoring, or other sources within thirty days of receipt of notice from County that the costs have been disallowed. Contractor may submit a written appeal to a disallowance to the County Health and Social Services Mental Health Deputy Director, or designee, within fifteen days of receipt of a disallowance notice. The appeal must include the basis for the appeal and any documentation necessary to support the appeal. No fees or expenses incurred by Contractor in the course of appealing a disallowance will be an allowable cost under this Contract and will not be reimbursed by County.
- D. If Contractor provides services to multiple counties, it must use the Net Cost Method, reporting only the costs (activities) directly attributable to County.
- E. Contract will establish a tracking and reporting system to distinguish between expenditures for direct services and expenditures for client supports. DMH Letter No. 06-08, incorporated by this reference, outlines the need and definition of the new service function codes which have been added:
  - Service Function Code 70 – Client Housing Support Expenditures*
  - Service Function Code 71 – Client Housing Operating Expenditures*
  - Service Function Code 72 – Client Flexible Support Expenditures*
  - Service Function Code 75 – Non-Medi-Cal Capital Assets*
  - Service Function Code 78 – Other Non-Medi-Cal Client Support Expenditures*

This information will be required at the same time that the annual cost report is due to the County.

## **6. FINANCIAL STATEMENTS AND AUDITS**

- A. Contractor agrees to furnish an annual audited financial statement to the County, which must be submitted within 30 days of its publication.
- B. Contractor agrees to furnish all records and documents within a reasonable time, in the event that the County, State or Federal Government conducts an audit.

## **7. SUBRECIPIENT MONITORING AND MANAGEMENT**

- A. Contractor will complete a self-assessment tool and provide it to the County within 30 days of contract execution. The County will provide the required format.
- B. Contractor will provide a fiscal monitoring report which compares the contract budget per line item in relation to the monthly invoice, cumulative total invoice, and the total contract balance. The County will provide the required format.
- C. Every subaward must be clearly identified and include the following information at the time of contract execution. Significant changes to these data elements may require a subaward modification form.

1. Subrecipient Name (which must match the name associated with its DUNS number):  
[Crestwood Behavioral Health, Inc.]
2. Subrecipient DUNS number: [ 04-365-0675 ]
3. Federal Award Identification Number (FAIN): [ Not applicable ]
4. Federal Award Date (date when the federal award was signed by authorized official of  
awarding agency): [ Not applicable ]
5. Subaward Period of Performance Start and End Date: [Not applicable ]
6. Amount of Federal Funds obligated by this action: [ Not applicable ]
7. Total Amount of Federal Funds obligated to the subrecipient: [ Not applicable ]
8. Total amount of Federal Award: [Not applicable ]
9. Federal award project description, as required to be responsive to the Federal Funding  
Accountability and Transparency Act (FFATA): [Not applicable ]
10. Name of Federal awarding agency, pass-through entity and contact information for awarding  
official: [ When applicable, County will claim Federal Financial Participation through the  
California State Department of Health Care Services for Medi-Cal Services (DHCS). DHCS  
claims services to the Department of Health and Human Services - Centers for Medicare and  
Medicaid Services (CMS). ]
11. CFDA Number and name: [93.778 - Medical Assistance Program ]
12. Identification of whether the award is for research and development. [Not applicable]
13. Indirect cost rate for the Federal award (including if the de minimus rate is charged per 2  
CFR 200.414 Indirect (F&A) costs): [ Not applicable ]

<b>EXHIBIT B-1 BUDGET DETAIL AND PAYMENT PROVISIONS</b>	
<b>START UP Costs</b>	<b>Budget</b>
Artwork, tiles for trauma services	8,000
IP Cameras	15,000
Furniture/Mattresses/gaming furniture/outdoor furniture	40,000
Signage	6,000
IT Start-up – servers, routers, smartboard, cell phones, lap tops, desktops	49,833
TV/Bulletin Boards/Gaming	12,000
<b>Total start up budget</b>	<b>\$130,833</b>

**EXHIBIT B-1**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**  
**YEAR 1 FY2018-2019**

**DIRECT COSTS**

For Service Delivery of Contracted Services

<b>A. Personnel Expenses</b>		
<b>Job Title</b>	<b>FTE</b>	<b>Total</b>
Administrator	1.0	130,000
Clinical Director	1.0	104,000
Director of Nursing	1.0	104,000
QA/Med Records	1.0	52,000
RN	3.0	280,320
LVN/LPT	3.0	245,280
Recovery Coach-Peer/Driver	10.5	393,120
Service Coordinator	3.0	157,680
Dual Diagnosis Specialist	1.0	33,280
Office Manager	1.0	52,000
Licensed Nursing Supervisor	1.0	72,800
Family Partner	.50	16,640
Children Specialist	.30	8,320
Housekeeper	1.5	49,000
Total Salaries	28.8	1,698,440
Total Fringe Benefits (40%)		679,376
<b>Total Personnel Expenses (Salaries + Fringe Benefits)</b>		<b>\$2,377,816</b>
<b>B. Operation Expenses</b>		
<b>Line Item</b>		<b>Total</b>
Office Supplies		24,000
Program Supplies		24,000
Telephone and Communication		24,000
Food		40,800
Postage/Copying		12,000
Travel		6,000
Transportation		6,000
Training/Conferences		12,000
Translation Services		6,000
Medical Waste		6,000
Equipment Replacement		3,000
<b>Total Operation Expenses</b>		<b>\$163,800</b>
<b>C. Indirect Expenses</b>		
<b>Indirect Costs</b>	10.02%	<b>\$254,670</b>
<b>D. Sub-Contractor Expenses</b>		
Pharmacy		12,000
Linens		18,000
Lab Services		12,000
Consulting		60,000

Doctors		1,000,000
Children/Adolescent Psych		300,000
<b>Total Sub-Contractor Expenses</b>		<b>\$1,402,000</b>
<b>Total Budget</b>		<b>\$4,198,286</b>



**EXHIBIT B-1**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**  
**YEAR 2 FY2019-2020**

**DIRECT COSTS**

For Service Delivery of Contracted Services

<b>A. Personnel Expenses</b>		
<b>Job Title</b>	<b>FTE</b>	<b>Total</b>
Administrator	1.0	132,600
Clinical Director	1.0	107,640
Director of Nursing	1.0	107,640
QA/Med Records	1.0	53,820
RN	3.0	285,644
LVN/LPT	3.0	250,280
Recovery Coach-Peer/Driver	10.5	406,879
Service Coordinator	3.0	160,820
Dual Diagnosis Specialist	1.0	34,445
Office Manager	1.0	53,820
Licensed Nursing Supervisor	1.0	75,348
Family Partner	.50	17,222
Children Specialist	.30	8,611
Housekeeper	1.5	50,715
Total Salaries	27.5	1,745,484
Total Fringe Benefits (40%)		698,194
<b>Total Personnel Expenses (Salaries + Fringe Benefits)</b>		<b>\$2,443,678</b>
<b>B. Operation Expenses</b>		
<b>Line Item</b>		<b>Total</b>
Office Supplies		24,840
Program Supplies		24,840
Telephone and Communication		24,840
Food		42,228
Postage/Copying		12,420
Travel		6,210
Transportation		6,210
Training/Conferences		12,420
Translation Services		6,210
Medical Waste		6,210
Equipment Replacement		6,000
<b>Total Operation Expenses</b>		<b>\$172,428</b>
<b>C. Indirect Expenses</b>		
<b>Indirect Cost</b>		<b>\$262,134</b>
<b>D. Sub-Contractor Expenses</b>		
Pharmacy		12,420
Linens		18,630

Lab Services		12,420
Consulting		62,100
Doctors		1,035,000
Children/Adolescent Psych		310,500
<b>Total Sub-Contractor Expense</b>		<b>1,451,070</b>
<b>Total Budget</b>		<b>\$4,329,310</b>

**EXHIBIT B-1**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**  
**YEAR 3 FY2020-2021**

**DIRECT COSTS**

For Service Delivery of Contracted Services

<b>A. Personnel Expenses</b>		
<b>Job Title</b>	<b>FTE</b>	<b>Total</b>
Administrator	1.0	137,241
Clinical Director	1.0	111,407
Director of Nursing	1.0	111,407
QA/Med Records	1.0	55,704
RN	3.0	295,642
LVN/LPT	3.0	259,040
Rehab Assists-Peer/Driver	10.5	421,120
Service Coordinator	3.0	166,449
Dual Diagnosis Specialist	1.0	35,651
Office Manager	1.0	55,704
Licensed Nursing Supervisor	1.0	77,985
Family Partner	.50	17,825
Children Specialist	.30	8,912
Housekeeper	1.5	52,490
Total Salaries	29.0	1,806,576
Total Fringe Benefits (40%)		722,630
<b>Total Personnel Expenses (Salaries + Fringe Benefits)</b>		<b>\$2,529,208</b>

<b>B. Operation Expenses</b>		
<b>Line Item</b>		<b>Total</b>
Office Supplies		25,709
Program Supplies		25,709
Telephone and Communication		25,709
Food		43,706
Postage/Copying		12,855
Travel		6,427
Transportation		6,427
Training/Conferences		12,855
Translation Services		6,427
Medical Waste		6,427
Equipment Replacement		6,210
<b>Total Operation Expenses</b>		<b>\$178,461</b>

<b>C. Indirect Expenses</b>		
<b>Indirect Cost</b>		<b>\$271,308</b>

<b>D. Sub-Contractor Expenses</b>		
Pharmacy		12,855
Linens		19,282

Lab Services		12,855
Consulting		64,274
Doctors		1,071,225
Children/Adolescent Psych		321,368
<b>Total Sub-Contractor Expense</b>		<b>1,501,859</b>
<b>Total Budget</b>		<b>\$4,480,836</b>

**EXHIBIT B-2  
BILLING CODES**

Avatar Service					
Code	Mode	Service Function Code	Description	Unit of Service	
<b>S9484</b>	10	25	Crisis Stabilization	per hour	
<b>99499</b>	15	00	Non-billable service		

**EXHIBIT C**  
**GENERAL TERMS AND CONDITIONS**

**1. CLOSING OUT**

A. County will pay Contractor's final request for payment providing Contractor has paid all financial obligations undertaken pursuant to this Contract or any other contract and/or obligation that Contractor may have with the County. If Contractor has failed to pay any obligations outstanding, County will withhold from Contractor's final request for payment the amount of such outstanding financial obligations owed by Contractor. Contractor is responsible for County's receipt of a final request for payment 30 days after termination of this Contract.

B. A final undisputed invoice shall be submitted for payment no later than ninety (90) calendar days following the expiration or termination of this Contract, unless a later or alternate deadline is agreed to in writing by the County. The final invoice must be clearly marked "FINAL INVOICE", thus indicating that all payment obligations of the County under this Contract have ceased and that no further payments are due or outstanding.

C. The County may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written approval of an alternate final invoice submission deadline. Written County approval for an alternate final invoice submission deadline shall be sought from the County prior to the expiration or termination of this Contract.

**2. TIME**

Time is of the essence in all terms and conditions of this Contract.

**3. TIME OF PERFORMANCE**

Work will not begin, nor claims paid for services under this Contract until all Certificates of Insurance, business and professional licenses/certificates, IRS ID number, signed W-9 form, or other applicable licenses or certificates are on file with the County's Contract Manager.

**4. TERMINATION**

A. This Contract may be terminated by County or Contractor, at any time, with or without cause, upon 30 days' written notice from one to the other.

B. County may terminate this Contract immediately upon notice of Contractor's malfeasance.

C. Following termination, County will reimburse Contractor for all expenditures made in good faith that are unpaid at the time of termination not to exceed the maximum amount payable under this Contract unless Contractor is in default of this Contract.

**5. SIGNATURE AUTHORITY**

The parties executing this Contract certify that they have the proper authority to bind their respective entities to all terms and conditions set forth in this Contract.

**6. REPRESENTATIONS**

A. County relies upon Contractor's professional ability and training as a material inducement to enter into this Contract. Contractor represents that Contractor will perform the work according to generally accepted professional practices and standards and the requirements of applicable federal, state

and local laws. County's acceptance of Contractor's work shall not constitute a waiver or release of Contractor from professional responsibility.

B. Contractor further represents that Contractor possesses current valid appropriate licensure, including, but not limited to, driver's license, professional license, certificate of tax-exempt status, or permits, required to perform the work under this Contract.

## 7. INSURANCE

A. Without limiting Contractor's obligation to indemnify County, Contractor must procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work under this Contract and the results of that work by Contractor, Contractor's agents, representatives, employees or subcontractors.

B. Minimum Scope of Insurance  
Coverage must be at least as broad as:

(1) Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).

(2) Insurance Services Office Form Number CA 00 01 covering Automobile Liability, Code 1 (any auto).

(3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

C. Minimum Limits of Insurance  
Contractor must maintain limits no less than:

- |   |   |   |
|---|---|---|
| (1) General Liability:<br>(Including operations, products<br>and completed operations.) | <b>\$2,000,000</b>                      | per occurrence for bodily injury, personal injury and property damage, or the full per occurrence limits of the policy, whichever is greater. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. |
| (2) Automobile Liability:   | <b>\$1,000,000</b>                      | per accident for bodily injury and property damage.   |
| (3) Workers' Compensation:  | As required by the State of California. |   |
| (4) Employer's Liability:   | <b>\$1,000,000</b>                      | per accident for bodily injury or disease.  |

**D. Additional Insurance Coverage**

To the extent coverage is applicable to Contractor's services under this Contract, Contractor must maintain the following insurance coverage:

- |                             |                    |  |
|-----------------------------|--------------------|--|
| (1) Cyber Liability:        | <b>\$1,000,000</b> | per incident with the aggregate limit twice the required limit to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information property of the County that will be in the care, custody or control of Contractor under this Contract. |
| (2) Professional Liability: | <b>\$2,000,000</b> | combined single limit per claim and in the aggregate. The policy shall remain in full force and effect for no less than 5 years following the completion of work under this Contract.  |

E. If Contractor maintains higher limits than the minimums shown above, County is entitled to coverage for the higher limits maintained by Contractor. Any insurance proceeds in excess of the specified limits and coverage required, which are applicable to a given loss, shall be available to the County. No representation is made that the minimums shown above are sufficient to cover the indemnity or other obligations of the Contractor under this Contract.

**F. Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by County. At the option of County, either:

- (1) The insurer will reduce or eliminate such deductibles or self-insured retentions with respect to County, its officers, officials, agents, employees and volunteers; or
- (2) Contractor must provide a financial guarantee satisfactory to County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

**G. Other Insurance Provisions**

(1) The general liability and automobile liability policies must contain, or be endorsed to contain, the following provisions:

(a) The County of Solano, its officers, officials, agents, employees, and volunteers must be included as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Contractor; and with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or both CG 20 10 and CG 20 37 if later ISO revisions are used or the equivalent) to Contractor's insurance policy, or as a separate owner's policy. The insurance afforded to the additional insureds shall be at least as broad as that afforded to the first named insured.

(b) For any claims related to work performed under this Contract, Contractor's insurance coverage must be primary insurance with respect to the County of Solano, its officers, officials, agents, employees, and volunteers. Any insurance maintained by County, its officers,



officials, agents, employees, or volunteers is excess of Contractor's insurance and shall not contribute to it.

(2) If Contractor's services are technologically related, Professional Liability coverage shall include, but not be limited to claims involving infringement of intellectual property, copyright, trademark, invasion of privacy violations, information theft, release of private information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to such obligations. The policy shall also include, or be endorsed to include, property damage liability coverage for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the County in the care, custody, or control of the Contractor. If not covered under the Contractor's Professional Liability policy, such "property" coverage of the County may be endorsed onto the Contractor's Cyber Liability Policy.

(3) Should any of the above described policies be cancelled prior to the policies' expiration date, Contractor agrees that notice of cancellation will be delivered in accordance with the policy provisions.

H. Waiver of Subrogation

(1) Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.

(2) The Workers' Compensation policy must be endorsed with a waiver of subrogation in favor of County for all work performed by Contractor, its employees, agents and subcontractors.

I. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII unless otherwise acceptable to County.

J. Verification of Coverage

(1) Contractor must furnish County with original certificates and endorsements effecting coverage required by this Contract.

(2) The endorsements should be on forms provided by County or, if on other than County's forms, must conform to County's requirements and be acceptable to County.

(3) County must receive and approve all certificates and endorsements before work commences.

(4) However, failure to provide the required certificates and endorsements shall not operate as a waiver of these insurance requirements.

(5) County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage described above at any time.

## 8. BEST EFFORTS

Contractor represents that Contractor will at all times faithfully, industriously and to the best of its ability, experience and talent, perform to County's reasonable satisfaction.

## 9. DEFAULT

A. If Contractor defaults in Contractor's performance, County shall promptly notify Contractor in writing. If Contractor fails to cure a default within 30 days after notification, or if the default requires more than 30 days to cure and Contractor fails to commence to cure the default within 30 days after notification, then Contractor's failure shall constitute cause for termination of this Contract.

B. If Contractor fails to cure default within the specified period of time, County may elect to cure the default and any expense incurred shall be payable by Contractor to County. The contract may be terminated at County's sole discretion.

C. If County serves Contractor with a notice of default and Contractor fails to cure the default, Contractor waives any further notice of termination of this Contract.

D. If this Contract is terminated because of Contractor's default, County shall be entitled to recover from Contractor all damages allowed by law.

## **10. INDEMNIFICATION**

### **A. Contractor to indemnify County**

Contractor agrees to indemnify, defend, protect, hold harmless, and release County, their elected bodies and officials, agents, officers and employees (collectively referred to in this paragraph as "County"), from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or caused solely by any negligent act or omission or willful misconduct of Contractor. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying Party under workers' compensation acts, disability benefit acts, or other employee benefit acts. At its sole discretion, County may participate at its own expense in the defense of any claim, action or proceeding, but such participation shall not relieve Contractor of any obligation imposed by this section. County shall notify Contractor within thirty (30) days of any claim, action or proceeding and cooperate fully in the defense. Notwithstanding the foregoing, County's failure to notify Contractor within said thirty (30) day time limit shall not relieve Contractor of any obligation imposed by this section unless Contractor has been actually prejudiced by such delay.

### **B. County to indemnify Contractor**

County agrees to indemnify, defend, protect, hold harmless, and release the Contractor, their elected bodies and officials, agents, officers and employees (collectively referred to in this paragraph as "Contractor") from and against any and all claims, losses, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or caused solely by any negligent act or omission or willful misconduct of County. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying Party under workers' compensation acts, disability benefit acts, or other employee benefit acts. At its sole discretion, Contractor may participate at its own expense in the defense of any such claim, action or proceeding, but such participation shall not relieve County of any obligation imposed by this section. Contractor shall notify County within thirty (30) days of any claim, action or proceeding and cooperate fully in the defense. Notwithstanding the foregoing, Contractor's failure to notify County within said thirty (30) day time limit shall not relieve County of any obligation imposed by this section unless County has been actually prejudiced by such delay.

### **C. Each Party to defend itself for concurrent claims**

Contractor agrees to defend itself and County agrees to defend itself, from any claim, action or proceeding arising out of the negligent act or omission or willful misconduct of Contractor and County in the performance of this Agreement where there is a concurrent claim against both Parties. In such cases, Contractor and County agree to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs, except as provided in subparagraph E below.

**D. Joint Defense**

Notwithstanding subparagraph C above, in cases where Contractor and County agree in writing to a joint defense, Contractor and County may appoint joint defense counsel to defend the claim, action or proceeding arising out of or including allegations of the negligent act or omission or willful misconduct of County and Contractor in the performance of this Agreement. Joint defense counsel shall be selected by mutual agreement of the Parties. The Parties agree to share the costs of such joint defense and any agreed settlement in equal amounts, except as provided in subparagraph E below. The Parties further agree that no individual Party may bind another to a settlement agreement without the written consent of all Parties.

**E. Reimbursement and/or Reallocation**

Where a trial verdict or arbitration award allocates or determines the comparative fault of the Parties, individual Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with such comparative fault.

**11. INDEPENDENT CONTRACTOR**

A. Contractor is an independent contractor and not an agent, officer or employee of County. The parties mutually understand that this Contract is between two independent contractors and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association.

B. Contractor shall have no claim against County for employee rights or benefits including, but not limited to, seniority, vacation time, vacation pay, sick leave, personal time off, overtime, medical, dental or hospital benefits, retirement benefits, Social Security, disability, Workers' Compensation, unemployment insurance benefits, civil service protection, disability retirement benefits, paid holidays or other paid leaves of absence.

C. Contractor is solely obligated to pay all applicable taxes, deductions and other obligations including, but not limited to, federal and state income taxes, withholding, Social Security, unemployment, disability insurance, Workers' Compensation and Medicare payments.

D. Contractor shall indemnify and hold County harmless from any liability which County may incur because of Contractor's failure to pay such obligations nor shall County be responsible for any employer-related costs not otherwise agreed to in advance between the County and Contractor.

E. As an independent contractor, Contractor is not subject to the direction and control of County except as to the final result contracted for under this Contract. County may not require Contractor to change Contractor's manner of doing business, but may require redirection of efforts to fulfill this Contract.

F. Contractor may provide services to others during the same period Contractor provides service to County under this Contract.

G. Any third persons employed by Contractor shall be under Contractor's exclusive direction, supervision and control. Contractor shall determine all conditions of employment including hours, wages, working conditions, discipline, hiring and discharging or any other condition of employment.

H. As an independent contractor, Contractor shall indemnify and hold County harmless from any claims that may be made against County based on any contention by a third party that an employer-employee relationship exists under this Contract.

I. Contractor, with full knowledge and understanding of the foregoing, freely, knowingly, willingly and voluntarily waives the right to assert any claim to any right or benefit or term or condition of employment insofar as they may be related to or arise from compensation paid hereunder.

**12. RESPONSIBILITIES OF CONTRACTOR**

A. The parties understand and agree that Contractor possesses the requisite skills necessary to perform the work under this Contract and County relies upon such skills. Contractor pledges to perform the work skillfully and professionally. County's acceptance of Contractor's work does not constitute a release of Contractor from professional responsibility.

B. Contractor verifies that Contractor has reviewed the scope of work to be performed under this Contract and agrees that in Contractor's professional judgment, the work can and shall be completed for costs within the maximum amount set forth in this Contract.

C. To fully comply with the terms and conditions of this Contract, Contractor shall:

(1) Establish and maintain a system of accounts for budgeted funds that complies with generally accepted accounting principles for government agencies;

(2) Document all costs by maintaining complete and accurate records of all financial transactions associated with this Contract, including, but not limited to, invoices and other official documentation that sufficiently support all charges under this Contract;

(3) Submit monthly reimbursement claims for expenditures that directly benefit Solano County;

(4) Be liable for repayment of any disallowed costs identified through quarterly reports, audits, monitoring or other sources; and

(5) Retain financial, programmatic, client data and other service records for 3 years from the date of the end of the contract award or for 3 years from the date of termination, whichever is later.

**13. COMPLIANCE WITH LAW**

A. Contractor shall comply with all federal, state and local laws and regulations applicable to Contractor's performance, including, but not limited to, licensing, employment and purchasing practices, wages, hours and conditions of employment.

B. To the extent federal funds are used in whole or in part to fund this Contract, Contractor specifically agrees to comply with Executive Order 11246 entitled "Equal Employment Opportunity", as amended and supplemented in Department of Labor regulations; the Copeland "Ant-Kickback" Act (18 U.S.C. §874) and its implementing regulations (29 C.F.R. part 3); the Clean Air Act (42 U.S.C. §7401 et seq.); the Clean Water Act (33 U.S.C. §1251); and the Energy Policy and Conservation Act (Pub. L. 94-165).

C. Contractor represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by County as set forth in 2 C.F.R. part 200, as currently enacted or as may be amended throughout the term of this Contract.

**14. CONFIDENTIALITY**

A. Contractor shall prevent unauthorized disclosure of names and other client-identifying information, except for statistical information not identifying a particular client receiving services under this Contract.

B. Contractor shall not use client specific information for any purpose other than carrying out Contractor's obligations under this Contract.

C. Contractor shall promptly transmit to County all requests for disclosure of confidential information.

D. Except as otherwise permitted by this Contract or authorized by law, Contractor shall not disclose any confidential information to anyone other than the State of California without prior written authorization from County.

E. For purposes of this section, identity shall include, but not be limited to, name, identifying number, symbol or other client identifying particulars, such as fingerprints, voice print or photograph. Client shall include consumers receiving services pursuant to this Contract.

## **15. CONFLICT OF INTEREST**

A. Contractor represents that Contractor and/or Contractor's employees and/or their immediate families and/or Board of Directors and/or officers have no interest, including, but not limited to, other projects or independent contracts, and shall not acquire any interest, direct or indirect, including separate contracts for the work to be performed hereunder, which conflicts with the rendering of services under this Contract. Contractor shall employ or retain no such person while rendering services under this Contract. Services rendered by Contractor's associates or employees shall not relieve Contractor from personal responsibility under this clause.

B. Contractor has an affirmative duty to disclose to County in writing the name(s) of any person(s) who have an actual, potential or apparent conflict of interest.

## **16. DRUG FREE WORKPLACE**

Contractor represents that Contractor is knowledgeable of Government Code section 8350 et seq., regarding a drug free workplace and shall abide by and implement its statutory requirements.

## **17. HEALTH AND SAFETY STANDARDS**

Contractor shall abide by all health and safety standards set forth by the State of California and/or the County of Solano pursuant to the Injury and Illness Prevention Program. If applicable, Contractor must receive all health and safety information and training from County.

## **18. CHILD/ADULT ABUSE**

If services pursuant to this Contract will be provided to children and/or elder adults, Contractor represents that Contractor is knowledgeable of the Child Abuse and Neglect Reporting Act (Penal Code section 11164 et seq.) and the Elder Abuse and Dependent Adult Civil Protection Act (Welfare and Institutions Code section 15600 et seq.) requiring reporting of suspected abuse.

## **19. INSPECTION**

Authorized representatives of County, the State of California and/or the federal government may inspect and/or audit Contractor's performance, place of business and/or records pertaining to this Contract.

## **20. NONDISCRIMINATION**

A. In rendering services under this Contract, Contractor shall comply with all applicable federal, state and local laws, rules and regulations and shall not discriminate based on age, ancestry, color, gender, marital status, medical condition, national origin, physical or mental disability, race, religion, sexual orientation, or other protected status.

B. Further, Contractor shall not discriminate against its employees, which includes, but is not limited to, employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

## **21. SUBCONTRACTOR AND ASSIGNMENT**

- A. Services under this Contract are deemed to be personal services.
- B. Subject to any required state or federal approval, Contractor shall not subcontract any work under this Contract without the prior written consent of the County's Contract Manager nor assign this Contract or monies due without the prior written approval of the County's applicable Department Head or his or her designee and the County Administrator.
- C. If County consents to the use of subcontractors, Contractor shall require and verify that its subcontractors maintain insurance meeting all the requirements stated in Section 7 above.
- D. Assignment by Contractor of any monies due shall not constitute an assignment of the Contract.

## **22. UNFORESEEN CIRCUMSTANCES**

Contractor is not responsible for any delay caused by natural disaster, war, civil disturbance, labor dispute or other cause beyond Contractor's reasonable control, provided Contractor gives written notice to County of the cause of the delay within 10 days of the start of the delay.

## **23. OWNERSHIP OF DOCUMENTS**

- A. County shall be the owner of and shall be entitled to possession of any computations, plans, correspondence or other pertinent data and information gathered by or computed by Contractor prior to termination of this Contract by County or upon completion of the work pursuant to this Contract.
- B. No material prepared in connection with the project shall be subject to copyright in the United States or in any other country.

## **24. NOTICE**

- A. Any notice necessary to the performance of this Contract shall be given in writing by personal delivery or by prepaid first-class mail addressed as stated on the first page of this Contract.
- B. If notice is given by personal delivery, notice is effective as of the date of personal delivery. If notice is given by mail, notice is effective as of the day following the date of mailing or the date of delivery reflected upon a return receipt, whichever occurs first.

## **25. NONRENEWAL**

Contractor acknowledges that there is no guarantee that County will renew Contractor's services under a new contract following expiration or termination of this Contract. Contractor waives all rights to notice of non-renewal of Contractor's services.

## **26. COUNTY'S OBLIGATION SUBJECT TO AVAILABILITY OF FUNDS**

- A. The County's obligation under this Contract is subject to the availability of authorized funds. The County may terminate the Contract, or any part of the Contract work, without prejudice to any right or remedy of the County, for lack of appropriation of funds. If expected or actual funding is withdrawn, reduced or limited in any way prior to the expiration date set forth in this Contract, or any subsequent amendment, the County may, upon written Notice to the Contractor, terminate this Contract in whole or in part.
- B. Payment shall not exceed the amount allowable for appropriation by the Board of Supervisors. If the Contract is terminated for non-appropriation of funds:
  - i. The County will be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination; and

ii. The Contractor shall be released from any obligation to provide further services pursuant to this Contract that are affected by the termination.

C. Funding for this Contract beyond the current appropriation year is conditional upon appropriation by the Board of Supervisors of sufficient funds to support the activities described in this Contract. Should such an appropriation not be approved, this Contract will terminate at the close of the current appropriation year.

D. This Contract is void and unenforceable if all or parts of federal or state funds applicable to this Contract are not available to County. If applicable funding is reduced, County may either:

- (1) Cancel this Contract; or,
- (2) Offer a contract amendment reflecting the reduced funding.

## **27. CHANGES AND AMENDMENTS**

A. County may request changes in Contractor's scope of services. Any mutually agreed upon changes, including any increase or decrease in the amount of Contractor's compensation, shall be effective when incorporated in written amendments to this Contract.

B. The party desiring the revision shall request amendments to the terms and conditions of this Contract in writing. Any adjustment to this Contract shall be effective only upon the parties' mutual execution of an amendment in writing.

C. No verbal agreements or conversations prior to execution of this Contract or requested amendment shall affect or modify any of the terms or conditions of this Contract unless reduced to writing according to the applicable provisions of this Contract.

## **28. CHOICE OF LAW**

The parties have executed and delivered this Contract in the County of Solano, State of California. The laws of the State of California shall govern the validity, enforceability or interpretation of this Contract. Solano County shall be the venue for any action or proceeding, in law or equity that may be brought in connection with this Contract.

## **29. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT**

Contractor represents that it is knowledgeable of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulations issued by the U.S. Department of Health and Human Services (45 C.F.R. parts 160-64) regarding the protection of health information obtained, created, or exchanged as a result of this Contract and shall abide by and implement its statutory requirements.

## **30. WAIVER**

Any failure of a party to assert any right under this Contract shall not constitute a waiver or a termination of that right, under this Contract or any of its provisions.

## **31. CONFLICTS IN THE CONTRACT DOCUMENTS**

The Contract documents are intended to be complementary and interpreted in harmony so as to avoid conflict. In the event of conflict in the Contract documents, the parties agree that the document providing the highest quality and level of service to the County shall supersede any inconsistent term in these documents.

**32. FAITH BASED ORGANIZATIONS**

A. Contractor agrees and acknowledges that County may make funds available for programs or services affiliated with religious organizations under the following conditions: (a) the funds are made available on an equal basis as for programs or services affiliated with non-religious organizations; (b) the program funded does not have the substantial effect of supporting religious activities; (c) the funding is indirect, remote, or incidental to the religious purpose of the organization; and (d) the organization complies with the terms and conditions of this Contract.

B. Contractor agrees and acknowledges that County may not make funds available for programs or services affiliated with a religious organization (a) that has denied or continues to deny access to services on the basis of race, color, religion, ancestry, national origin, sex, citizenship, or known disability; (b) will use the funds for a religious purpose; (c) will use the funds for a program or service that subjects its participants to religious education.

C. Contractor agrees and acknowledges that all recipients of funding from County must: (a) comply with all legal requirements and restrictions imposed upon government-funded activities set forth in Article IX, section 8 and Article XVI, section 5 of the California Constitution and in the First Amendment to the United States Constitution; and (b) segregate such funding from all funding used for religious purposes.

**33. PRICING**

Should Contractor, at any time during the term of this Contract, provide the same goods or services under similar quantity, terms and conditions to one or more counties in the State of California at prices below those set forth in this Contract, then the parties agree to amend this Contract so that such lower prices shall be extended immediately to County for all future services.

**34. USE OF PROVISIONS, TERMS, CONDITIONS AND PRICING BY OTHER PUBLIC AGENCIES**

Contractor and County agree that the terms of this Contract may be extended to any other public agency located in the State of California, as provided for in this section. Another public agency wishing to use the provisions, terms, and pricing of this Contract to contract for equipment and services comparable to that described in this Contract shall be responsible for entering into its own contract with Contractor, as well as providing for its own payment provisions, making all payments, and obtaining any certificates of insurance and bonds that may be required. County is not responsible for providing to any other public agency any documentation relating this Contract or its implementation. Any public agency that uses provisions, terms, or pricing of this Contract shall by virtue of doing so be deemed to indemnify and hold harmless County from all claims, demands, or causes of actions of every kind arising directly or indirectly with the use of this Contract. County makes no guarantee of usage by other users of this Contract nor shall the County incur any financial responsibility in connection with any contracts entered into by another public agency. Such other public agency shall accept sole responsibility for placing orders and making payments to Contractor.

**35. DISBARMENT OR SUSPENSION OF CONTRACTOR**

A. Contractor represents that its officers, directors and employees (i) are not currently excluded, debarred, or otherwise ineligible to participate in a federally funded program; (ii) have not been convicted of a criminal offense related to the provision of federally funded items or services but or previously excluded, debarred, or otherwise declared ineligible to participate in any federally funded programs, and (iii) are not, to the best of its knowledge, under investigation or otherwise aware of any circumstances which may result in Contractor being excluded from participation in federally funded programs.



B. For purposes of this Contract, federally funded programs include any federal health program as defined in 42 USC § 1320a-7b(f) (the “Federal Healthcare Programs”) or any state healthcare programs.

C. This representation and warranty shall be an ongoing representation and warranty during the term of this Contract and Contractor must immediately notify the County of any change in the status of the representation and warranty set forth in this section.

D. If services pursuant to this Contract involve federally-funded programs, Contractor agrees to provide certification of non-suspension with submission of each invoice. Failure to submit certification with invoices will result in a delay in County processing of Contractor’s payment.

### **36. EXECUTION IN COUNTERPARTS**

This Contract may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument, it being understood that all parties need not sign the same counterpart. In the event that any signature is delivered by facsimile or electronic transmission (e.g., by e-mail delivery of a ".pdf" format data file), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or electronic signature page were an original signature.

### **37. LOCAL EMPLOYMENT POLICY**

Solano County desires, whenever possible, to hire qualified local residents to work on County projects. A local resident is defined as a person who resides in, or a business that is located in, Solano County. The County encourages an active outreach program on the part of its contractors, consultants and agents. When local projects require subcontractors, Contractor shall solicit proposals for qualified local residents where possible.

### **38. ENTIRE CONTRACT**

This Contract, including any exhibits referenced, constitutes the entire agreement between the parties and there are no inducements, promises, terms, conditions or obligations made or entered into by County or Contractor other than those contained in it.

**EXHIBIT D**  
**SPECIAL TERMS AND CONDITIONS**

**1. CONTRACT EXTENSION**

Notwithstanding Sections 2 and 3 of the Standard Contract, and unless terminated by either party prior to contract termination date, at County's sole election, this Contract may be extended for up to 90 days beyond the contract termination date to allow for continuation of services and sufficient time to complete a novation or renewal contract. In the event that this Contract is extended, compensation for the extension period shall not exceed \$1,120,209.

**2. DRUG FREE WORKPLACE**

Contractor shall execute the form attached as Exhibit D-1.

**3. CHILD/ADULT ABUSE**

Contractor shall execute the forms attached as Exhibits D-2 and D-3.

**4. HIPAA COMPLIANCE-COVERED ENTITY TO COVERED ENTITY (HIPAA)**

County and Contractor each consider and represent themselves as covered entities as defined by the U.S. Health Insurance Portability and Accountability Act and agree to use and disclose protected health information as required by law. County and Contractor acknowledge that the exchange of protected health information between them is only for treatment, payment, and health care operations.

**5. NATIONAL VOTER REGISTRATION**

Contractor is required to conduct active voter registration activities if practical. Voter registration activities shall be conducted in accordance with Health and Social Services Department, Mental Health Policy Number 24.0, National Voters Registration Act of 1993. Contractor shall complete the Voter Registration Act (VRA) Certification Form attached as Exhibit D-4, indicating that voter registration activities are actively conducted.

County of Solano  
Standard Contract

**EXHIBIT D-1**

SOLANO COUNTY

**DRUG-FREE WORKPLACE CERTIFICATION**

(rev-09/01/94)

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**Crestwood Behavioral Health, Inc. a Delaware for profit corporation**

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Contractor certifies compliance with Government Code section 8355 in matters relating to providing a drug-free workplace. Contractor will:

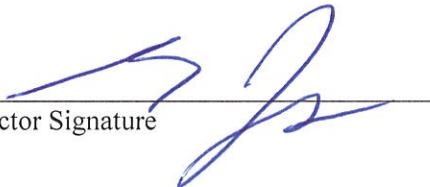
1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code section 8355(a).
  2. Establish a Drug-Free Awareness Program as required by Government Code section 8355(b), to inform employees about all of the following:
    - (a) The dangers of drug abuse in the workplace;
    - (b) The person's or organization's policy of maintaining a drug-free workplace;
    - (c) Any available counseling, rehabilitation and employee assistance programs; and
    - (d) Penalties that may be imposed upon employees for drug abuse violations.
  3. Provide, as required by Government Code section 8355(c), that every employee who works on the proposed contract or grant:
    - (a) Will receive a copy of the company's drug-free policy statement; and
    - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.
- 

**CERTIFICATION**

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I certify that I am duly authorized legally to bind the Contractor to the above-described certification. I am fully aware that this certification, executed on the date below, is made under penalty of perjury under the laws of the State of California.

Contractor Signature



County of Solano  
Standard Contract

EXHIBIT D-2

### **CHILD ABUSE REPORTING REQUIREMENTS**

Section 11166 of the Penal Code requires any child care custodian, medical practitioner, nonmedical practitioner, or employee of a child protective agency who has knowledge of, or observes a child in his or her professional capacity or within the scope of his or her employment, whom he or she knows or reasonably suspects, has been the victim of a child abuse to report the known or suspected instance of child abuse to a child protective agency immediately or as soon as practically possible by telephone, and to prepare and send a written report thereof within 36 hours of receiving the information concerning the incident.

I, the undersigned, have read and understand the requirements of Penal Code section 11166 and will comply with its provisions.

I agree to report to my immediate supervisor any suspected child abuse situations of which I am aware and will report directly to the Child Protective Services as necessary.

\_\_\_\_\_  
Contractor Signature

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a large, loopy 'J' or 'P'.

County of Solano  
Standard Contract

EXHIBIT D-3

**ADULT ABUSE REPORTING REQUIREMENTS**

Welfare and Institutions Code section 15630 and following:

The undersigned, having read the statement below, signifies knowledge and understanding of its provisions:

Section 15630 of the Welfare and Institutions Code requires any care custodian, health practitioner, or employee of an adult protective services agency or a local law enforcement agency who has knowledge of, or observes a dependent adult, in his or her professional capacity or within the scope of his or her employment who he or she knows has been the victim of physical abuse, or who has injuries under circumstances which are consistent with abuse where the dependent adult's statements indicate, or in the case of a person with developmental disabilities, where his or her statements or other corroborating evidence indicates that abuse has occurred, to report the known or suspected instance of physical abuse to an adult protective services or a local law enforcement agency immediately or as soon as practically possible by telephone and to prepare and send a written report, thereof, within 36 hours of receiving the information concerning the incident.

"Care Custodian" means an administrator or an employee of any of the following public or private facilities:

- |   |   |
|---|---|
| 1. Health facility  | 12. Licensing worker or evaluator   |
| 2. Clinic   | 13. Public assistance worker  |
| 3. Home health agency   | 14. Adult protective services agency  |
| 4. Educational institution  | 15. Patient's rights advocate   |
| 5. Sheltered workshop   | 16. Nursing home ombudsman  |
| 6. Camp   | 17. Legal guardian or conservator   |
| 7. Respite care facility  | 18. Skilled nursing facility  |
| 8. Residential care institution<br>including foster homes and<br>group homes  | 19. Intermediate care facility  |
| 9. Community care facility  | 20. Local Law enforcement agency  |
| 10. Adult day care facility,<br>including adult day health<br>care facilities | 21. Any other person who provides<br>goods or services necessary to<br>avoid physical harm or mental<br>suffering and who performs duties |
| 11. Regional center for persons<br>with developmental disabilities            |   |

"Health Practitioner" means a physician, surgeon, psychiatrist, psychologist, dentist, resident, intern, podiatrist, chiropractor, licensed nurse, dental hygienist, marriage, family and child counselor or any other person who is currently licensed under Division 2 (commencing with Section 500) of the Business and Professions Code, any emergency medical technician I or II, paramedic, a person certified pursuant to Division 2.5 (commencing with Section 1797) of the Health and Safety Code, or psychological assistant registered pursuant to Section 2913 of the Business and Professions Code, a marriage, family and child counselor trainee, as defined in subdivision (c) of Section 4980.03 of the Business and Professions Code, a state or county public health employee who treats a dependent adult for any condition, a coroner, or a religious practitioner who diagnoses, examines, or treats dependent adults.

I certify that a full copy of Welfare and Institutions Code section 15630 and following has been provided to me, and I have read and understand the above statement and will comply with its provisions.

Contractor Signature





**EXHIBIT D-4**

**NATIONAL VOTER REGISTRATION ACT (NVRA) OF 1993**

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Company/Organization Name

**Crestwood Behavioral Health, Inc. a Delaware for profit corporation**

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**SOLANO COUNTY MENTAL HEALTH PROGRAMS (SCMHP):**

**UNDER CONTRACT WITH** Solano County Health and Social Services Department (Mental Health Services).

The contractor or grant recipient named above certifies compliance with the National Voter Registration Act (NVRA) of 1993 in matters relating to providing a voter registration services to any and all consumers who utilize mental health services in the County of Solano.

The above named contractor will:

1. Publish a statement notifying employees that they shall comply with the implementation of a voter registration services as defined in the Solano County Health and Social Services Policies and Procedures Manual,
2. Establish a Voter Registration Program as required by the Solano County Health and Social Services Department, Mental Health Services, and
3. Provide, as required by NVRA, information and data as requested by the Solano County Health and Social Services Department for compliance with the Department of Mental Health (DMH) Information Notices and Implementation audits.

**CERTIFICATION**

I, the official named below, certify that I am duly authorized legally to bind the contractor or grant recipient to the above described certification. I am fully aware that this certification, executed on the date, in the county below, is made under penalty of perjury under the laws of the State of California.

Contractor Signature





# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	12	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Sheriff's Office
<b>File #:</b>	18-401	<b>Contact:</b>	Angelica Russell, 784-7064
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution approving participation in the California Department of Water Resources Statewide Flood Emergency Response Grant Program - Round Three, in the amount of \$908,000, with a performance period of July 1, 2018 to December 30, 2021; and Authorize the Sheriff or his designee to take all necessary actions for the purpose of obtaining grant funding		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution, B - Grant Budget		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X

Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Sheriff recommends that the Board of Supervisors:

1. Adopt a resolution approving participation in the California Department of Water Resources Statewide Flood Emergency Response Grant Program - Round Three, in the amount of \$908,000, with a performance period of July 1, 2018 to December 30, 2021; and
2. Authorize the Sheriff or his designee to take action necessary for the purpose of obtaining grant funding.

### **SUMMARY:**

In June 2017, The California Department of Water Resources (DWR) released a grant solicitation package for a Statewide Flood Emergency Response Grant Program - Round Three. This grant allocates \$5 million in funding to improve local flood emergency response in California and to contribute to increased public safety. This grant is available to all California public agencies with primary responsibility for flood emergency response and coordination. The geographic scope of this grant is Statewide inside the legal Delta.

### **FINANCIAL IMPACT:**

The Sheriff's Office is requesting \$908,000 in funds from the California Department of Water Resources Statewide Flood Emergency Response Grant Program - Round Three. There is no matching requirement. The grant would fully fund projects in support of planning, coordination, and training and exercises, including management and administration and therefore have no impact to the County General Fund. The budget details are provided in the attached chart.

- Should Solano County be awarded the grant, the Sheriff's Office will return to the Board for approval of the grant agreement and an appropriation transfer request to recognize unanticipated revenue.

The costs associated with preparing the agenda item is nominal and absorbed by the Sheriff's Office FY2017/18 Adopted Budget.

#### **DISCUSSION:**

For the past few years, staff from the Solano County Office of Emergency Services has been actively participating in the DWR Delta Working Group. This working group is comprised of the counties and jurisdictions that have emergency response responsibilities in the Delta. Solano County has been working with representatives from the other four Delta Counties (Contra Costa, Sacramento, San Joaquin, and Yolo) to continue the cooperative planning to strengthen the emergency response in the Delta. DWR has offered three previous grant funding opportunities that Solano County has participated in, receiving \$587,370 in 2012 for communication enhancement; \$450,000 in 2014 to develop extensive maps, evacuation routes, and emergency responder training; and \$131,000 in 2018 to provide flood fight material and staff training, totaling \$1,168,370 in grant funds.

The Statewide Flood Emergency Response Grant Program - Round Three would allow Solano County to increase flood response readiness developing an overall Operational Area Flood Emergency Response Plan (FERP) and incorporating the recently developed Delta FERP. The projects proposed would allow for the entire County, and all jurisdictions within the County, to have maps and plans necessary for comprehensive flood planning and emergency response, to develop a truly comprehensive and standardized regional approach.

The "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" (Proposition 84) provides funding to improve local flood emergency response. To date, \$10 million has been awarded in two solicitations for this grant and an additional \$5 million is being made available for this Round Three grant solicitation. Solano County is requesting \$908,000 in funding.

Eighty-six percent (86%) or \$860,000 will support planning and coordination to develop local flood emergency plans, revise emergency and hazard mitigation plans, develop flood contingency maps and processes, revise and create public safety and citizen maps and provide National Incident Management System (NIMS), California Standardized Emergency Management System (SEMS) and Incident Command System (ICS) training.

Nine percent (9%) or \$80,000 will be utilized to develop and conduct flood response exercises.

Five percent (5%) or \$48,000 will be utilized for the administration and management of the grant to include the development of the grant application and project applications.

#### **ALTERNATIVES:**

The Board of Supervisors could choose not to authorize participation in the program; however, this alternative is not recommended as non-participation would derail the grant application approval. Additionally, this alternative is not fiscally prudent because it would result in a loss of \$908,000 in revenue which would negatively impact the County's response to emergencies and disasters.

#### **OTHER AGENCY INVOLVEMENT:**

County Counsel, the Department of Resource Management, and the Department of General Services will all



be consulted as contracts and acquisitions warrant.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

**RESOLUTION NO. 2018- \_\_\_\_**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SOLANO COUNTY  
AUTHORIZING THE SHERIFF OR HIS DESIGNEES TO EXECUTE ANY ACTIONS  
NECESSARY FOR THE PURPOSE OF OBTAINING GRANT FUNDING PROVIDED BY  
THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR THE  
STATEWIDE FLOOD EMERGENCY RESPONSE GRANT PROGRAM–ROUND THREE**

**Whereas**, Solano County proposes to implement the Statewide Flood Emergency Response Grant Program Round three; and

**Whereas**, Solano County intends to apply for grant funding from the California Department of Water Resources for the project costs.

**Resolved**, by the Board of Supervisors of Solano County as follows:

1. That pursuant and subject to all of the terms and provisions of the California Proposition 84, The Safe Drinking Water, Water Quality & Supply, Flood Control, River & Coastal Bond Act of 2006 (Section 75032 of Chapter 3 of Division 43 of the Public Resources Code) application by this Agency be made to the California Department of Water Resources to obtain a grant for the FY2018 Statewide Flood Emergency Response Grant Program.
2. The Solano County Sheriff or his designee is hereby authorized and directed to prepare the necessary data, make investigations, sign, and file such application with the California Department of Water Resources, and take such other actions as necessary or appropriate to obtain the grant funding.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on June 12, 2018, by the following vote:

AYES: Supervisors \_\_\_\_\_

\_\_\_\_\_

NOES: Supervisors \_\_\_\_\_

EXCUSED: Supervisors \_\_\_\_\_

\_\_\_\_\_  
JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk

## GRANT BUDGET

### *1. PLANNING AND COORDINATION*

Local Flood Emergency Plan Development	\$	150,000
Revise Emergency Operations and Hazard Mitigation Plans	\$	60,000
Flood Contingency Maps and Processes	\$	430,000
Public Safety Maps and Citizen Maps	\$	120,000
SEM/NIMS Training	\$	20,000
SUBTOTAL		\$ 780,000

*2. TRAINING AND EXERCISES:* Flood Response Exercise \$ 80,000

*3. MANAGEMENT AND ADMINISTRATION* \$ 48,000

<b>TOTAL</b>	<b>\$</b>	<b>908,000</b>
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# Solano County

675 Texas Street  
Fairfield, California 94533  
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## Agenda Submittal

<b>Agenda #:</b>	13	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Resource Management
<b>File #:</b>	18-362	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution accepting the dedication of 1,658 square feet of right of way easement for public roadway and public utility purposes on Belmont Avenue and Carrot Lane for Minor Subdivision MS-17-01(Snyder)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	District 2		
<b>Attachments:</b>	A - Map, B - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board adopt a resolution accepting the dedication of 1,658 square feet of right of way easement for public roadway and public utility purposes on Belmont Avenue and Carrot Lane for Minor Subdivision MS-17-01(Snyder).

### **SUMMARY/DISCUSSION:**

Minor Subdivision MS-17-01 creates two parcels (13,702 square feet and 11,473 square feet). The parcels front on Belmont Avenue and Carrot Lane in the unincorporated portion of Vallejo, Solano County (see Attachment A - Map).

Minor Subdivision MS-17-01 was approved by the Zoning Administrator on January 18, 2018. The conditions of approval for Minor Subdivision MS-17-01 require the developer to dedicate for road purposes a 5 foot wide right of way easement for public roadway and public utility purposes on Belmont Avenue along the westerly frontage of the property and a 10 foot wide right of way easement for public roadway and public utility purposes on Carrot Lane along the easterly frontage of the property. This dedication of 1,658 square feet of additional right-of-way is in accordance with Chapter 26 of the Solano County Code. Adoption of the resolution (Attachment B - Resolution) will result in the dedication being recorded with the filing of the Parcel Map.

### **FINANCIAL IMPACT:**

The Road Fund pays the cost of maintaining Belmont Avenue and Carrot Lane. There is no impact to the General Fund. This additional road dedication does not increase total road miles maintained but increases available land for road width to meet Board adopted County Road Standards.

### **ALTERNATIVES:**

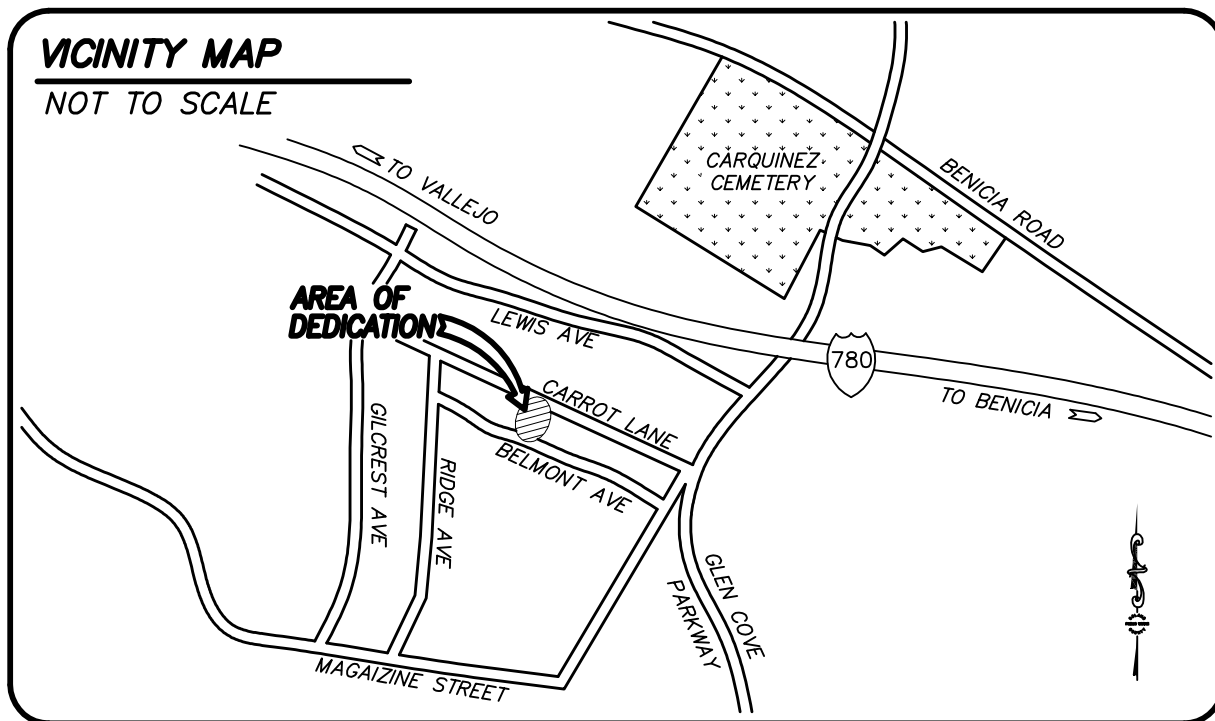
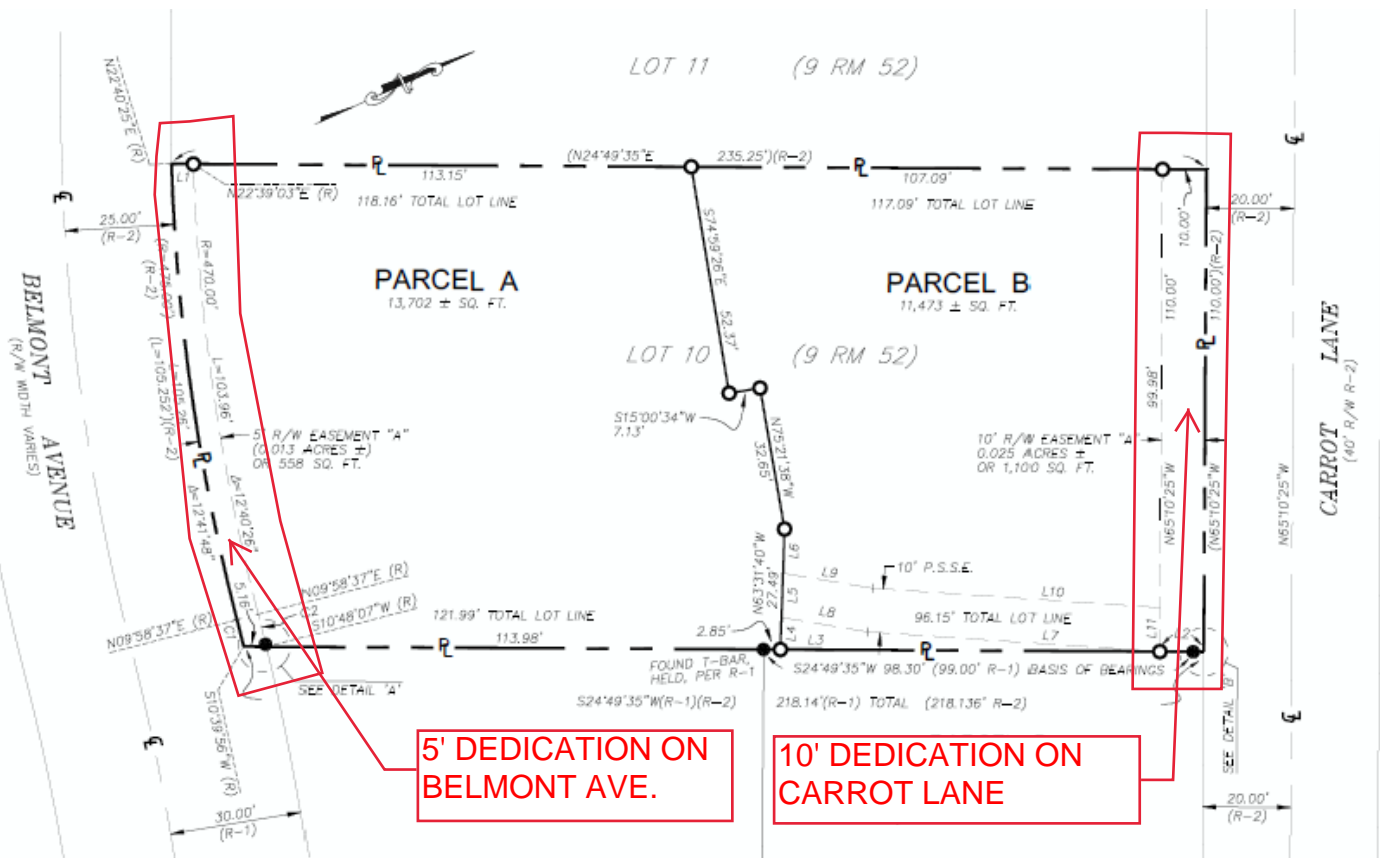
The Board of Supervisors may choose not to accept the offer of dedication and purchase the property in the future if needed for road purposes. This is not recommended, since dedications for road purposes are a requirement of County policies contained in Chapter 26 of the Solano County Code that are intended to mitigate the impact of new development on the County road system, and this dedication is a requirement of the subdivision.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this item as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



SOLANO COUNTY  
DEPARTMENT OF RESOURCE MANAGEMENT  
PUBLIC WORKS ENGINEERING

675 TEXAS STREET, SUITE 5500  
FAIRFIELD, CA 94533-6341  
TEL: (707) 784-6060 FAX: (707) 784-2894

MS-17-01 SNYDER PARCEL MAP  
RIGHT OF WAY EASEMENT FOR  
PUBLIC ROADWAY AND PUBLIC UTILITIES  
ALONG BELMONT AVE AND CARROT LANE  
COUNTY OF SOLANO

MAY, 2018

PAGE 1 OF 1

**RESOLUTION NO. 2018 - \_\_\_\_\_**

**RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS  
ACCEPTING THE DEDICATION OF 1,658 SQUARE FEET OF RIGHT OF WAY EASEMENT FOR  
PUBLIC ROADWAY AND PUBLIC UTILITY PURPOSES ON BELMONT AVENUE AND CARROT  
LANE FOR MINOR SUBDIVISION MS-17-01(SNYDER)**

**WHEREAS**, as a condition of approval of Minor Subdivision MS-17-01 the Developer (Snyder) was required to dedicate right of way on Belmont Avenue and Carrot Lane; and

**WHEREAS**, the Developer will record the Parcel Map with an offer of dedication to the County of Solano for additional right of way along the westerly side of Belmont Avenue and easterly side of Carrot Lane.

**RESOLVED**, the Solano County Board of Supervisors, in accordance with Chapter 26 of the Solano County Code, accepts the dedication of property for public roadway and public utility purposes along Belmont Avenue and Carrot Lane for Minor Subdivision MS-17-01.

Passed and adopted by the Solano County Board of Supervisors at its regular meeting on June 12, 2018 by the following vote:

AYES: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_

NOES: SUPERVISORS \_\_\_\_\_

EXCUSED: SUPERVISORS \_\_\_\_\_

\_\_\_\_\_  
JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	14	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Resolution	<b>Department:</b>	Resource Management
<b>File #:</b>	18-397	<b>Contact:</b>	Chris Drake, 784-3118
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Adopt a resolution designating the month of July 2018 as Parks and Recreation Month in Solano County		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Resolution		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X

Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board of Supervisors adopt a resolution designating the month of July 2018 as Parks and Recreation Month in Solano County.

### **SUMMARY/DISCUSSION:**

Since 1985, public agencies and organizations across the nation have recognized the month of July as a time to celebrate our parks and recreation opportunities. For 2018, the National Recreation and Park Association is designating July as "Parks and Recreation Month", with a theme of A Lifetime of Discovery, specifically targeted at increasing physical activity and mental agility. The California Park and Recreation Society is designating July as "Parks Make Life Better!® Month" promoting Play, Nature, Exercise, Positive Spaces, Gathering Places and Forever as core concepts attributed to park experiences.

Each year over 192,000 visitors enjoy the County's four parks: Sandy Beach County Park, Lake Solano County Park, Belden's Landing Water Access Facility and Lynch Canyon Open Space Park. The park system showcases Solano County's greatest natural and recreational resources, the Sacramento River (Sandy Beach), the Putah Creek watershed (Lake Solano), the Suisun Marsh (Belden's Landing) and its open grasslands and rolling hills (Lynch Canyon). With summertime events including the Lynch Canyon Kite Fest, Lynch Canyon Trail Run, Lake Solano Docent in Residence Weekend, kids fishing derbies, community clean up events, and docent led hikes and tours in addition to camping, picnicking, boating, equestrian, and hiking activities, Solano County Parks and Recreation continues to offer a variety of recreational experiences for the residents of Solano County and beyond. Passage of special state legislation via SB 365 to create a regional parks and open space district and ongoing work by the County towards creation of the district further emphasizes the level of importance Solano County places on parks and open space in the County.

Therefore, Resource Management is requesting that your Board adopt the attached resolution designating July 2018 as "Parks and Recreation Month", to recognize the vital role that the Solano County Parks plays towards



residents' quality of life, connecting with nature, and benefitting tourism, public health and youth development.

**FINANCIAL IMPACT:**

The costs associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget. The costs associated with preparation and purchase of the resolution materials are included in the Board's FY2017/18 Adopted Budget.

**ALTERNATIVES:**

The Board could choose not to adopt this resolution. This is not recommended because this is an opportunity to promote the parks and recreation options in Solano County and recognize the staff dedicated to maintaining these resources so that the public can safely enjoy them.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has approved the resolution as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

# Resolution No. 2018 -

## **RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS DESIGNATING JULY 2018 AS PARKS AND RECREATION MONTH IN SOLANO COUNTY**

**WHEREAS**, public agencies throughout the nation have designated July as “Parks and Recreation Month” since 1985; and

**WHEREAS**, Solano County, through its Department of Resource Management, Parks and Recreation Division, operates four parks: Sandy Beach County Park, Lake Solano County Park, Lynch Canyon Open Space Park and Belden’s Landing Water Access Facility (“Solano County Parks”) benefitting over 192,000 children, adults, and seniors; and

**WHEREAS**, parks and recreation areas are fundamental to the environmental well-being of our community; and

**WHEREAS**, the Solano County Parks are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

**WHEREAS**, residents value their parks for access to outdoor spaces for children and adults to play, exercise and participate in lifelong learning; and

**WHEREAS**, parks provide access to the serenity and inspiration of nature as well as improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, produce habitat for wildlife, and preserve and protect the historic, natural and cultural resources in our community; and

**WHEREAS**, the U.S. House of Representatives has designated July as Parks and Recreation Month.

**NOW, THEREFORE, BE IT RESOLVED** that the Solano County Board of Supervisors designates the month of July 2018 as “Parks and Recreation Month” in Solano County and urges all residents to enjoy the social, physical, mental, environmental and community benefits derived from the Solano County Parks.

Dated this 12<sup>th</sup> day of June, 2018

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JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

ATTEST:  
BIRGITTA E. CORSELLO, Clerk  
Solano County Board of Supervisors

By: \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	15	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Notice of Completion	<b>Department:</b>	Resource Management
<b>File #:</b>	18-412	<b>Contact:</b>	Bill Emlen, 784-6062
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve the Notice of Completion for the Highway Safety Improvement Program (HSIP6) Putah Creek & Dixon Avenue West Shoulder Widening Project and the Notice of Completion for the Storm Damage Repair FHWA Project		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Notice of Completion - Putah Creek & Dixon Ave, B - Notice of Completion - Storm Damage Repair		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of Resource Management recommends that the Board of Supervisors approve the Notice of Completion for the Highway Safety Improvement Program (HSIP6) Putah Creek & Dixon Avenue West Shoulder Widening Project and the Notice of Completion for the Storm Damage Repair FHWA Project.

### **SUMMARY:**

On May 10, 2016 the Board authorized the Department of Resource Management to advertise for bids, and to award and execute a contract with the lowest responsible bidder for HSIP6 Putah Creek Road-Dixon Avenue West Shoulder Widening. The project consisted of the construction of four-foot paved shoulders on Putah Creek Road from Martinez Lane to 2.0 miles west, and Dixon Avenue West from Jahn Road to 2.0 miles east. Vintage Paving Inc., of Woodland, California was the lowest responsible bidder at the bid opening held on July 18, 2016. A contract was awarded to Vintage Paving Inc., on August 1, 2016 and executed on August 18, 2016. All construction work on the project has been completed, for a final cost of \$1,138,521 in compliance with the contract.

On June 27, 2017 the Board authorized the Department of Resource Management to advertise for bids, and to award and execute a contract with the lowest responsible bidder for Storm Damage Repair 2017-FHWA. This project consisted of the installation of a new concrete culvert and reconstruction of the roadway at Shiloh Road. It also included the installation of a sheet pile wall adjacent to Gibson Canyon Road. Granite Rock Company of San Jose, CA was the lowest responsible bidder at the bid opening held on June 28, 2017. A contract was awarded to Granite Rock Company on August 10, 2017 and executed on August 25, 2017. All construction work on the project has been completed, for a final cost of \$441,589 in compliance with the contract.

Approval of the Notices of Completion allows the Department of Resource Management to make the final

payments to the contractors.

**FINANCIAL IMPACT:**

HSIP6 Putah Creek Road-Dixon Avenue West Shoulder Widening was funded primarily with monies from Federal Highway Safety Improvement Program, with the remaining cost coming from the Road Fund. Storm Damage Repair 2017- FHWA was funded primarily with monies from Federal FEMA and FHWA funds, Road Fund, and the General Fund through the County Disaster Fund. There is no impact to the General Fund.

**DISCUSSION:**

HSIP6 Putah Creek Road-Dixon Avenue West Shoulder Widening consisted of upgrading two Dixon Area Roads with paved shoulders for improved safety for vehicles and bicyclists, relocations of existing signs, installation of new signage, and new thermo plastic striping. The work also included traffic control, flagging, installation of new slurry seal, and sweeping the roadway. Vintage Paving Inc. has completed the project in accordance with the project plans and specifications.

Storm Damage Repair 2017-FHWA consisted of the repairing water damage done during the January flood of 2016. At Shiloh Road, an existing corrugated metal pipe was removed, and a new concrete box culvert was installed. The roadway was also rebuilt. At Gibson Canyon Road, sheet piling was installed to stabilize the land slide adjacent to the wall. A new guardrail was also installed to protect drivers. Additional work also included traffic control, flagging, application of thermoplastic and shoulder backing. Granite Rock Company has completed the project in accordance with the project plans and specifications.

**ALTERNATIVES:**

The Board could choose to not approve the Notice of Completion for the two projects. This is not recommended, since it would delay the final payment to the contractors and all construction work has been completed.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this item as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

Recorded at request of the  
COUNTY OF SOLANO

**When recorded return to:**

Department of Resource Management  
Public Works Engineering  
675 Texas Street, Suite 5500  
Fairfield, CA 94533

**NOTICE OF COMPLETION**  
(Civil Code § 3093)

**NOTICE IS GIVEN THAT:**

1. The County of Solano owns in fee, or has an interest in as designated below, that certain real property situated in the County of Solano, State of California, and described as follows:

**Putah Creek Road and Dixon Avenue West**

2. The County of Solano did on the **18th of August, 2016**, entered into a contract for the construction of the **HSIP6 Putah Creek Road-Dixon Avenue West Shoulder Widening** by Vintage Paving Inc. ("Contractor") upon the real property described above, the contract having been filed in the Office of the Solano County Recorder, State of California, on the **29th of August, 2016** as **Instrument No. 201600073244**.
3. The work of improvement, as a whole, was completed by the Contractor on the **12th of June, 2018**, the Board of Supervisors of Solano County having made and entered this resolution accepting the contract on that date.
4. The name and address of the owner of the property is **County of Solano, 675 Texas Street, Suite 5500, Fairfield, CA 94533** and the nature of the title to the property is **FEE**.

State of California}  
County of Solano}

The undersigned, John M. Vasquez, being duly sworn says that he is the chair of the Solano County Board of Supervisors; that he is the person signing the above document; and that he swears under penalty of perjury that he has read the same, knows the contents thereof, and that the facts stated above are true.

By \_\_\_\_\_  
JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

Attested:

By \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk  
Solano County Board of Supervisors

\_\_\_\_\_  
Date

**Recorded at request of the  
COUNTY OF SOLANO**

**When recorded return to:**

Department of Resource Management  
Public Works Engineering  
675 Texas Street, Suite 5500  
Fairfield, CA 94533

**NOTICE OF COMPLETION**  
(Civil Code § 3093)

**NOTICE IS GIVEN THAT:**

1. The County of Solano owns in fee, or has an interest in as designated below, that certain real property situated in the County of Solano, State of California, and described as follows:

**Shiloh Road and Gibson Canyon Road**

2. The County of Solano did on the **8th of August, 2017**, entered into a contract for the construction of the **Storm Damage Repair 2017-FHWA** by Granite Rock Company. ("Contractor") upon the real property described above, the contract having been filed in the Office of the Solano County Recorder, State of California, on the **6th of September, 2017** as **Instrument No. 201700075709**.
3. The work of improvement, as a whole, was completed by the Contractor on the **12th of June, 2018**, the Board of Supervisors of Solano County having made and entered this resolution accepting the contract on that date.
4. The name and address of the owner of the property is **County of Solano, 675 Texas Street, Suite 5500, Fairfield, CA 94533** and the nature of the title to the property is **FEE**.

State of California}  
County of Solano}

The undersigned, John M. Vasquez, being duly sworn says that he is the chair of the Solano County Board of Supervisors; that he is the person signing the above document; and that he swears under penalty of perjury that he has read the same, knows the contents thereof, and that the facts stated above are true.

By \_\_\_\_\_  
JOHN M. VASQUEZ, Chair  
Solano County Board of Supervisors

Attested:

By \_\_\_\_\_  
Jeanette Neiger, Chief Deputy Clerk  
Solano County Board of Supervisors

\_\_\_\_\_  
Date



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	16	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Appointment	<b>Department:</b>	Board of Supervisors
<b>File #:</b>	18-391	<b>Contact:</b>	John M. Vasquez, 784-6129
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve the reappointment of Bruce DuClair to the Airport Land Use Commission, representing District 4, for a term to expire May 3, 2021		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	District 4		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_ No X  
Public Hearing Required? Yes \_\_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

Chair Vasquez requests that the Board of Supervisors approve the reappointment of Bruce DuClair to serve on the Airport Land Use Commission, representing District 4, for a term to expire May 3, 2021.

### **SUMMARY/DISCUSSION:**

The purpose of the Airport Land Use Commission (ALUC) is to promote compatibility between airports within the county and the land use issues which surround them. The ALUC is responsible for the preparation of Land Use Compatibility Plans for each public use or military airport located in Solano County. Additionally, the commission is to consider and determine consistency of various land use matters affecting areas located within these airport influence areas with the policies and consistency criteria of the pertinent Airport Land Use Compatibility Plans.

Mr. DuClair brings a wealth of aviation experience from his career in the United States Air Force and United States Navy, including 22 years of flying status. Mr. DuClair is knowledgeable in ramp management, aircraft handling, maintenance, fueling and airfield operations.

### **FINANCIAL IMPACT:**

Airport Land Use Commission members are not compensated. The cost of preparing this agenda item is nominal and absorbed by the District 4 FY2017/18 Adopted Budget.

### **ALTERNATIVES:**

The Board of Supervisors could choose not to approve this re-appointment, however, that is not recommended as this action is consistent with Board policy and criteria set forth by the ALUC Bylaws.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION





# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	17	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Appointment	<b>Department:</b>	First 5 Solano
<b>File #:</b>	18-402	<b>Contact:</b>	Michele Harris, 784-1332
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve the Solano Children's Alliance membership appointments of Maria Guevara, Candace Floyd, and Robert Tobin for the term of June 12, 2018 to June 12, 2022; and Approve appointments of Michalle Shown-Rodriguez and Francie McInerney-Macmillan as alternates for the term of June 12, 2018 to June 12, 2022		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Membership Roster		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No   X  

Public Hearing Required? Yes \_\_\_\_\_ No   X  

### DEPARTMENTAL RECOMMENDATION:

First 5 Solano/County Administrator's Office recommends the Board of Supervisors approve the membership appointments of Maria Guevara, Candice Floyd and Robert Tobin and approve the alternate appointments of Michalle Shown-Rodriguez (alternate for Jane Johnson) and Francie McInerney-Macmillan (alternate for Maria Guevara), to the Solano Children's Alliance for the term of June 12, 2018 to June 12, 2022.

### SUMMARY/DISCUSSION:

The multidisciplinary Solano Children's Alliance was established in 1982 to advise and educate the Board of Supervisors on children's issues. The Alliance consists of 20 voting members recommended by the Alliance Executive Committee and appointed by the Board of Supervisors.

This item brings forward three member appointments as recommended by the Alliance Executive Committee:

- Maria Guevara, Founder at Vallejo Together, to the membership category of Community Based Organization that Provides Services to Families and Youth
- Candice Floyd, parent and graduate of the Parent Leadership Training Institute, to the membership category of Member-at-Large
- Robert Tobin, Executive Director of Safe Quest, to the membership category of Community Based Organization that Provides Services to Families and Youth

This item also brings forward recommended appointments of two alternates. The proposed alternates and their membership categories are:

- Michalle Shown-Rodriguez, Development Director at Child Haven, for category of Community Based

- Organization that Provides Services to Families and Youth
- Francie McInerney-Macmillan, Director at Vallejo Together, for category of Community Based Organization that Provides Services to Families and Youth

The proposed appointments and alternate appointments are included in the Proposed Membership Roster (Attachment A).

**FINANCIAL IMPACT:**

The costs associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget. There is no financial impact for this decision; approval will assist the Solano Children's Alliance to reach a quorum to conduct their business.

**ALTERNATIVES:**

The Board could choose not to appoint the applicants; however, this is not recommended as the applicants have been brought forward in accordance with the approved Alliance Bylaws, have demonstrated an interest in the welfare of children in Solano County, and are prepared to dedicate their time to the Solano Children's Alliance.

**OTHER AGENCY INVOLVEMENT:**

The membership appointments and alternates have been reviewed and recommended by the Executive Committee of the Solano Children's Alliance.

**Children's Alliance Membership Roster**

<b><u>Category of Membership</u></b>	<b><u>Member/Alternate</u></b>
Solano County H&SS	Aaron Crutison Alternate: Debbie Powell
Solano County H&SS	Pamela Dixon Alternate: Nazlin Huerta
Solano County Juvenile Probation Department	Adrienne Carson Alternate: Lisa Wamble
Local Child Serving Public Agency	Pam Posehn Alternate: Rachel Rico
Presiding Judge of Juvenile Court or Representative of Juvenile Justice Services	Candy Pierce Alternate: Cynthia Wojan
Solano County Superintendent of Schools Or Designee	Lisette Estrella-Henderson Alternate: Nicola Parr
Local School District or Designee	Stacy Burke Alternate: Cheryl Jones
Solano County District Attorney's Office	Sharon S. Henry Alternate: Angel Aguilar
Community Based Organization that Provides Services to Families and Youth	Jane Johnson <b><i>Proposed Alternate: Michalle Shown-Rodriguez</i></b>
Community Based Organization that Provides Services to Families and Youth	<b><i>Proposed Member: Maria Guevara</i></b> <b><i>Proposed Alternate: Francie McInerney-Macmillan</i></b>
Community Based Organization that Provides Services to Families and Youth	Maria Vicondoa Alternate: Paul Cecchettini
Community Based Organization that Provides Services to Families and Youth	Juan Cisneros Alternate: Debbie Peralez
Community Based Organization that Provides Services to Families and Youth	<b><i>Proposed Member: Robert Tobin</i></b> Alternate: Alaina Starr
Member at Large - Parents, Grandparents and Consumers	<b><i>Proposed Member: Candice Floyd</i></b>
Member at Large - Parents, Grandparents and Consumers	VACANT
Member of the County Board of Supervisors or Designee	Monica Brown Alternate: Kelly Dwyer
Local Law Enforcement	Gloria Diaz Alternate: Ana Isabel Montano
Regional Center	Guadalupe Lopez Alternate: Rafael Hernandez-Perez
Child Care R&R or Child Care Planning Council	Zoe Bartholomew Alternate: Kathy Lago
Community Based Organization that ties to an Ethnic Community	Maurilio Leon Alternate: Angie Lopez



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	18	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Appointment	<b>Department:</b>	Workforce Development Board
<b>File #:</b>	18-430	<b>Contact:</b>	Heather Henry, 863-3501
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve the appointment of Tim Healer as the Business Representative to the Workforce Development Board (WDB) of Solano County, for a term to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Application & Letter of Recommendation		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X  
Public Hearing Required? Yes \_\_\_ No X

### **DEPARTMENTAL RECOMMENDATION:**

It is recommended that the Board of Supervisors appoint Tim Healer as a Business Representative to the Workforce Development Board (WDB) of Solano County, for a term to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA).

### **SUMMARY:**

The Board of Supervisors, as the local elected official authorized under §107(b)(1) of the 2014 Workforce Innovation and Opportunity Act (WIOA) and as described on page 2 of the Bylaws of the WDB of Solano County, Article VI-Section C. Selection of Directors, appoint representatives to the Board of Directors of the WDB. The WDB Board of Directors approved the above named nominee at their May 18, 2018 Board meeting.

Based on the technical certification, membership nomination, application and supplemental application (Attachment A), as well as WDB Board action, Mr. Healer can now be considered for formal ratification by the Board of Supervisors as the newest representative on the Board of Directors of the WDB.

### **FINANCIAL IMPACT:**

This action has no financial impact. The WDB is fully grant funded and receives no County General Funds.

### **DISCUSSION:**

Mr. Healer began his banking career in 2006 with Umpqua Bank and has worked in the banking industry for 12 years. He started out on the front lines as a personal banker and was promoted to business development officer. He left Umpqua Bank in 2012 to join California Bank of Commerce as a Jr. Commercial Lender with a

focus in the San Francisco Market. After his first year, he was promoted to a VP Commercial Lender. In 2015, he had an opportunity to join Bank of the West and work as a VP Commercial Lender on their national wine and beverage team headquartered in Napa, CA. Mr. Healer is currently the VP Commercial Lender of Solano County for First Northern Bank after having joined their organization in December of 2017.

After a technical review of his application documents, Mr. Healer has been found to be in compliance with the regulatory requirements governing the Business Representative category for the Workforce Development Board membership appointment. Mr. Healer will serve a term of office from July 1, 2018 through June 30, 2022.

With this appointment, as recommended in this report, the WDB will have 23 of its 25 membership seats filled. The remaining vacant seats are due to the departure of Debbie Antonsen who served as the Wagner-Peyser Representative on both WIB and now the WDB. Staff has identified Ms. Antonsen's successor and will present a new member nomination for appointment at the July 20, 2018 WDB Board meeting. Staff is currently looking to identify a Business Representative to fill the other vacancy.

**ALTERNATIVES:**

At this time, Mr. Healer is the only qualified applicant that the WDB has received to fill the Business seat on the Board. The Board of Supervisors could request that the WDB conduct further outreach and seek additional applicants; however, this is not recommended as the WDB considers Mr. Healer an excellent candidate to serve as a member of the Board of Directors.

**OTHER AGENCY INVOLVEMENT:**

Debi Tavey, President/CEO of the Fairfield-Suisun Chamber of Commerce, provided the nomination of behalf of Mr. Healer.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**



**WORKFORCE DEVELOPMENT BOARD**  
OF SOLANO COUNTY

**MEMBERSHIP APPLICATION FOR APPOINTMENT TO THE WORKFORCE  
DEVELOPMENT BOARD OF SOLANO COUNTY  
AS REQUIRED BY THE WORKFORCE INNOVATION AND  
OPPORTUNITY ACT (WIOA)**

Thank you for your interest in serving as a member of the Workforce Development Board (WDB) of Solano County. Please complete this application as well as the supplemental application and return them to the WDB's Corporate Affairs Unit located at 320 Campus Lane, Fairfield, CA 94534.

**Name:** Timothy Patrick Healer

**Company/Agency:** First Northern Bank

**Title:** VP Loan Officer

**Business Address:** 555 Mason St., Suite 100  
Vacaville, CA 95688

**Phone Numbers:**  
Home Phone: n/a

Business Phone: 707 454 9607

E-Mail Address: thealer@thatismybank.com

FAX Number: n/a

**County Supervisory District:** \_\_\_\_\_

**Length of Residence/Business**  
**In Solano County:** 30  
**Years** **Months**

### Previous Commission or Committee Membership

Commission/Committee	Office Held (if Applicable)	Length of Participation

### Educational Background

Institution	Major	Degree		Year
		Yes	No	
San Diego State	Business	x		2002
Pacific Coast Bank School	Business	x		2016

### Work/Volunteer Experience

Organization	Address	Position	Year

### Certification

I certify that the information on this application and the attached application supplement is true and correct, and I authorize the verification of the information in the application in the event I am a finalist for membership appointment. I understand that the information may be made public in accordance with Federal, State and local laws. I further understand and agree, if appointed, to complete any and all required Conflict of Interest and/or Disclosure Statements required by law.

  
 Applicant's Signature

4/27/18  
 Date

**WORKFORCE DEVELOPMENTT BOARD  
SUPPLEMENTAL  
MEMBERSHIP APPLICATION**

Name: Timothy P. Healer

Date: 4/27/18

I. Please provide the information requested below relating to the representative category of membership nomination you are seeking on the Workforce Development Board of Solano County.

1. ☒ Business (Private Sector/Non Governmental)
2. ☐ Community Based Organization
3. ☐ Economic/Business Development Agency
4. ☐ Education (Please check the appropriate box)  
☐ Adult School  
☐ Community College
5. ☐ Governmental Entity
6. ☐ Labor Organization
7. ☐ State Certified Apprenticeship Program
8. ☐ Wagner Peyser Program
9. ☐ Title I Rehabilitation Act Program
10. ☐ Youth Employment/Education Provider

II. If you checked **box 1**, please answer each of the following questions:

A. First Northern Bank  
Name of Business

- B. Are you the Chief Executive or Owner ☐ Yes ☒ No
- C. Are you the Chief Operating Office ☐ Yes ☒ No
- D. Do you have substantial policy making or hiring authority ☐ Yes ☒ No
- E. Number of employees at the Solano Business 15
- F. Is the business minority-owned or operated ☐ Yes ☒ No



G. Please check the box indicating which *Chamber of Commerce* is nominating you. (**Attach the nomination letter**)

- |  |                                    |
|--|------------------------------------|
| <input type="checkbox"/> Benicia                     | <input type="checkbox"/> Dixon     |
| <input checked="" type="checkbox"/> Fairfield/Suisun | <input type="checkbox"/> Rio Vista |
| <input type="checkbox"/> Vacaville                   | <input type="checkbox"/> Vallejo   |

III. If you checked **box 2 through box 10**, please complete the following:

A. Name of the organization which nominated you. This organization may also be your employer. (**Attach the nomination letter**)

\_\_\_\_\_  
Organization Name

B. Do you have optimum policy making authority with your organization, agency or entity?

☐ Yes ☐ No

  
\_\_\_\_\_  
Applicant Signature

4.27.2018  
Date



April 26, 2018

Heather Henry, Executive Director  
Workforce Investment Board of Solano County  
320 Campus Lane  
Fairfield, CA 94534

Dear Ms. Henry,

The Fairfield-Suisun Chamber of Commerce is delighted to recommend the nomination of Timothy Healer, Vice President/Yolo Solano Commercial Loan Team for First Northern Bank.

Timothy has been in the banking industry for 12 years. He joined First Northern Bank in 2017. Timothy provides experience, relationship management skills, business and financial acumen, knowledge of lending and a desire to exceed his customers expectations.

Prior to working with First Northern Bank, Timothy worked for Umpqua Bank as a personal banker and was promoted to business development officer. After six years, Timothy left Umpqua Bank to join California Bank of Commerce as a Jr. Commercial Lender with a focus on the San Francisco market. After one year, Timothy was promoted to Vice President of Commercial Lending. Prior to joining First Northern, Timothy was the Vice President of Commercial Lending for Bank of the West on their national wine and beverage team in Napa, Ca. In 2002, Timothy earned a BA degree in Public Administration Finances/Budget Management from San Diego State University. In 2016, Timothy graduated in the top 10% of his class at Pacific Coast Banking School, University of Washington. Timothy lives in Vacaville with his wife and two children.

First Northern Bank and their Leadership Team have been amazing partners with Chambers of Commerce in the Solano and Napa Counties.

Please don't hesitate to contact me, if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Debi Tavey'. The signature is fluid and cursive, with a large loop at the end.

Debi Tavey  
President/CEO  
Fairfield-Suisun Chamber of Commerce



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	19	<b>Status:</b>	Consent Calendar
<b>Type:</b>	Appointment	<b>Department:</b>	Workforce Development Board
<b>File #:</b>	18-431	<b>Contact:</b>	Heather Henry, 863-3501
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Approve the reappointments of Rhuenette Alums, Kimberly Beiner, Kevin Beutler, Celia Esposito-Noy, Fadi Halabi, Gerald Huber, Peggy Huston, Scott Reynolds, and Jon Riley to the Workforce Development Board (WDB) of Solano County for a 4 year term to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X  
Public Hearing Required? Yes \_\_\_ No X

### DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors approve the reappointments of 9 of the current seated members of the Workforce Development Board (WDB) of Solano County, for an additional 4 year term of office to expire on June 30, 2022, as required under the Workforce Innovation and Opportunity Act (WIOA).

### SUMMARY/DISCUSSION:

The Board of Supervisors, as the local elected official authorized under §107(b)(1) of the 2014 Workforce Innovation and Opportunity Act (WIOA) and as described on page 2 of the Bylaws of the WDB of Solano County, Article VI-Section C. Selection of Directors, appoint representatives to the Board of Directors of the WDB. The WDB Board of Directors approved the above named reappointments at their May 18, 2018 Board meeting.

The above named Directors seeking ratification of their reappointments have expressed their desire to continue serving as a member of the Workforce Development Board (WDB) of Solano County Board of Directors.

### FINANCIAL IMPACT:

This action has no financial impact. The WDB is fully grant funded and receives no County General Funds.

### CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION



# Solano County

675 Texas Street  
Fairfield, California 94533  
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## Agenda Submittal

<b>Agenda #:</b>	20	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Presentation	<b>Department:</b>	Auditor-Controller
<b>File #:</b>	18-417	<b>Contact:</b>	Simona Padilla-Scholtens, 784-6287
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Receive a presentation from the Auditor-Controller's Office for the 2017 Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Award		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - CAFR2017 Certificate Award, B - CAFR2017 Press Release		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

It is recommended the Board of Supervisors receive a presentation from the Auditor Controller's Office (ACO) for the 2017 Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Award.

### **SUMMARY:**

The Auditor-Controller's Office (ACO) prepared the Comprehensive Annual Financial Report (CAFR) for the County of Solano for the fiscal year ended June 30, 2017 and submitted an application to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting Program.

The Government Finance Officers Association has awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Solano for the CAFR for the fiscal year ended June 30, 2017. This is the sixteenth consecutive year Solano County has obtained this award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and continues to represent a significant accomplishment by the County.

### **FINANCIAL IMPACT:**

The acceptance of this presentation does not have a fiscal impact to the County. The costs associated with preparing the agenda item is nominal and absorbed by the department's FY2017/18 Adopted Budget.

### **DISCUSSION:**

The CAFR is the County's official annual financial report and is intended for any party interested in the

County's finances (general purpose reporting). The primary objective of general purpose financial reporting is accountability, both fiscal and operational. The data contained in the financial reports must be understandable, reliable, relevant, timely, consistent and comparable.

This program encourages and assists state and local governments to prepare high quality comprehensive annual financial reports.

Solano County's CAFR was reviewed and judged by an impartial panel of professionals to determine if the financial report met the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate Solano County's financial story and to motivate the potential users to read the CAFR. In addition, the CAFR must conform to both generally accepted accounting principles and applicable legal requirements.

Attaining this award continues to be a significant accomplishment for the County and the ACO. The Auditor-Controller recognizes the Financial Reporting Division, specifically Sheila Turgo, Adrienne Clark, Jennifer Laron, Debbie Peirce and Ernestine Villanueva for their dedication and contribution in the preparation of the award winning CAFR.

**ALTERNATIVES:**

The Board of Supervisors could choose not to accept the presentation of the award; however, this is not recommended because this is the highest form of recognition in the area of governmental accounting and financial reporting.

**OTHER AGENCY INVOLVEMENT:**

The Auditor-Controller expresses appreciation to all County departments who assisted in the preparation of this report, and to the County Administrator and the Board of Supervisors for their support in maintaining the highest standards of professionalism in the management of the County's finances.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**County of Solano  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION  
**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

05/18/2018

**For more information contact:**  
**Michele Mark Levine, Director/TSC**  
**Phone: (312) 977-9700**  
**Fax: (312) 977-4806**  
**E-mail: [mlevine@gfoa.org](mailto:mlevine@gfoa.org)**

(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **County of Solano** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

*Government Finance Officers Association is a major professional association servicing the needs of nearly 19,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.*





# Solano County

675 Texas Street  
Fairfield, California 94533  
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## Agenda Submittal

<b>Agenda #:</b>	21	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Report	<b>Department:</b>	County Administrator
<b>File #:</b>	18-422	<b>Contact:</b>	James Bezek, 784-6112
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Receive a report on the Solano County 2017 Index of Economic and Community Progress		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - 2017 Index		

Date:	Ver.	Action By:	Action:	Result:
Published Notice Required?	Yes	No	<input checked="" type="checkbox"/>	
Public Hearing Required?	Yes	No	<input checked="" type="checkbox"/>	

### **DEPARTMENTAL RECOMMENDATION:**

It is recommended the Board of Supervisors receive a report on the *Solano County 2017 Index of Economic and Community Progress*.

### **SUMMARY:**

The *Solano County 2017 Index of Economic and Community Progress* was prepared by Dr. Robert Eyler, a principal at Economic Forensics and Analytics in Petaluma, and working in consultation with the Solano Economic Development Corporation and the County Administrator's office. The Index tracks key economic and community indicators that are shaping the local economy. The tenth edition of the Index spotlights "Solano County Standards of Living and Employment rising". The document is available online at [www.solanocounty.com/economicindex](http://www.solanocounty.com/economicindex) <<http://www.solanocounty.com/economicindex>>

### **FINANCIAL IMPACT:**

The cost for the consultant Economic Forensics Analysis to prepare the 2017 Index was \$20,000, which was included as part of the FY2017/18 Adopted Budget.

### **DISCUSSION:**

**Background:** The *Solano County Index of Economic and Community Progress* is a project that was launched in 2007 after a series of economic summits identified a need for more fact-based information to guide efforts by leaders in both the public and private sectors to expand the long-term viability of the Solano County economy. Three comprehensive editions were produced for 2008, 2009 and 2010 by the consultant Collaborative Economics for the County of Solano and the Solano Economic Development Corporation. The Index was compiled by the County Administrator's Office for 2011 and 2012. Dr. Robert Eyler of Economic Forensics and Analytics reviewed the 2012 report and was retained to prepare the 2013, 2014, 2015, 2016 and now the 2017 Index report.



The 2017 Index highlights Solano County's continued economic growth since 2011 with an expanding economic base. The 2017 Index shows that personal income and gross domestic product (GDP) per capita continue an upward trend while median household income decreased slightly. Taken as a whole, indications point to a year of increased standards of living. The County has seen increases in the number of jobs, population, gross county product, and housing values in 2016 compared to 2015.

The 2017 Index highlights how Solano County is changing demographically in the community and provides some thoughts on how to move forward into the future.

The 2017 Index reflects that Solano County continues to move from recovery out of the recession into an expansion of its economic base. The Index also demonstrates that Solano County is becoming more diversified in its number of employers/economic base with the private sector leading the way into this long-awaited expansion.

### **Key Highlights from the 2017 Index**

#### *Our Changing Economy*

- Solano County private-sector employers hired 2,100 more workers in 2017; this is a 1.6 percent increase from 2016.
  - Total Solano County business, government, and nonprofit employment was 141,300 as of January 1, 2018; the average employment level for 2017 was 139,900 jobs.
  - Solano County's unemployment rate is 4.1 percent as 2018 began.
  - Based on the most recent available data, Gross County Product grew by 3.1 percent in 2016, slightly less than the state of California.
  - Farm jobs growth saw no change and agriculture values slipped again in 2016 (the latest year for which data are available), likely due to continued drought conditions.
  - Personal income per person increased in 2016, based on the most recent available data. While other income measures were flat in 2016, suggesting that Solano County's cost of living is rising and catching up to recent income growth, a rise in standards of living took place in 2016.
  - Employment in export-focused industries increased between 2016 and 2017 by 2,740 jobs, led by non-durable manufacturing and logistics jobs.
  - Solano County wages continue to provide a local competitive advantage versus core Bay Area counties, where wages are rising more quickly due to both local minimum wage ordinances and market forces.
  - Poverty rates are reported in this index, and five-year averages for Solano County, California and the nation show increasing proportions of households facing poverty, even with economic recovery across all these areas.
- Regional cost of living shows moderation in the rise of prices, but steady growth as Solano County's economy expands.

#### *Our Changing Community*

- Solano County's population added 4,525 residents in 2016; this is a 1.1 percent increase.
- Solano and Sacramento counties are forecasted to be fast-growing counties from 2017 to 2050, faster than the state average.
- In the 2015-16 academic year, Solano County's graduation rate continues to increase and remains ahead of the statewide average.
- Slightly more Solano County students were UC/CSU-ready in the 2015-16 academic year than the previous academic year.
- Housing prices increased 6.8 percent in 2017 to \$416,000 at the median and housing affordability fell

slightly. Rental prices continued to rise, to a price of \$2,090 at the median for rentals in January 2018.

- For residential housing units, building permits increased more slowly in fiscal year 2016-17 than 2015-16. Over 1.28 million square feet of commercial space was permitted during fiscal year 2016-17, up 41.6 percent from 2015-16.
- Solano County government revenue from property and sales taxes continued to rise in 2017, due to rising personal income levels and assessed property values rising to over \$51 billion in 2017.

**ALTERNATIVES:**

The Board could choose not receive this report; however, this is not recommended as this is an opportunity for the Board to learn about the economic indicators shaping the local economy.

**OTHER AGENCY INVOLVEMENT:**

The report was prepared by the County Administrator's Office in partnership with the Solano Economic Development Corporation.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION

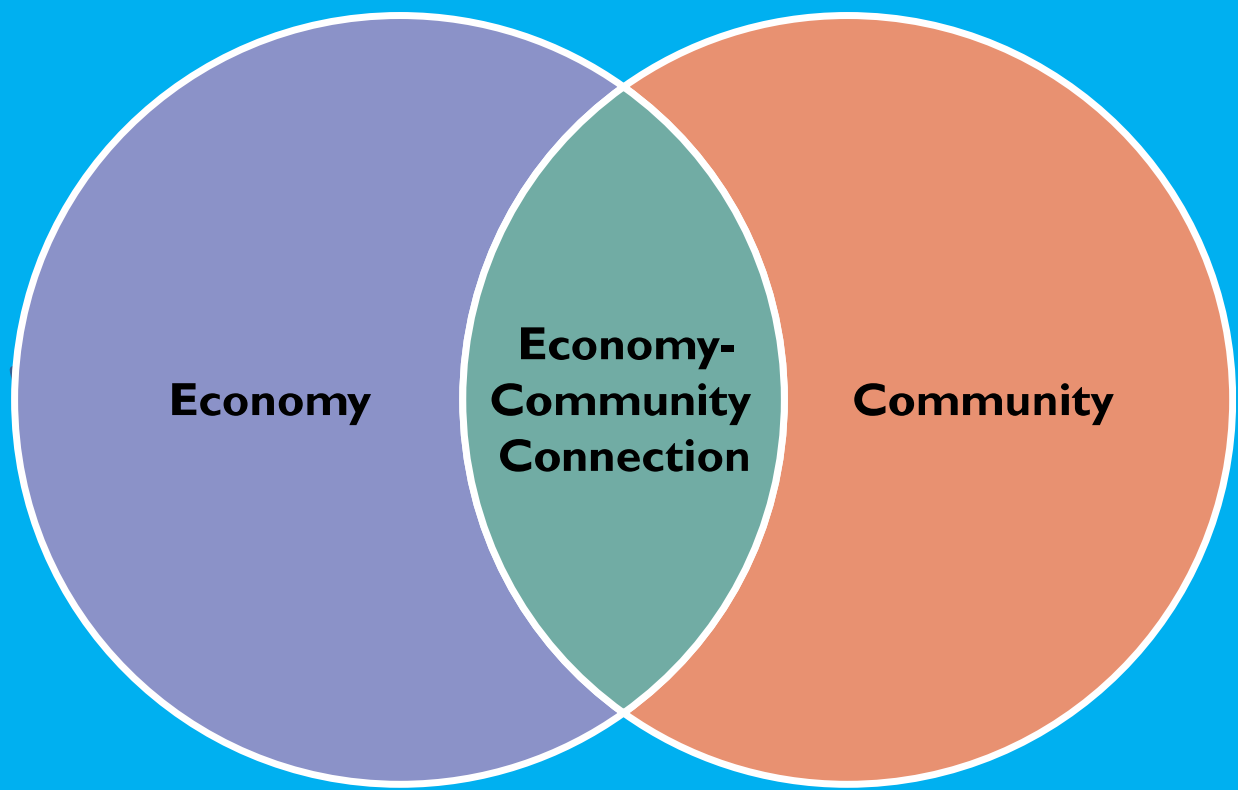


## **Solano County 2017**

### **Index of Economic and Community Progress**

County of Solano and Solano Economic Development Corporation

June 2018



## **Solano County 2017**

### **Index of Economic and Community Progress**

The *Solano County Index of Economic and Community Progress* is a project that was launched in 2007 after a series of economic summits identified a need for more fact-based information to guide efforts by public and private sector leaders to expand Solano County's economy and support its long-term viability.

Three comprehensive editions were produced for 2008, 2009 and 2010 by the consultant Collaborative Economics for the County of Solano and the Solano Economic Development Corporation. These insightful documents provided an objective analysis of key indicators shaping the local economy.

In 2011, the Index became a project for County staff, in cooperation with the Solano EDC, to maintain and update throughout the year. The Index was expanded to include comparisons in many instances to the Sacramento Area, the Bay Area, California and the United States. The 2012 to 2017 editions include the objective analysis of Dr. Robert Eyler from Economic Forensics and Analytics ([www.econforensics.com](http://www.econforensics.com)).

All of the annual index reports, as well as several in-depth analyses of local industry clusters, can be found at [www.solanocounty.com/economicindex](http://www.solanocounty.com/economicindex).

# Index of Economic and Community Progress

**W**e are proud to provide to you our 10<sup>th</sup> annual Solano County Index of Economic and Community Progress. Developed in 2007, this annual report provides a comprehensive reporting of various indicators, capturing trends shaping our local economy and providing long-term perspective and consideration for economic development. Our hope is that you will not only see the underlying data, but a thoughtful and clear analysis of what the numbers mean, and why this is important to our community.

## Solano Job Growth Continues

Solano County's economy continued moving forward at a strong pace in 2017, nearly reaching what most would consider full employment with an unemployment rate of 4.1%. Simply put, this continued downward trend of the unemployment rate shows that job growth has strongly outpaced labor force growth in recent years.

With a job growth rate of roughly 1.6% during the last year, Solano is trending with the employment growth rates of California and the U.S. Industry growth was led by Healthcare with roughly 1,000 new jobs, Manufacturing adding 400, and Construction with 300 new jobs. Some of this overall gain, however, was reversed by employment reductions in the Local Government Education, Finance and Wholesale sectors.

## The Bigger Picture

While job growth and unemployment rates are important indicators, they don't tell the entire story. Key issues such as affordability, income, workforce skills, and general economic and industry dynamics help to provide a clearer picture of the regional economy's health. As an example, while Solano remains relatively affordable compared to several of our neighbors in the San Francisco Bay Area, real estate costs are increasing with growing demand for housing and business facilities. The 2017 index fully explores these issues and more, from Solano's income and cost growth, to educational attainment, to our changing demographics. These all not only determine the economic trends, but gauge our region's competitiveness and the quality of life for our residents, visitors, and workers.

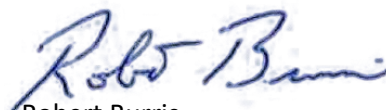
The 2017 launch of our countywide campaign *Solano Means Business* encompasses the idea of a collegiate approach to economic development – a regional approach to economic development that will bring more economic opportunity to the Cities and County of Solano than solely pursuing independent and separate strategies. When we promote Solano as a region, we promote us all!

The 2017 Index shows us that our economy has come a long way since the “great recession”, however there are challenges that remain, and those that are on the horizon. It is our mission to use this information to help guide our region's leadership toward positive change.

Sincerely,



John Vasquez  
Chairperson  
Solano County Board of Supervisors



Robert Burris  
President  
Solano Economic Development Corporation

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# Index of Economic and Community Progress


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# Index of Economic and Community Progress

Solano County Key Facts		
Area		
Rural land area	675 square miles	
Urban land area	150 square miles	
Water area	84 square miles	
<b>2017 Population (January 1, 2017)</b>	<b>436,023</b>	
Benicia	27,695	
Dixon	19,293	
Fairfield	114,157	
Rio Vista	9,019	
Suisun City	29,295	
Vacaville	98,456	
Vallejo	117,322	
Unincorporated	19,823	
<b>Population Change: 2016 to 2017</b>	<b>+4,525</b>	
<b>Solano County 2050 Population Est. (CalTrans/CA Econ Project)</b>	<b>546,145</b>	
<b>Top 5 Employment Sectors (as of Dec. 2017)</b>		
Education & Health Services	26,700	
All Government (incl. US Military)	25,000	
Retail Trade	18,600	
Leisure & Hospitality	15,100	
Manufacturing	12,300	
Construction	10,600	
<b>Total Industry Jobs (Dec. 2017)</b>	<b>139,900</b>	
<b>Jobs-Housing Ratio (2017)</b>	<b>88.1%</b>	
<b>Jobs-Housing Ratio (2010)</b>	<b>79.6%</b>	
		<b>Educational Attainment (2012–16 Avg.)</b>
		Less than high school 12.5%
		High school graduate 23.5%
		Some college, no degree 28.9%
		Associate's degree 9.9%
		Bachelor's degree 17.6%
		Graduate or Professional degree 7.5%
		<b>Age Distribution (2012–16 Avg.)</b>
		Under 5 years old 6.2%
		5 to 19 19.3%
		20 to 44 33.2%
		45 to 64 27.3%
		65 and older 13.6%
		<b>Ethnic Composition (2012–16 Avg.)</b>
		White 39.4%
		Hispanic 25.4%
		Asian 14.8%
		African-American 13.6%
		Other (incl. mixed race/Pacific Islander) 6.8%
		<b>Building Permits Issued, New Housing Units (2016–17)</b>
		950

## Sources:

1. Population data come from the California Department of Finance ([www.dof.ca.gov](http://www.dof.ca.gov)), as of Feb 2018 availability.
2. Employment data come from the California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov)), Feb 2018.
3. Demographic data from the Census Bureau's American Community Survey (factfinder.census.gov), Jan 2018.
4. Building Permits data were provided by the County of Solano for fiscal year 2016-17, ending June 30, 2017.

# Index of Economic and Community Progress

## Key Highlights from the 2017 Index

### Our Changing Economy

- Solano County private-sector employers hired 2,100 more workers in 2017; this is a 1.6 percent increase from 2016.
- Total Solano County business, government, and nonprofit employment was 141,300 as of January 1, 2018; the average employment level for 2017 was 139,900 jobs.
- Solano County's unemployment rate is 4.1 percent as 2018 began.
- Based on the most recent available data, Gross County Product grew by 3.1 percent in 2016, slightly less than the state of California.
- Farm jobs growth saw no change and agriculture values slipped again in 2016 (the latest year for which data are available), likely due to continued drought conditions.
- Personal income per person increased in 2016, based on the most recent available data. While other income measures were flat in 2016, suggesting that Solano County's cost of living is rising and catching up to recent income growth, a rise in standards of living took place in 2016.
- Employment in export-focused industries increased between 2016 and 2017 by 2,740 jobs, led by non-durable manufacturing and logistics jobs.
- Solano County wages continue to provide a local competitive advantage versus core Bay Area counties, where wages are rising more quickly due to both local minimum wage ordinances and market forces.
- Poverty rates are reported in this index, and five-year averages for Solano County, California and the nation show increasing proportions of households facing poverty, even with economic recovery across all these areas.
- Regional cost of living shows moderation in the rise of prices, but steady growth as Solano County's economy expands.

### Our Changing Community

- Solano County's population added 4,525 residents in 2016; this is a 1.1 percent increase.
- Solano and Sacramento counties are forecasted to be fast-growing counties from 2017 to 2050, faster than the state average.
- In the 2015–16 academic year, Solano County's graduation rate continues to increase and remains ahead of the statewide average.
- Slightly more Solano County students were UC/CSU-ready in the 2015–16 academic year than the previous academic year.
- Housing prices increased 6.8 percent in 2017 to \$416,000 at the median and housing affordability fell slightly. Rental prices continued to rise; homes for rent have a median cost of \$2,090 in January 2018.
- For residential housing units, building permits increased more slowly in fiscal year 2016-17 than 2015-16. Over 1.28 million square feet of commercial space was permitted during fiscal year 2016-17, up 41.6 percent from 2015-16.
- Solano County government revenue from property and sales taxes continued to rise in 2017, due to rising personal income levels and assessed property values rising to over \$51 billion in 2017.

### Considerations for the Future

The coming year holds many new economic - challenges. Fiscal expansion in both late 2017 with a new tax bill and in early 2018 with a federal, omnibus spending package means more government debt, more pressure on interest rates and prices, with the positive by-product of growth stimulus. California faces challenges with the new tax laws in the face of continued growth coming mainly from the Bay Area. As of March 2018, there are no forecasts of recession for either the national or state economies through 2021; Solano County is only going to experience recession if the state and national economies falter.

# Index of Economic and Community Progress

## Index Overview

### Solano County is close to full employment.

Non-farm employment grew by 1.6 percent in 2017, with approximately 2,100 more jobs at local employers. From 2010 to 2017, since the Great Recession ended, Solano County employers added a total of 18,900 jobs.

Construction jobs showed an increase in 2017, generating 300 more jobs for 3.9 percent growth. Health care,

including county government health systems, increased by

1,000 jobs in 2017. Manufacturing jobs grew again in 2017 by 400 jobs, the sixth year of growth in a row. Jobs in wholesale and finance fell back a bit in 2017, 100 fewer jobs each.

Jobs in agriculture and software were flat.

The state of California's economy showed continued expansion, with California employment growing by 2.5 percent. Forecasts for California's economy through 2021 are available from the California Department of Finance ([www.dof.ca.gov](http://www.dof.ca.gov)). Forecasts point to the national economy

growing at just over 2.2 percent and to the California economy growing at just over 3.0 percent, assuming no

unexpected events occur to disrupt more growth. Expectations about growth have increased due to the Tax Cuts and Jobs Act of 2017 (the 2017 Tax Bill).

This 2017 Tax Bill provides more tax breaks for businesses, lower corporate and personal income tax rates, and increased fiscal stimulus for the national economy. Solano County businesses are likely to expand their capital spending and construction efforts in 2018 and 2019 due to these changes. Capital spending's connection to more jobs depends on the types of business that make such investments and how such businesses utilize labor.

The Federal Reserve upheld its promise to raise interest rates three times in 2017. The new Federal Reserve Chair, Jerome Powell, has hinted that there may be three or four rate increases in 2018. Data on wage and inflation growth are likely to dictate how interest rates are affected. The key is that policy makers change interest rates in predictable

ways and any faster pace of change is due to unexpected price or wage growth. Rising tariffs on imported goods into the United States may pressure consumer prices upward as 2018 continues and affect port activity throughout California.

The regional fires of October 2017 exacerbated rising costs of living throughout the Bay Area, but may have a positive effect on Solano County housing markets. Santa Clara, San Francisco and San Mateo counties have experienced quick increases in their housing prices since 2016 (Santa Clara County had home-price growth of 15 percent since 2016 according to the California Association of REALTORS®). The median sale price for single-family homes in Solano County was \$425,000 in December 2017, up 6.8 percent on average in 2017 from

***In 2017, Solano County employment grew by 1.6%, adding approximately 2,100 jobs.***

***Data available as of March 2018, suggest another recession is unlikely before 2021.***

***Anticipate at least three interest rate increases by the Federal Reserve in 2018.***

## Index of Economic and Community Progress

the previous year. Comparatively, median single-family home prices in California overall grew only 6.6 percent in 2017.

Solano County's housing and commercial real estate stocks grew in 2017. Residential building permits activity in fiscal year 2016-17 was for 950 new housing units. Commercial square feet under construction was up by 1.3 million square feet; 67 percent of the growth was in Fairfield and Vacaville, and only 2,800 square feet in Vallejo.

***Housing prices went up 6.8 percent in Solano County in 2017 and Zillow Research is predicting 5.4 percent growth for 2018.***

Industry clusters are that are now the foci of Solano Economic Development Corporation (EDC) and its economic development strategy include:

- Advanced Materials;
- Biotech/Biomed and Life Sciences;
- Food and Beverages;
- Logistics; and
- Travis Air Force Base.

***Economic development efforts in Solano County are focused on expanding infrastructure to support future business growth.***

Available office space in Solano County is vacant between 15 percent for Class A space, and less than 9 percent for Class B. Industrial space, including manufacturing space and warehousing, had 6.0 percent vacancy as of Q4 2017, little changed since 2016. Prices remained basically flat for both Class A and B space during 2017 (up about \$0.06 per square foot since Q4 2016). San Francisco is over \$8 per square foot as of Q4 2017.

Solano County's goods-producing industries (building houses or making products by adding value to raw materials) grew by 1,000 jobs in 2017. Hiring in health care, bars, restaurants, and hotels also grew. Retail and many personal and professional services jobs grew slightly or had small losses of jobs in 2017.

***Jobs that primarily produced goods and not services in Solano County increased by 1,000 workers in 2017.***

### Solano County's Labor Force

Population growth and resident employment are tied together within the local labor force. Since 2010, the number of employed residents has grown by 15.6 percent in Solano County while the labor force has grown by only 0.6 percent. These data suggest conversion of unemployed residents to employed continues.

**Comparison of Solano County Labor Force Components, 2010 to 2017  
Number of Workers and Percent Change Annual Averages**

	Number of Workers			Percent Change	
	2010	2016	2017	2010	2016
Labor Force	202,400	207,900	209,300	3.4%	0.7%
Employed Residents	177,000	196,500	199,300	12.6%	1.4%
Unemployment Residents	25,400	11,400	10,000	-60.6%	-12.3%
Industry Employment	121,000	137,800	139,900	15.6%	1.5%

Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information, Annual Averages; a new benchmark of 2015 was set with some revisions

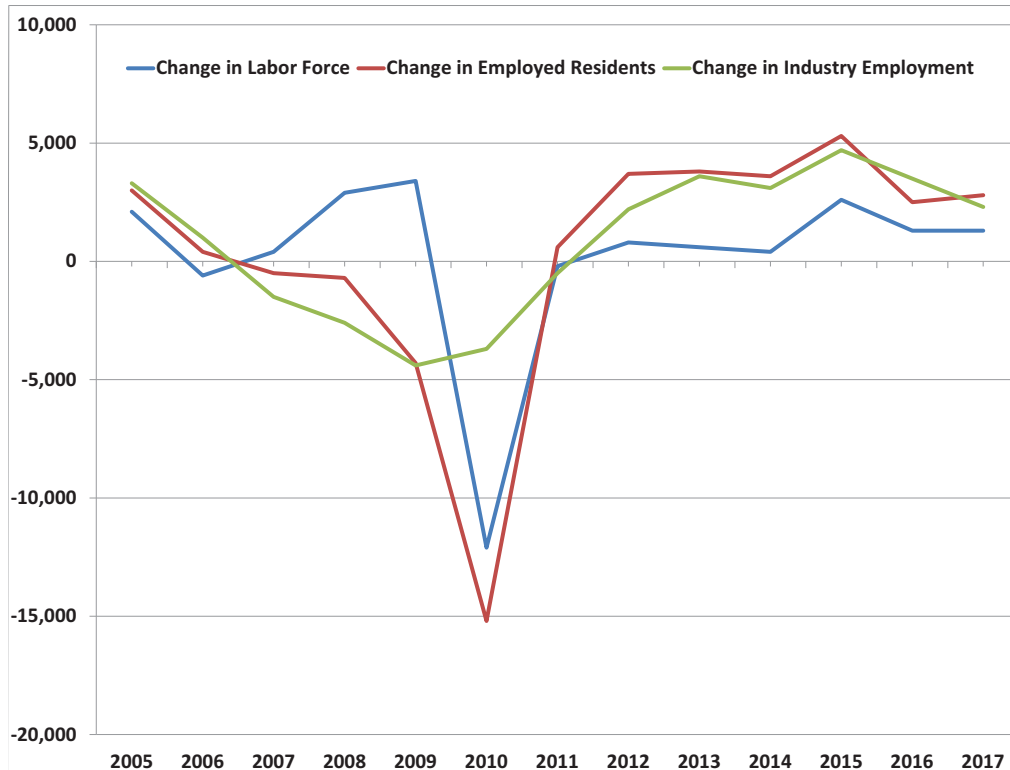
# Index of Economic and Community Progress

## Solano County Employment Gains and (Losses) of Jobs Since 2010, 2015 and 2016 as of January 1, 2018

Industry	<u>Since 2010</u>		<u>Since 2015</u>		<u>Since 2016</u>	
	Gain/(Loss)	% Chg	Gain/(Loss)	% Chg	Gain/(Loss)	% Chg
Agriculture	400	28.6%	0	0.0%	0	0.0%
Bars and Restaurants	1,600	15.8%	500	4.5%	200	2.6%
Construction	3,400	47.2%	1,600	17.8%	300	3.9%
Federal Government (incl. Travis AFB)	-900	-19.6%	0	0.0%	0	0.0%
Financial Activities	-100	-1.9%	200	4.1%	-100	-1.9%
Health Care	6,300	33.9%	2,200	9.7%	1,000	4.2%
Information (Software and Publishing)	-200	-15.4%	0	0.0%	0	0.0%
Local Government Education	800	9.2%	0	0.0%	-200	-2.1%
Manufacturing	2,600	26.8%	600	5.1%	400	4.2%
Retail Trade	2,200	13.4%	300	1.6%	100	0.5%
State Government Excl. Education	100	2.1%	100	2.1%	0	0.0%
Wholesale Trade	0	0.0%	-200	-4.5%	0	0.0%
All Other Industries	2,700	14.2%	700	3.0%	400	1.3%
<b>Total, All Industries</b>	<b>18,900</b>	<b>15.6%</b>	<b>6,000</b>	<b>4.5%</b>	<b>2,100</b>	<b>1.7%</b>

Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information

## Solano County Annual Changes in the Labor Force, 2005–2017, Number of Workers



Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information

The California Employment Development Department (EDD) reports that there were 10,836 (+325 employers since 2016 Quarter 2) Solano County payroll businesses as of 2017 Quarter 2. “Non-employer” businesses (i.e., businesses that are usually self-owned and operated) are also an important segment of the Solano County business sector. For

## Index of Economic and Community Progress

Solano County, there were an estimated 6,000 more jobs in such businesses since 2010, according to the most recent data on self-employed firms as of 2015. The growth of new businesses continues for Solano County.

Forecasts mentioned above, in combination with the historic links of Solano County's economy to California's economy, suggest that more jobs are coming to Solano County in 2018 and perhaps to 2020.

### **Solano County's goods-producing jobs are a greater share of productivity than California.**

Solano County is a microcosm of the California economy. Economies produce goods, provide services, and government also hires workers. Businesses that produce goods and provide services pay their owners, workers, creditors, and governments from revenue they make, adding up to what is called gross product. Economists use the percentage change in inflation-adjusted, gross product data to assess an economy's growth rate.

As an economy's expands, the government sector should be less a proportion of overall gross product. Notice that the public sector (government) in Solano County is falling as a share of the overall economy, a sign of such economic expansion; the private sector is replacing the public as driving the local economy.

**Sector Shares of Gross Product at the County, State, and National Levels**  
**Percent of Total Gross Product in 2009 Dollars, 2010–2016**

Year	<i>Goods-Producing</i>			<i>Services-Producing</i>			<i>Public Sector</i>		
	<i>Solano County</i>	<i>CA</i>	<i>US</i>	<i>Solano County</i>	<i>CA</i>	<i>US</i>	<i>Solano County</i>	<i>CA</i>	<i>US</i>
2010	27.8%	16.8%	19.0%	50.1%	69.9%	67.5%	22.1%	13.3%	13.5%
2014	30.7%	16.4%	19.2%	48.4%	71.5%	68.5%	20.9%	12.1%	12.3%
2015	30.3%	16.5%	19.2%	49.5%	71.7%	68.8%	20.2%	11.8%	12.1%
2016	30.3%	16.6%	19.0%	49.6%	71.6%	69.0%	20.1%	11.8%	12.0%

Source: Bureau of Economic Analysis (<http://www.bea.gov/regional/index.htm>)

### **Standard of Living: Three Measures**

In this year's index, we are adding cost of living measures to show more data on the relative costs of doing business and where Solano County may have a regional advantage. Standards of living fall when costs of living rise quickly versus income growth. Standard of living measures are best seen as **real** (inflation-adjusted) and higher values are considered better. Beyond real gross product per person, real personal income per person is another indicator of changing incomes and standards of living, as is real median household income. The Bureau of Economic Analysis tracks gross product and personal income; median household income is estimated by the Census Bureau, based on a household of four people.

In 2016, personal income per person grew faster in Solano County than for the US or California economies overall. Median household income (MHI) grew a bit in 2016. Solano County continues to have a MHI level above the statewide average, meaning Solano County households have higher income levels than the average California household, but Solano County remains below state averages for gross product per capita and personal



## Index of Economic and Community Progress

income per capita in after adjustments for inflation. These three measures of living standards show mixed results for how Solano County residents and households are gaining versus statewide averages. Median household incomes may be larger due to multiple workers in a household and also the use of household wealth to supplement income versus rising gross product.

### Standard of Living Measures at the County, State, and National Levels 2010, 2015 and 2016 (latest available data), in 2009 Dollars

Place	Gross Product per Capita			Personal Income per Person			Median Household Income		
	2010	2015	2016	2010	2015	2016	2010	2015	2016
United States	\$47,287	\$47,595	\$48,173	\$39,627	\$43,856	\$44,020	\$49,238	\$48,167	\$48,002
California	\$51,871	\$52,099	\$52,974	\$42,781	\$49,123	\$49,481	\$56,950	\$55,106	\$54,882
<b>Solano County</b>	<b>\$36,412</b>	<b>\$34,613</b>	<b>\$35,562</b>	<b>\$36,865</b>	<b>\$39,811</b>	<b>\$40,508</b>	<b>\$62,169</b>	<b>\$60,701</b>	<b>\$58,321</b>

Sources: Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov)) and Census Bureau (<http://factfinder.census.gov>)

### Community Indicators: Continued Gains and Some Challenges

In 2016, Solano County's population grew by 4,525 people. Housing affordability continues to face upward price pressure. Education data show Solano County schools continue to produce more graduates at a rate higher than the state, both those who enter the workforce directly and those who continue on to college. City-level demographic data show that Solano County's population continues to age, but with more educated, working residents. A projected, aging population in Solano County is behind a recent California Department of Education prediction that between the 2016-17 academic year and the 2026-27 academic year, Solano County's K-12 enrollments are to fall by over 2,100 pupils or a 3.4 percent loss.

***The California  
Department of Finance is  
predicting Solano County  
to have 2,100 fewer K-12  
students in local schools***

#### **Solano County's population grew approximately 1.1 percent.**

Foreign immigration remained steady in 2016 with another 1,420 residents coming to Solano County from overseas. Domestic immigration (i.e., new residents from other parts of the United States) also grew, while births exceeded deaths by 1,856 in 2017. Jobs and population growth for all 58 counties in California were forecasted by CalTrans and the California Economy Project recently from 2017 to 2050, projecting Solano County's population to be 546,145 in 2050 or 24.4 percent versus 21 percent growth for California overall.

#### **Solano County's graduation rate increased to 84.7 percent, up from the 2014-15 academic year.**

During the 2015-16 academic year (the latest year for which data are available), Solano County's graduation rate was 84.7 percent, higher than the state average once again. Students that were UC/CSU-ready students increased to 40 percent of Solano County graduates in 2015–2016. The share of UC/CSU-ready students in the state of California overall increased to over 45 percent of graduates. Given population growth, Solano County continues to make progress in education.

## Index of Economic and Community Progress

### Housing markets continued to surprise and grow regionally in 2017.

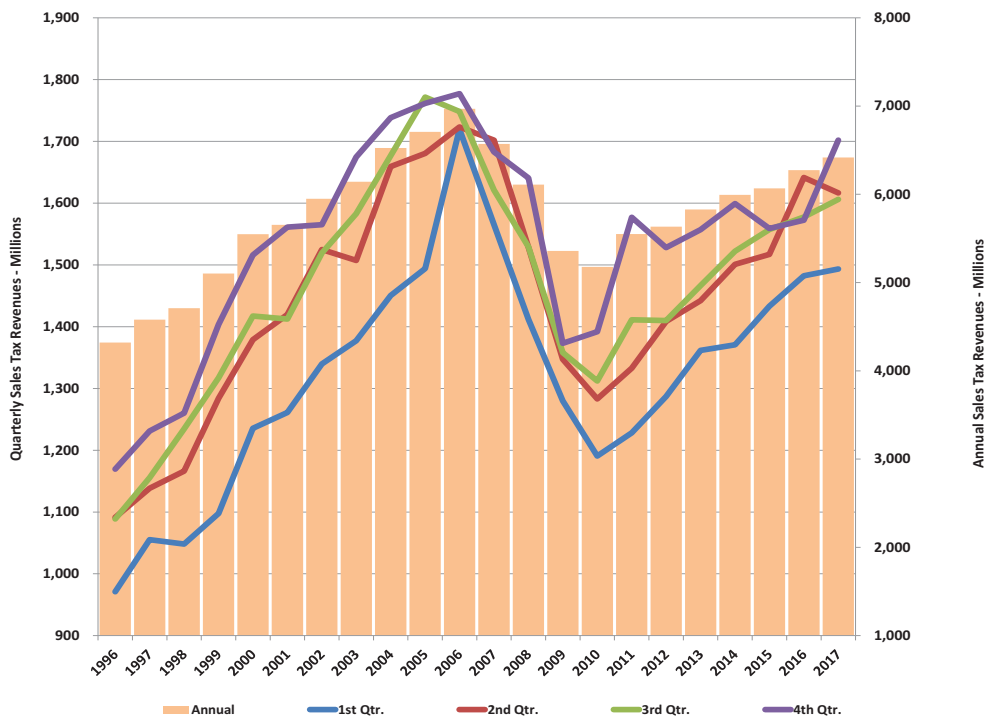
According to the California Association of REALTORS®, Solano County housing prices grew at 6.8 percent on average in 2017 and over 18 percent as a two-year average; as of December 2017, Solano County's single-family home market prices grew to reach \$450,000 at the median. California median home prices also grew at 6.6 percent during 2017, but only 12 percent from 2015 to 2017. Rental prices increased approximately 6.1 percent countywide in 2017 from 2016 prices according to Zillow Research, suggesting sustained demand as available inventory levels remain relatively low. As of January 2018, vacancy rates in Solano County housing were at 6.4 percent average; the statewide average was 7.4 percent vacancy.

### Government revenue continues to rise

The combination of rising home prices and more taxable sales suggests continued revenue increases for Solano County's city and county governments. Overall, taxable sales grew slightly after inflation adjustments; inflation-adjusted, taxable sales have grown by 23.9 percent since 2010 when taxable sales hit bottom during the Great Recession.

The assessed value of properties in Solano County continues to grow in both inflation-adjusted (2009) dollars and current values; current values are used by the Solano County Assessor's Office to set the annual tax roll. Property tax revenue for the County of Solano continued to rise in 2017; as of June 30, 2017, the assessed value of property in Solano County was \$51.8 billion.

### Solano County Taxable Sales, 1996 to 2016 (estimated to year end), in 2009 Dollars

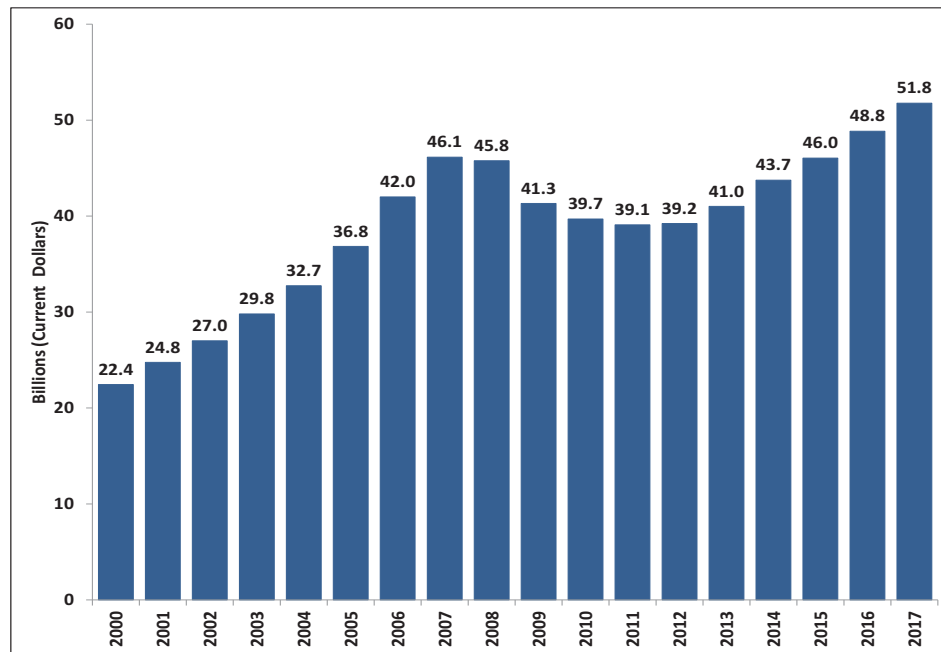


Sources: County of Solano and California Board of Equalization (<http://www.boe.ca.gov/news/tsalescont.htm>)



# Index of Economic and Community Progress

## Solano County Assessed Values for Property Tax Purposes, 2000 to 2017, in Current Dollars



Source: Solano County Assessor's Office (current assessed value) and California Department of Finance (CPI forecast)

### Commuting

By the end of 2015 (the latest year for which data are available), more than 119,500 Solano County residents were commuting every week to work outside Solano County. There were also 77,570 people coming into Solano County for work every week. Commuting is part of any regional economy, as workers seek to balance where they live with where employers demand their skills and pursuing relatively high wages. While commuting levels are rising, approximately 35.6 percent of Solano County's working residents both live and work in Solano County as of 2015, the largest percentage of working residents since 2011.

### Geographic Comparisons

Unless stated otherwise, the 2017 Index groups counties into the following three areas in California for the purpose of making comparisons. All of these counties, including Solano County, can also be defined as a "super region".

- Bay Area Other: San Francisco, Santa Clara, Alameda, San Mateo, Contra Costa, and Marin counties;
- North Bay: Sonoma and Napa counties;
- Sacramento Metropolitan Statistical Area (MSA): Sacramento, Placer, El Dorado, and Yolo counties.

### Takeaways and What Is Important

In the pages that follow, each subsection of this report provides a brief "TAKEAWAY" and either an "OPPORTUNITY" (in green) or a "CHALLENGE" (in red) as Moving Solano Forward looks to identify both using these data. The next report section takes a look at Solano County's changing economy, and it is followed by a section on community indicators.



## Our Changing Economy

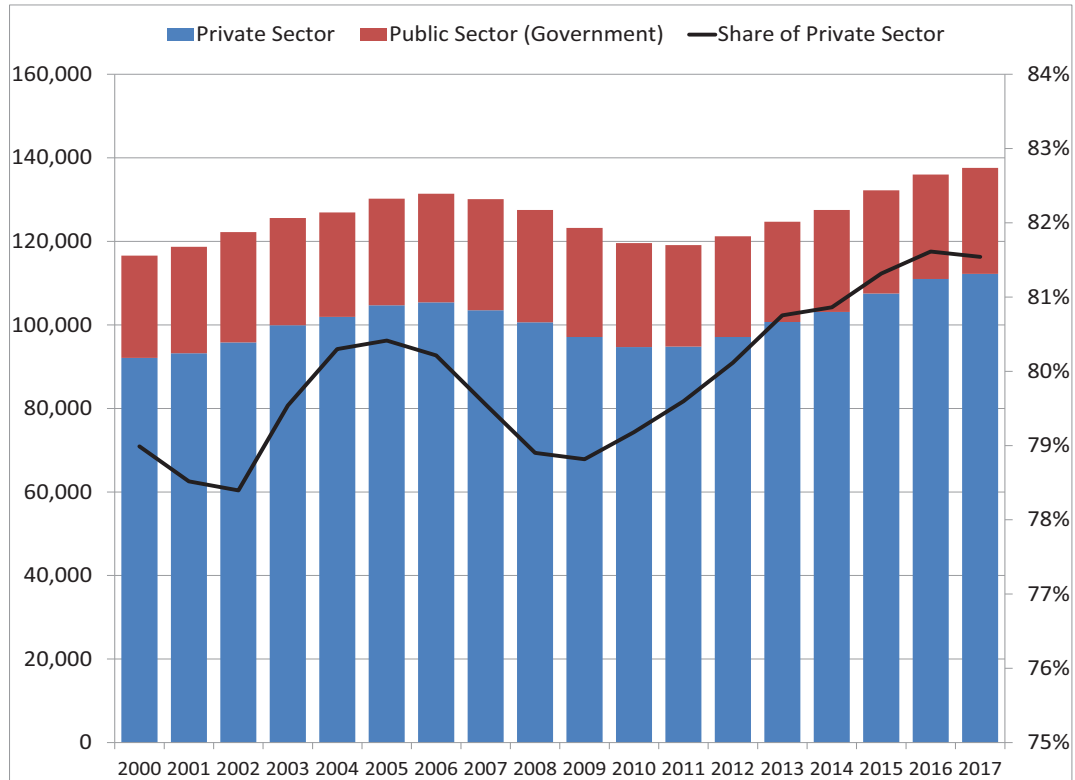
# Index of Economic and Community Progress

## Labor Markets

### Annual Local Industry Employment

Solano County growth of jobs continues; total industry employment was 139,900 in 2017. This is a 1.6 percent increase, 2,100 more jobs. While jobs growth is slower than in 2016 and 2015, the continued expansion of jobs in 2017 (6,000 more jobs since 2015) is one of many signs that Solano County is closing in on full employment.

**Solano County Private and Public Sector Employment Annual Averages, 2000–2017**



Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov)); \*2016 is a 12-month average of data from January 2016 through December 2016. Private and Public Sector Employment Levels are indicated on the left-hand axis; Private Sector share of Total Employment is indicated on the right-hand axis.

In 2017, local and state government workers comprised 85.4 percent of public-sector workers across Solano County, while federal government workers (predominantly Travis Air Force Base personnel) made up the rest of 25,000 government jobs. Private-sector jobs grew in 2017 as a percentage of non-farm employment to just under 82 percent of workers.

**TAKEAWAY:** Solano County employers hired over 2,100 more workers in 2017.

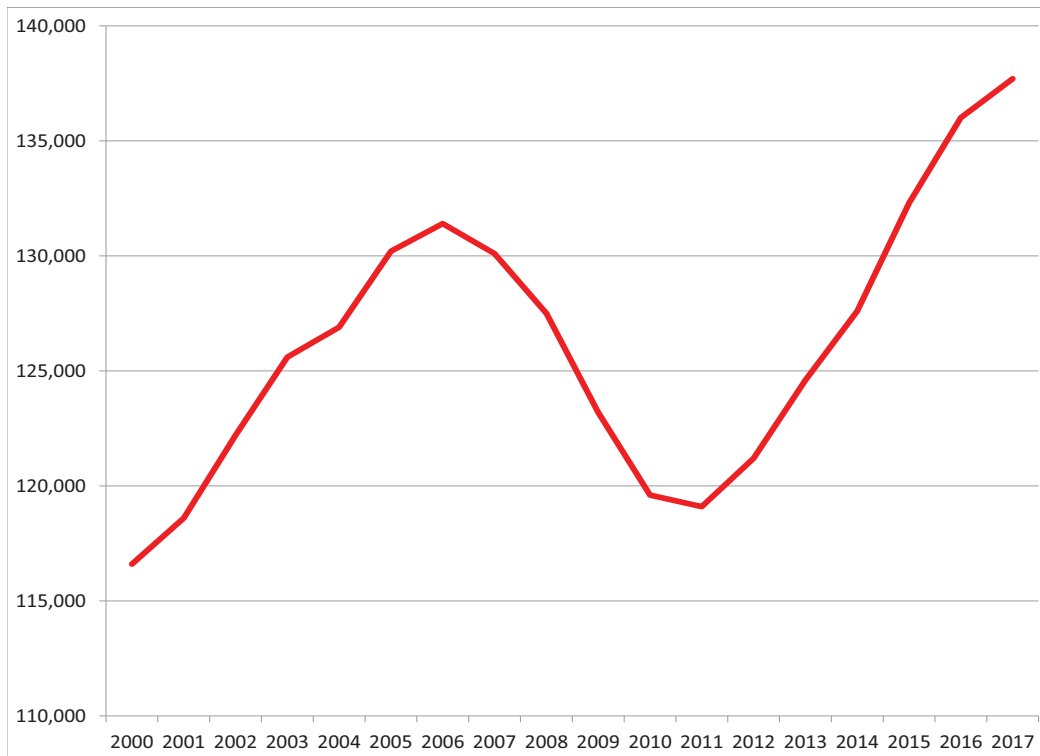
**OPPORTUNITY:** As we will see later, almost 119,500 Solano County residents work outside the county. Some of these workers could be employed here in Solano County and add to the potential labor force for Solano County employers.

## Index of Economic and Community Progress

### Total Non-Farm Employment

Solano County has generated over 18,900 non-farm jobs since 2010, 15.6 percent growth. Solano County jobs growth in 2017 took place in all sectors except professional services and retail. Information, including software, had more jobs. Solano County had 1.5 percent of non-farm jobs growth in 2017, which is greater growth than all comparison areas except the Bay Area Other at 1.8 percent since 2016. The North Bay counties of Sonoma and Napa showed slower growth (1.1 percent) that was less than the state average (2.0 percent). Sonoma County alone, however, grew at 2.1 percent in 2017.

**Solano County Non-Farm Employment, 2000–2017**



Source: California Employment Development Department Source (<http://www.edd.ca.gov>)

**TAKEAWAY:** Non-farm job growth in Solano County continued in 2017.

**CHALLENGE:** As non-farm jobs growth takes place, upward pressure on county wage levels build; employment growth across the region and increases in other costs of doing business and living provide further price pressure, such as rising housing prices.

The next table explores employment data at the industry level within Solano County, including federal government jobs and local and state government jobs.

## Index of Economic and Community Progress

### Solano County Jobs by Industry

These data show the jobs growth by major industry sector since 2010, 2015 and 2016.

The idea here is to show jobs growth since the Great Recession as of December 2017.

Comparing 2015 and 2016 to 2017 shows growth slowing down across some sectors.

For example, construction jobs have increased by 3,400 jobs, 18 percent of the overall jobs growth since 2010. However, only 300 more construction jobs came to Solano County employers in 2017. Since 2015, health care jobs grew by 2,200, which was 36.7 percent of overall jobs growth since 2015 in Solano County.

**Change in Jobs, Sectors in Solano County, 2010-2017, Number of Jobs and Share of Total Growth  
Sorted by 2010-17 Change in Jobs**

Sector	2010-17		2015-17		2016-17	
	Change In Jobs	Share of Growth	Change In Jobs	Share of Growth	Change In Jobs	Share of Growth
Health Care	6,300	33.3%	2,200	36.7%	1,000	47.6%
Construction	3,400	18.0%	1,600	26.7%	300	14.3%
Retail	2,200	11.6%	300	5.0%	100	4.8%
Non-Durable Goods	1,900	10.1%	600	10.0%	300	14.3%
Restaurants	1,900	10.1%	500	8.3%	300	14.3%
Other Services	1,100	5.8%	300	5.0%	0	0.0%
Local/State Government	1,000	5.3%	200	3.3%	-100	-4.8%
Durable Goods	700	3.7%	0	0.0%	100	4.8%
Prof and Business Services	600	3.2%	-100	-1.7%	100	4.8%
Agriculture	400	2.1%	0	0.0%	0	0.0%
Education	300	1.6%	300	5.0%	0	0.0%
Logistics/Utilities	300	1.6%	200	3.3%	0	0.0%
Hotels/Motels	0	0.0%	-100	-1.7%	0	0.0%
Wholesale	0	0.0%	-200	-3.3%	0	0.0%
Financial Services	-100	-0.5%	200	3.3%	0	0.0%
Information	-200	-1.1%	0	0.0%	0	0.0%
Federal Government	-900	-4.8%	0	0.0%	0	0.0%
<b>Overall Change</b>	<b>18,900</b>	<b>100.0%</b>	<b>6,000</b>	<b>100.0%</b>	<b>2,100</b>	<b>100.0%</b>

Source: California EDD (<http://www.labormarketinfo.edd.ca.gov/data/employment-by-industry.html>)

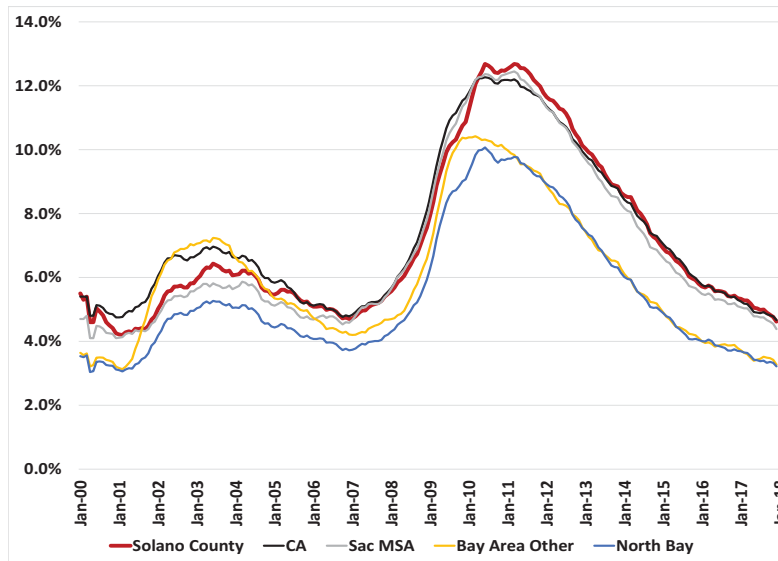
This table shows the stages of recovery, and how the last two years have been relatively slow for some industries, but faster for others in Solano County.

## Index of Economic and Community Progress

### Unemployment Rate Comparisons

Solano County's unemployment rate was 4.1 percent as of December 2017, compared to 5.1 percent for December 2016. Fewer working residents Solano County (the basis of the unemployment rates measure) were looking for work in 2017 (the labor force fell by 200 people but 1,200 more Solano County residents found jobs). Solano County's cities have also seen unemployment fall across the board. The state of California had 4.5 percent unemployment and the United States had 4.1 percent as of December 2017.

**Unemployment Rate, 2000-17**  
**Comparisons Between Selected Areas, Monthly Data**



Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov))

### City-Level Unemployment Rates, December of Each Year

Place	2010	2015	2016	2017
<b>Solano County</b>	<b>12.5%</b>	<b>5.7%</b>	<b>5.1%</b>	<b>4.1%</b>
Benicia	7.8%	3.4%	3.2%	<b>2.5%</b>
Dixon	10.8%	4.7%	4.5%	<b>3.5%</b>
Fairfield	13.2%	5.9%	5.6%	<b>4.4%</b>
Rio Vista	10.3%	4.5%	4.3%	<b>3.3%</b>
Suisun City	10.0%	4.4%	4.1%	<b>3.2%</b>
Vacaville	9.4%	4.1%	3.9%	<b>3.0%</b>
Vallejo	16.0%	7.3%	6.9%	<b>5.4%</b>

Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov))

**TAKEAWAY:** The low unemployment rate is a good sign that Solano County is close to full employment.

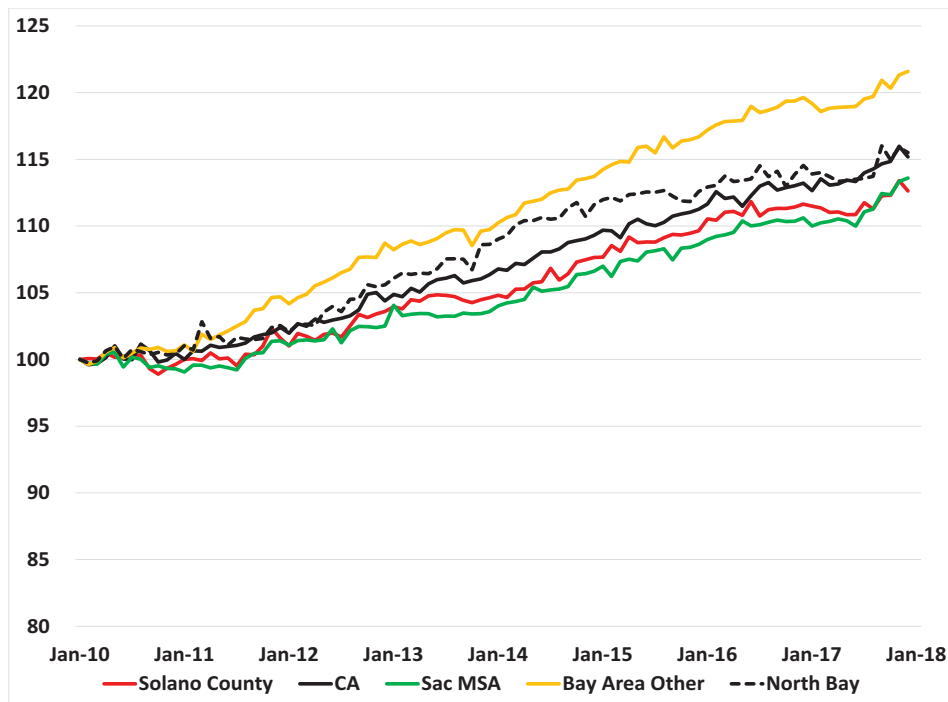
**OPPORTUNITY:** High unemployment rates in Vallejo and Rio Vista have come down suggesting Solano County's economic expansion is now creating economic opportunity throughout all Solano County's communities.

## Index of Economic and Community Progress

### Total Employed Residents Comparisons

In 2017, Solano County experienced 0.7 percent growth in its number of employed residents. Since the recession ended for Solano County and its regional county neighbors, the recovery has a smooth transition to higher levels of employment. Compared to 2016, 2,800 more Solano County residents were employed in 2017, while the county's labor force grew by approximately 1,400. The index number allows a comparison of places with different sizes of employment but similar trends. The numbers are percentage growth from the index base of 100 in January 2010.

**Total Employed Residents, 2010-17, Index Jan 2010 = 100**  
**Comparisons Between Selected Areas, Seasonally-Adjusted Monthly Data**



Source: California Employment Development Department Source: (<http://www.edd.ca.gov>)

### Percent Change in Employed Residents, As Compared to 2017

<i>Employed Residents</i>	<i>2010-17</i>	<i>2016-17</i>
<b>Solano County</b>	9.5%	0.7%
California	13.5%	1.3%
Sacramento MSA	10.9%	1.0%
Bay Area Other	19.8%	1.2%
North Bay (Napa/Sonoma counties)	12.7%	0.6%

Source: California EDD (<http://www.edd.ca.gov>)

**TAKEAWAY:** 2,800 more Solano County residents found jobs in 2017, slower growth than 2016, but continued growth.

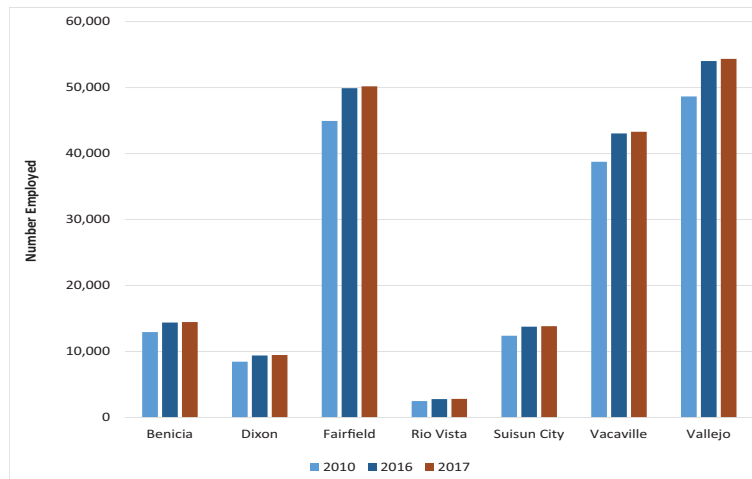
**CHALLENGE:** The faster growth in Sacramento and the Bay Area suggest that both areas may still be drawing in Solano County residents for jobs; new residents do not necessarily become new local workers.

## Index of Economic and Community Progress

### Cities Overview: Labor Markets

Data for Solano County's incorporated cities and labor markets come from California's Employment Development Department (EDD), showing employment growth and unemployment rates. Continuing post-recession trends, each city had more residents working in 2017 than 2016 and a continued drop in unemployment rates.

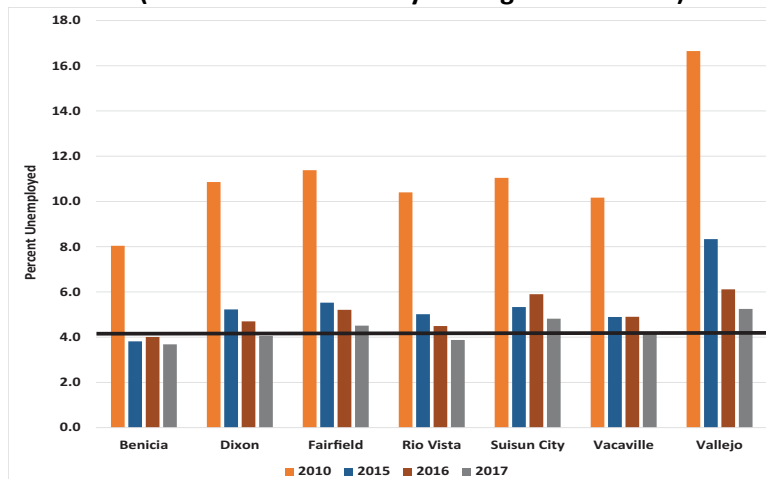
**Solano County Employed Residents by City; 2010, 2016, and 2017**



Source: California EDD (<http://www.edd.ca.gov>)

All cities continue trending toward full-employment levels, following Solano County overall. Solano County's unemployment rate in December 2017 was 4.1 percent, the solid line in the figure below.

**Solano County Unemployment Rate by City, 2010, 2015, 2016 and 2017  
(4.1% as Solano County Average at solid line)**



Source: California EDD (<http://www.edd.ca.gov>)

**TAKEAWAY:** Employment growth took place across all of Solano County's communities.

**CHALLENGE:** Vallejo remains a challenge in terms of unemployment, but throughout Solano County employment is improving across all cities.



# Index of Economic and Community Progress

## Employment in Base Industries and Locally-Serving Industries

Base industries are comprised of businesses that build wealth and income due to drawing in revenue from customers and clients outside the local area. Solano County's data shows a mix of industries with components that are export-focused, thus making them "base industries".

Locally-serving jobs generally dominate job markets. Their multiplier effect on the local economy when there are more jobs is less than the same number of new goods-producing jobs, but these jobs are an important foundation for any economy.

"Unassigned" jobs in industries that serve a mix of local and export markets. Outside of Travis Air Force Base, the state and federal government levels of employment are unlikely to be foci of economic development activities.

**Solano County Base Industry Employment  
Second Quarter Data for 2010, 2015, 2016, and 2017**

	2010 Q2	2016 Q2	2017 Q2
<b>Base Industries Total</b>	<b>32,401</b>	<b>36,170</b>	<b>36,740</b>
Agriculture	1,489	1,871	1,919
Mining	223	251	240
Wholesale Trade	3,986	4,137	4,098
Information	612	435	244
Finance and Insurance	991	964	1,001
Real Estate and Rental and Leasing	119	217	241
Professional, Scientific, Technical Services	266	236	263
Management/Consulting	1,217	796	966
Arts, Entertainment, and Recreation	2,455	2,887	2,860
Accommodation and Food Services	701	839	703
Federal government	4,975	3,705	3,702
State government	4,618	5,926	6,043
Manufacturing	6,109	9,107	9,378
Retail Trade	2,334	2,135	2,360
Transportation and Warehousing	2,306	2,664	2,722
<b>Locally-Serving Industries Total</b>	<b>68,902</b>	<b>80,687</b>	<b>80,491</b>
Utilities	480	575	586
Construction	7,119	10,040	9,993
Information	586	435	244
Finance and Insurance	2,323	964	1,001
Real Estate and Rental and Leasing	1,218	217	241
Professional, Scientific, Technical Services	3,121	236	263
Admin/Waste Management Services	6,579	5,718	5,607
Educational Services	1,537	1,739	1,217
Health Care and Social Assistance	12,777	19,249	19,960
Arts, Entertainment, and Recreation	222	2,887	2,860
Accommodation and Food Services	438	381	349
Other Services	3,097	3,787	3,847
Local Government	15,380	16,055	16,061
Local Portion of Retail Trade	13,281	15,740	15,540
Local Portion of Transportation and Warehousing	744	2,664	2,722
Jobs in industries unassigned	21,332	19,456	21,587

Sources: Bureau of Labor Statistics (<http://www.bls.gov>) and its Quarterly Census of Wages and Employment (QCEW), Calculations by Author

**TAKEAWAY:** Base industries increased employment by 560 jobs in 2017. The percentage change in locally-serving jobs is larger in 2017 than base employment growth.

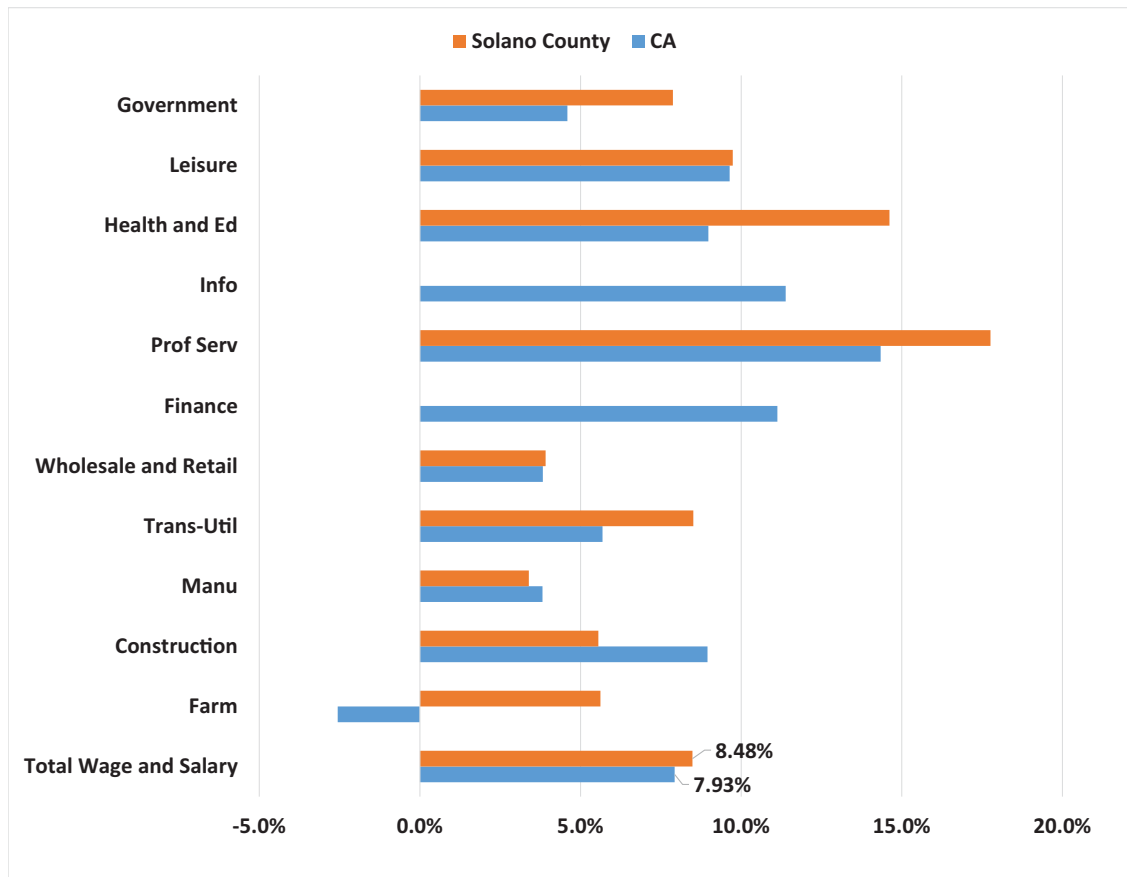
**OPPORTUNITY:** As Solano County's employers continue to hire more workers, looking at employees in locally-serving jobs through aligning local workforce development with working residents of Solano County reduces job search costs and commuting.

## Index of Economic and Community Progress

### Long-Term Jobs Forecast to 2026

CalTrans and the California Economic Forecast (from the UCLA Anderson School of Business) have released a joint forecast for all 58 counties in California from 2017 to 2050. Three ideas stand out. First, jobs growth to 2026 in Solano County should outpace the state overall. Second, both Solano County and California overall are forecasted to see jobs growth of less than one percent per year through 2026. As a comparison, from 2008 to 2017, Solano County jobs grew by 8.23 percent, inclusive of a major recession. Finally, while farm jobs look to be falling in California overall, growth is estimated for Solano County specifically; finance and information (software) jobs are seen as no growth in Solano County in contrast. The following graph shows the forecast through 2026 for Solano County and California (CA).

**Solano County Estimated Total Employment (Number of Jobs), 2017 to 2026**



Sources: California EDD ([www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)) and CalTrans ([www.caltrans.org](http://www.caltrans.org))

Information and Finance Industry Sectors are expecting zero (0) growth from 2017 to 2016, so no bar exists for those sectors.

**TAKEAWAY:** Over the next ten years, Solano County is expected outpace statewide jobs growth in percentage terms and have no industries with job reductions.

**OPPORTUNITY:** With jobs growth in Solano County looking to outpace growth in California overall, Solano County has an opportunity to attract more workers and export-focused jobs over the next ten years and shape its own labor market reality.

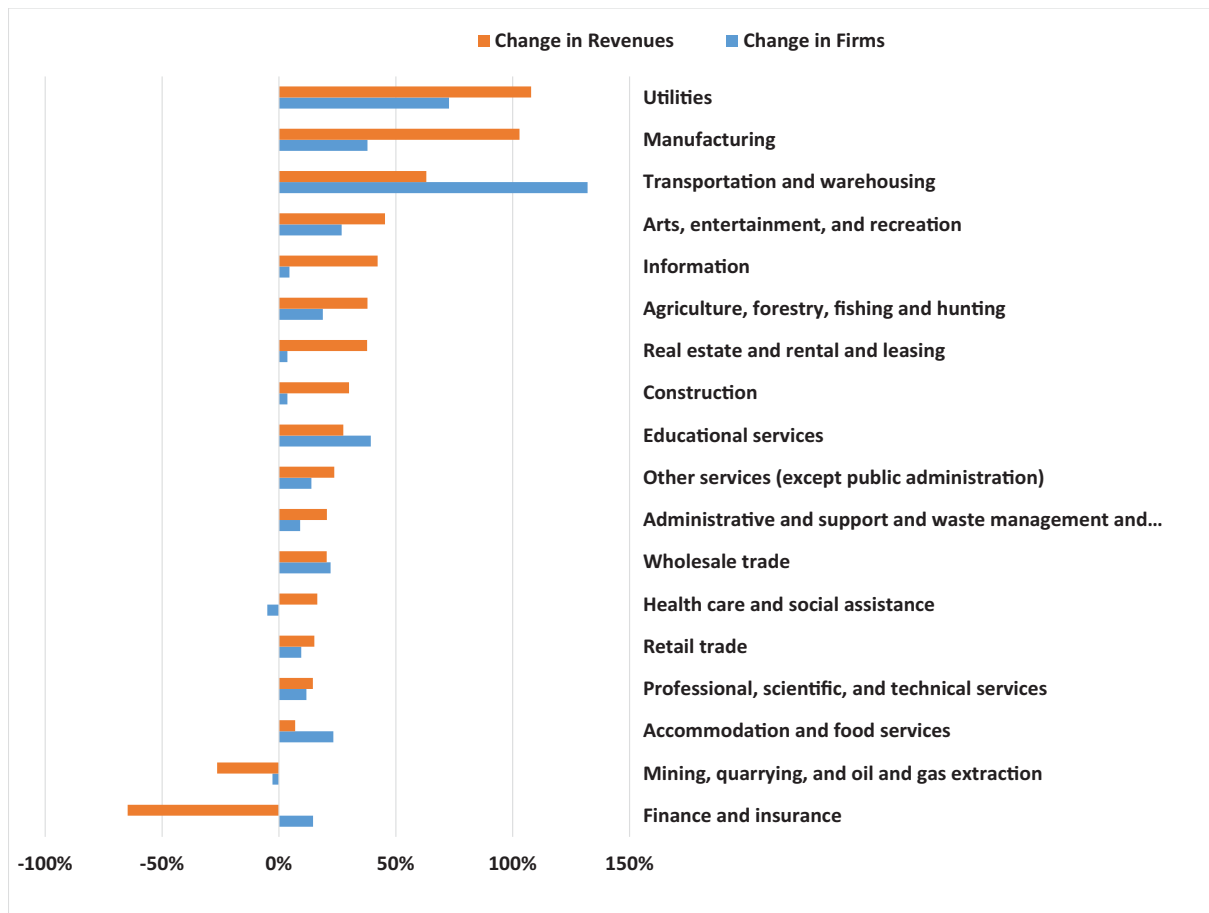
# Index of Economic and Community Progress

## Businesses and Incomes

### Non-Employer Businesses

Non-employer businesses hire fewer than four (4) workers and are mainly self-employment businesses. The Census Bureau tracks non-employer businesses as part of its estimates for total business entities by zip code. The following charts compare 2010 to 2015, the latest year for which data are available. Finance and insurance firms continue to struggle in terms of revenue when self-employed, a lingering effect of the recent recession. Of the 1,168 new self-employed businesses that opened in Solano County in 2015, 68 percent were transportation businesses, where drivers for Uber and Lyft are examples. Changes in manufacturing reflect increases from the depths of the Great Recession more than an expansion of small business manufacturing. Transportation and warehousing are linked through logistics and trucking.

**Solano County Non-Employers,  
Percent Change in Number of Firms and Business Revenues, 2010 to 2015**



Source: Census Bureau ([www.census.gov](http://www.census.gov))

**TAKEAWAY:** Small business formation continues to show strength, as contract employment businesses like Uber and Lyft continue to proliferate regionally.

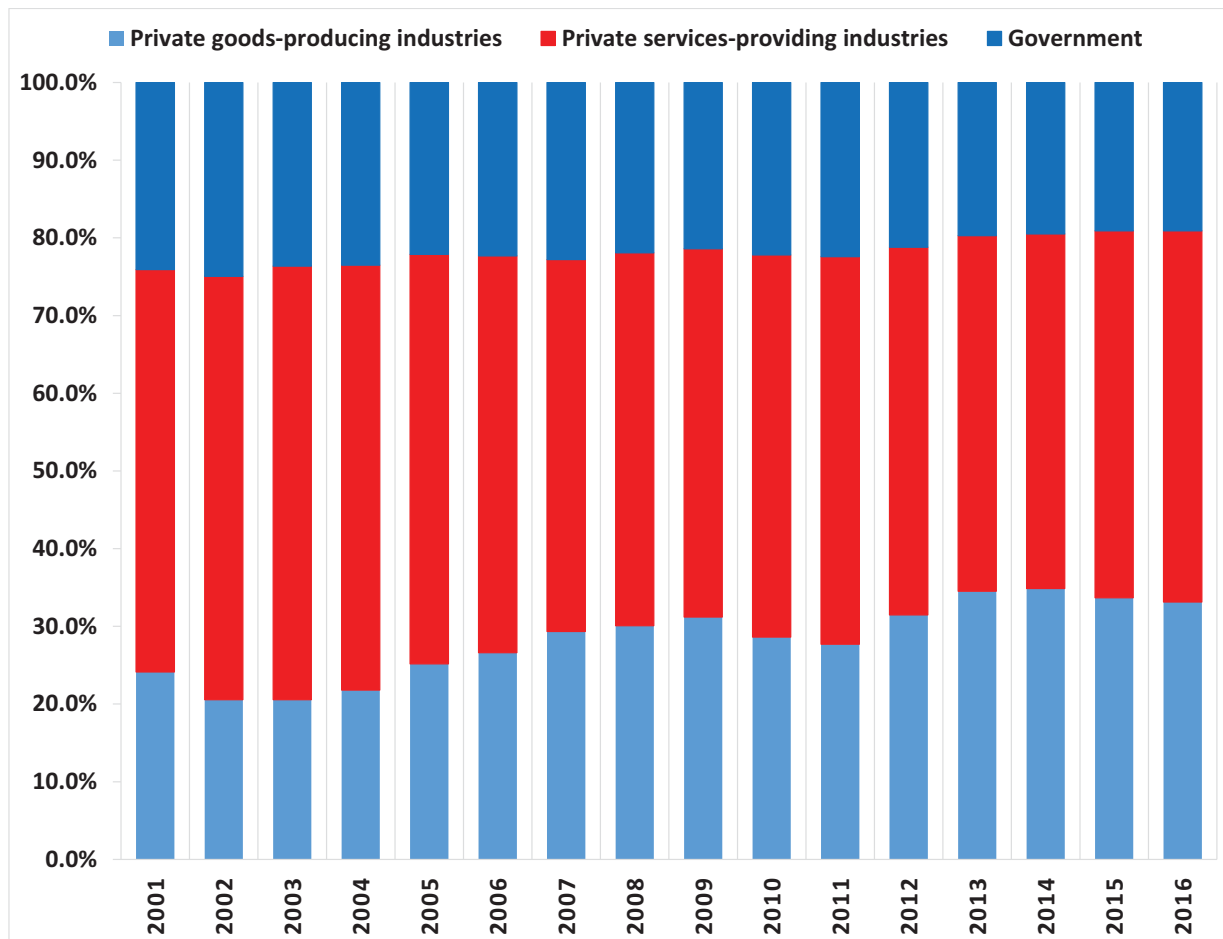
**OPPORTUNITY:** Small business remains the national economy's engine, and Solano County's growth of new, small businesses needs to continue as part of county economic development.

## Index of Economic and Community Progress

### Gross Product Change by Industry Sector

Gross product is a measure of how businesses add value to raw materials and land. Gross County Product (GCP) data show that Solano County is growing across its industry sectors. The shift away from government toward private industries suggests that private sector growth continues to move the local economy forward. Travis Air Force Base provides a key example of how governmental organizations in Solano County continue to bring in revenue from state and federal funding.

**Gross Product Share by Major Sector, 2001-16**  
Proportions in Solano County Over Time, in 2009 Dollars



Source: Bureau of Economic Analysis (<http://www.bea.gov>)

**TAKEAWAY:** Goods-producing businesses provide more value-add or gross product per job to the county economy, and Solano County continues to expand these businesses and jobs.

**OPPORTUNITY:** While government is less important to the overall economy as Solano County had expanded since 2010, Travis Air Force Base remains an important economic development engine and partner for Solano County.

## Index of Economic and Community Progress

Notice that gross product growth in Solano County increased in 2015 and in 2016 at a faster pace than 2014 and faster than the US economy overall. California, on average, continues to outpace the economic growth of Solano County, but Solano County's growth rate is getting closer to California's. The spike in growth in 2013 was a recovery increase in jobs from the recession's bottom, mainly health care and construction jobs. Since 2012, Solano County has seen compounding growth, even though the annual rate of growth has slowed on average since 2013.

**Gross Product Growth Annually, 2002–2016**  
**Solano County, California and the United States Overall, in 2009 Dollars**



Source: Bureau of Economic Analysis (<http://www.bea.gov>)

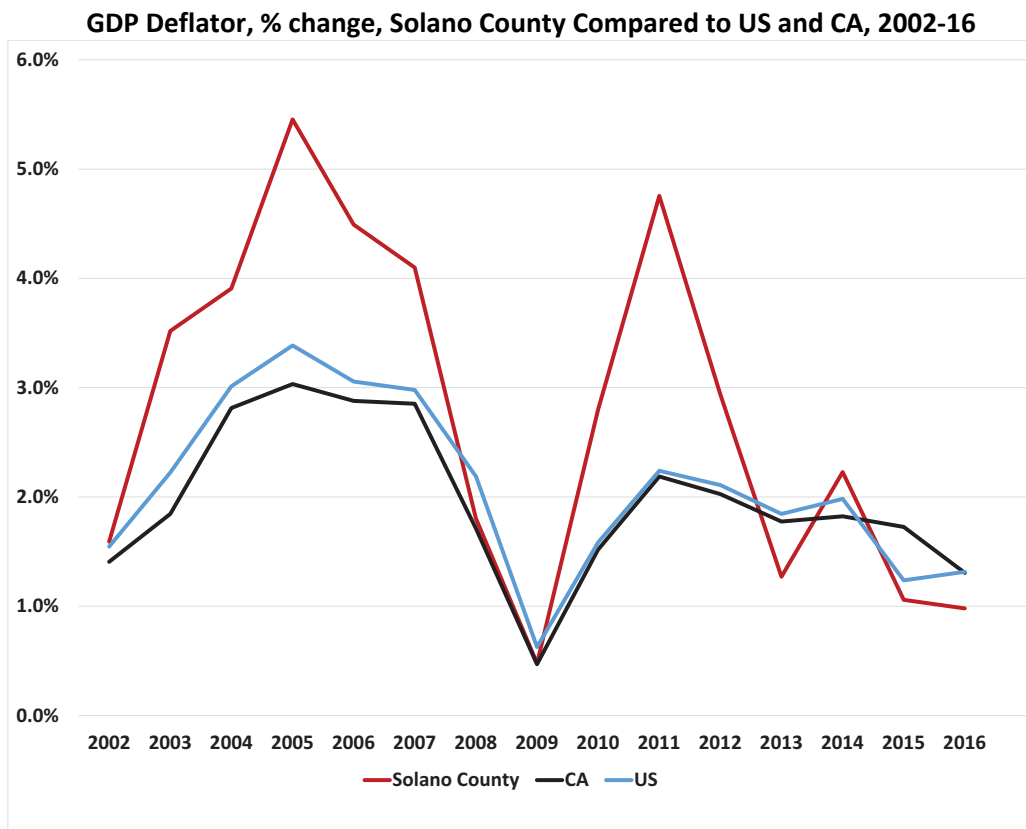
**TAKEAWAY:** Solano County's continued gross product growth in 2016 (3.1 percent) was faster than the national economy in 2016 (1.5 percent), but slightly slower than California (3.3 percent).

**CHALLENGE:** Retaining and expanding businesses is something all counties attempt to do, and Solano County must remain competitive as a place to do business for gross product to continue to grow as it has since 2012.

## Index of Economic and Community Progress

### Gross Product Deflator and Local Cost of Living

These are new data for the 2017 Index. Because real gross product is an inflation-adjusted measure of nominal gross product, the ratio (or the Gross Product Deflator) of nominal to real variables is a measurement of price levels. The Consumer Price Index (CPI) is a classic way to consider costs of living; The CPI and GDP deflator for California and the United States are highly correlated. The Bureau of Labor Statistics follows the CPI for the US and many large metropolitan areas around the country, but no official CPI data are available for Solano County. The Bureau of Economic Analysis (BEA), in estimating gross product for all metropolitan areas across the United States, is now estimating both nominal **and** real gross product for Solano County. The figure here shows how prices in Solano County rose quickly before the recent recession, quickly fell during recession, bounced back and moderated since 2013. The deflator, as a measure of prices, may or may not suggest expansion or contraction alone. The key is slow and steady growth; slow inflation rates are less likely to slow down real economic growth.



Source: Bureau of Economic Analysis, Regional Data (<http://www.bea.gov/regional/>)

**TAKEAWAY:** While cost of living is more volatile for local areas than the national and state economies, like the broader areas of comparison, Solano County's recovery is also characterized by slow, steady price growth.

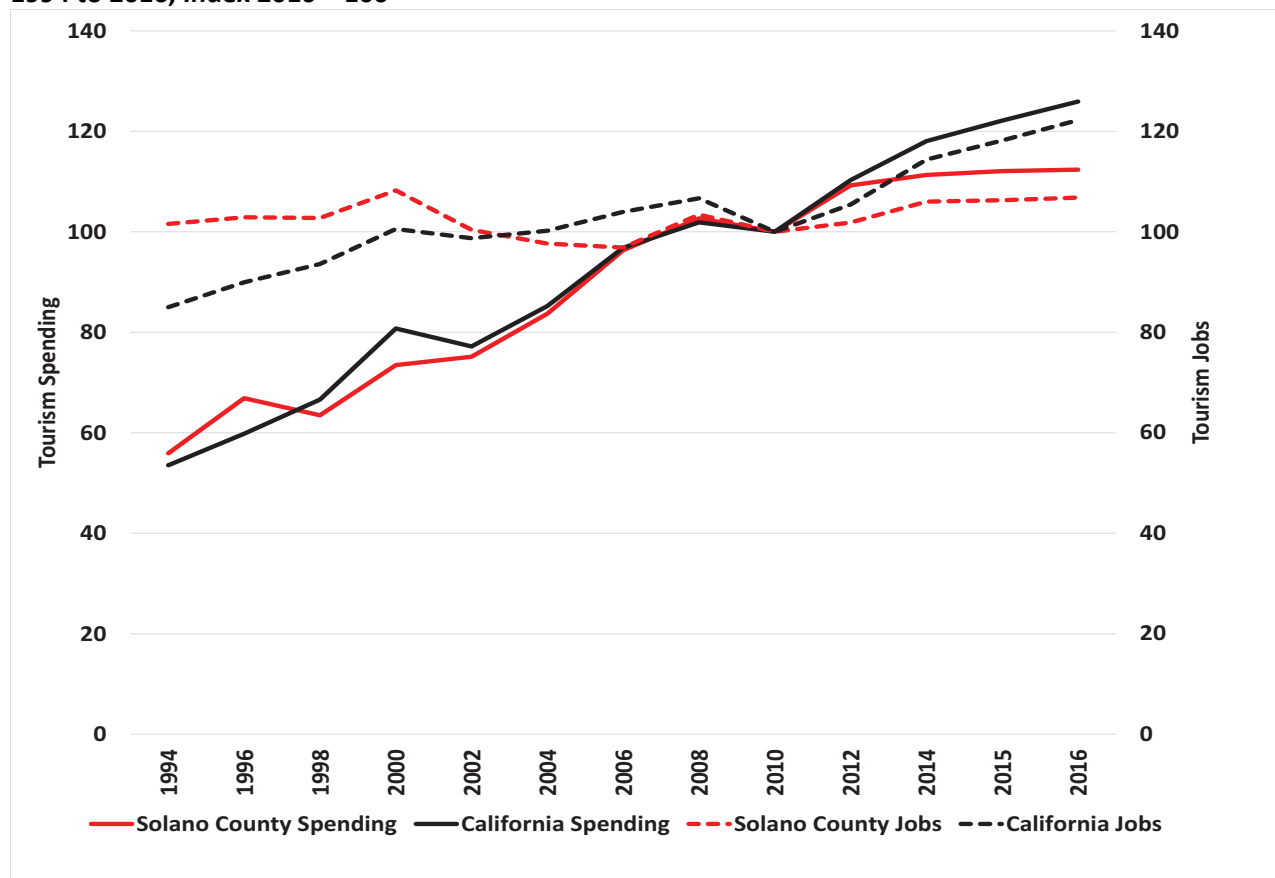
**CHALLENGE:** As Solano County's economy continues its expansion, pressure of these costs to rise more quickly become higher wages and rising costs of doing business, an economic and workforce development challenge.

## Index of Economic and Community Progress

### Tourism Industry: Supporting Visitors

Hotel, motel, restaurant, and tourist attraction businesses are the core employers that support visitors in a local area. Visitors come in two forms: pleasure and business visitors. Dean Runyan Associates provides estimates of both the number of jobs and the income levels made by supporting visitors for all 58 counties of California. Solano County has about six (6) percent of total county economy jobs in 2016 (the latest tourism analysis data) supporting visitors. Notice Solano County jobs and spending have flattened a bit since 2012; part of this is explained by increased regional competition, the remainder is an opportunity for growth given the statewide trends. Income growth has been faster than employment growth suggesting hotels and restaurants are able to do more with fewer workers, including utilizing more technology.

#### Tourism Jobs and Spending, Visitors Spending in Solano County and California 1994 to 2016, Index 2010 = 100



Source: Dean Runyan Associates (<http://www.deanrunyanassociates.com>)

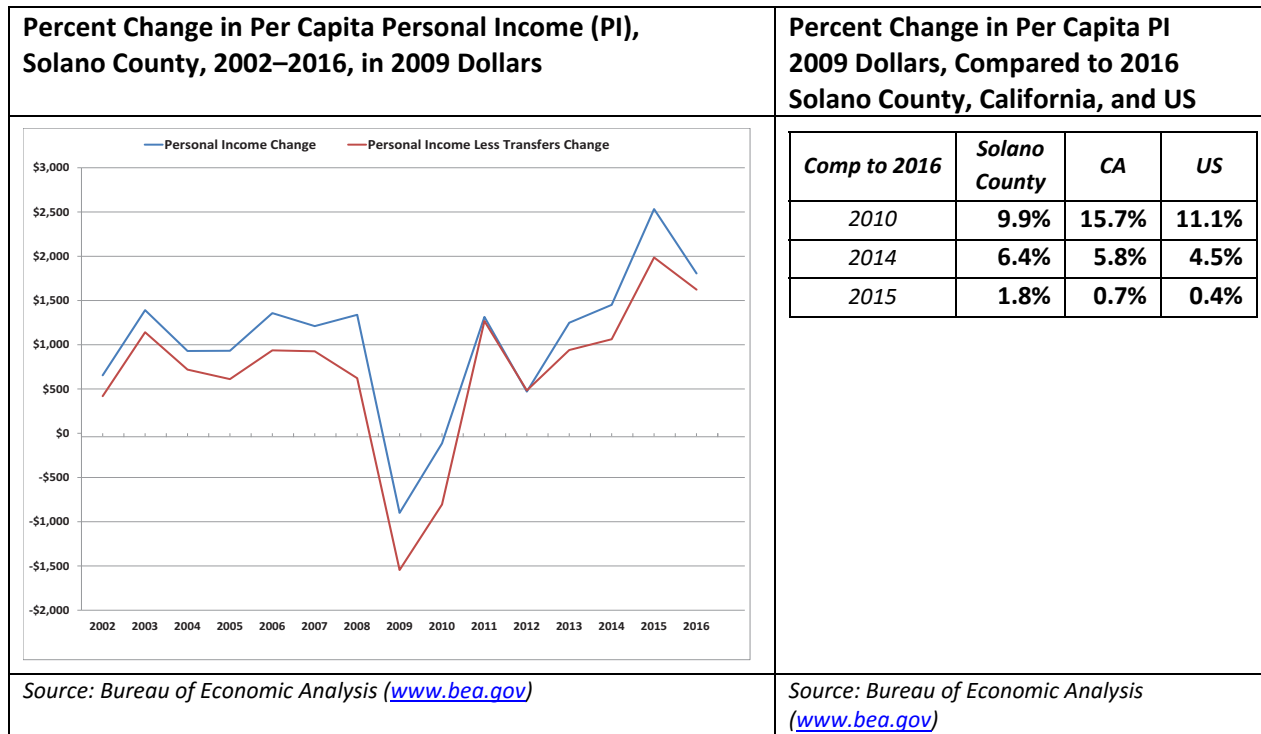
**TAKEAWAY:** While tourism jobs and spending have grown in Solano County since 1994, and a greater increase since 2012, while California overall has a faster pace of growth.

**OPPORTUNITY:** Solano County is beset on all sides by tourism destinations, and the county has many destinations that could lead to more hotel stays, more spending, and more overall revenue based on the flow of visitors in all directions.

## Index of Economic and Community Progress

### Personal Income

Personal income is what households use from gross product to pay taxes, buy goods and services, and also save. Personal income is made up of wages and salaries, transfer payments from all levels of government, investment income (dividends, interest, and rents), income from owning a business (proprietor's income), and other income sources. Solano County saw further personal income gains in 2016 (the latest year for which data are available). As a percentage of total personal income, transfer payments increased slightly in 2016, as did earned and investment income gains rose. As taxable sales data suggest, continued personal income growth supports sales.



**TAKEAWAY:** Personal income less transfer payments continued to grow, but at a slower pace in 2016, reflecting both slower wage growth and volatility in returns on financial investments.

**CHALLENGE:** Per-capita, personal income growth can take place due to transfer payments from the government alone. Solano County may have as many as one in four households that rely on government transfers for a portion of their personal income, a workforce development challenge to create higher wage jobs.

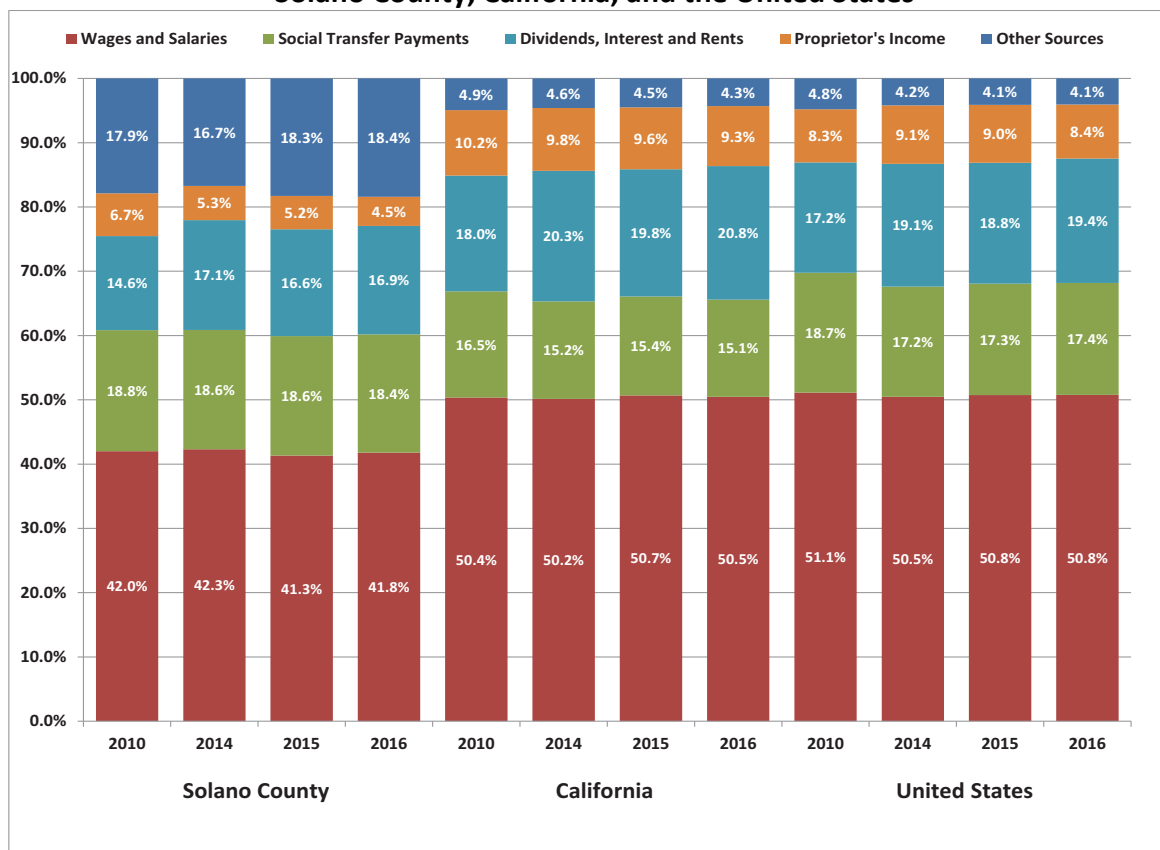


# Index of Economic and Community Progress

## Sources of Personal Income

Households generate personal income primarily due to earnings at work. Including Bureau of Economic Analysis adjustments for commuting residents, other sources of income saw some growth in Solano County. This “Other Sources” category is relatively large in Solano County versus California and the US overall. This difference is due to accounting for the flow of income from other areas, so-called “Adjustments for Residence”, as more people leave Solano County for work than come in to work. For example, when a large number of local residents leave a county for work elsewhere, the income they bring home can be a significant portion of a county’s personal income in total. This net flow of positive, personal income for Solano County suggests large outbound commuting in net, which is corroborated by commuting data shown later in this Index; California and the United States overall have little of this, as do large state and national economies. Transfer payments fell to 18.4 percent of personal income in Solano County, still higher than the national and state average, but less than 2015. Investment income from dividends, interest and rents increased in all areas, as equity markets gained in 2016 (the latest data).

**Sources of Personal Income, 2010–2016, in 2009 Dollars**  
**Solano County, California, and the United States**



Source: Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov))

**TAKEAWAY:** Wage growth overall in Solano County helped personal incomes rise, a sign of labor market growth, as social transfers become a smaller percentage of income.

**OPPORTUNITY:** Given the amount of commuter flows out of Solano County to work, workforce and economic development opportunities can increase average wages and reduce the number of potential workers on social transfers/assistance.

## Index of Economic and Community Progress

### Business Affordability: Wages

Occupational wage data in California allow a comparison of Solano County to regional counties otherwise in what employers pay for specific skills or occupations. The California Employment Development Department (EDD) publishes occupational wage survey results annually. Sacramento's MSA surged ahead of the state average wage level in 2017, a reflection that 2016 was a major year of jobs growth in Sacramento. Solano County's wages have increased since 2016; labor in 2017 remains less expensive than the state average and Bay Area county counterparts.

**Solano County and California 2017 Wages and Occupations (2010 shown in summary)  
Compared to Other Areas as a Percent of Average Wages in California, 2017**

Occupational Categories	Wage Comparisons									2010	2010
	CA	Solano	Solano Wages	Napa	Sonoma	Sacramento MSA	Alameda	San Francisco	San Jose	CA	Solano
<b>Total all occupations</b>	<b>\$19.49</b>	<b>98.7%</b>	<b>\$19.24</b>	<b>94.2%</b>	<b>97.1%</b>	<b>104.1%</b>	<b>118.8%</b>	<b>137.6%</b>	<b>147.9%</b>	<b>\$24.10</b>	<b>94%</b>
Management Services	<b>\$54.33</b>	86.9%	\$47.20	90.2%	86.6%	89.2%	109.0%	127.8%	141.0%	<b>56.64</b>	88%
Business and Financial Operations	<b>\$35.92</b>	95.5%	\$34.31	96.9%	90.5%	90.8%	107.8%	120.1%	125.6%	<b>34.98</b>	93%
Computer and Mathematical	<b>\$48.21</b>	85.1%	\$41.01	77.6%	87.3%	83.4%	104.3%	111.1%	127.1%	<b>42.16</b>	88%
Architecture and Engineering	<b>\$45.20</b>	92.5%	\$41.79	86.9%	93.8%	99.6%	102.5%	107.1%	121.6%	<b>41.56</b>	84%
Life, Physical, and Social Science	<b>\$36.26</b>	110.6%	<b>\$40.09</b>	108.2%	96.8%	98.1%	111.6%	126.7%	106.8%	<b>35.36</b>	102%
Community and Social Services	<b>\$23.13</b>	106.1%	<b>\$24.53</b>	108.6%	99.8%	95.4%	106.0%	101.8%	104.3%	<b>24.59</b>	117%
Legal Services	<b>\$49.58</b>	90.5%	\$44.85	75.3%	68.1%	96.1%	99.0%	126.5%	134.4%	<b>56.00</b>	86%
Education, Training, and Library	<b>\$25.83</b>	98.0%	\$25.32	97.4%	85.3%	91.2%	101.9%	106.5%	110.0%	<b>27.46</b>	98%
Arts, Design, Entertainment, Sports, and Media	<b>\$27.30</b>	70.8%	\$19.33	84.8%	91.2%	82.1%	84.7%	118.5%	112.1%	<b>31.60</b>	70%
Healthcare Practitioners and Technical	<b>\$41.12</b>	123.6%	<b>\$50.82</b>	105.5%	86.8%	115.8%	123.3%	131.3%	125.4%	<b>40.21</b>	99%
Healthcare Support Services	<b>\$15.87</b>	106.4%	<b>\$16.88</b>	106.7%	111.2%	108.9%	115.7%	117.9%	115.8%	<b>14.62</b>	104%
Protective Services	<b>\$20.62</b>	180.4%	<b>\$37.20</b>	95.5%	90.2%	91.1%	93.5%	102.5%	93.1%	<b>25.37</b>	128%
Food Preparation and Serving-Related	<b>\$10.70</b>	96.6%	\$10.34	112.7%	106.6%	95.2%	101.9%	118.5%	107.1%	<b>10.66</b>	95%
Building and Grounds Cleaning and Maintenance	<b>\$12.95</b>	107.3%	<b>\$13.90</b>	102.9%	108.3%	101.1%	116.8%	115.8%	101.0%	<b>13.23</b>	104%
Personal Care and Services	<b>\$11.42</b>	91.6%	\$10.46	103.4%	111.3%	94.5%	105.3%	123.7%	108.1%	<b>12.97</b>	96%
Sales and Related Services	<b>\$13.81</b>	86.6%	\$11.96	117.7%	103.6%	97.1%	109.1%	132.7%	124.5%	<b>18.93</b>	82%
Office and Administrative Support	<b>\$18.17</b>	102.2%	<b>\$18.57</b>	101.8%	103.3%	101.8%	112.8%	123.7%	120.5%	<b>17.82</b>	100%
Farming, Fishing, and Forestry	<b>\$9.67</b>	101.2%	<b>\$9.79</b>	128.2%	124.8%	104.9%	131.0%	153.5%	109.4%	<b>10.11</b>	109%
Construction and Extraction	<b>\$25.00</b>	106.7%	<b>\$26.67</b>	108.1%	110.7%	97.6%	116.7%	124.6%	113.8%	<b>24.62</b>	105%
Installation, Maintenance, and Repair	<b>\$22.84</b>	104.2%	<b>\$23.81</b>	103.9%	104.6%	99.0%	114.6%	126.0%	114.7%	<b>22.86</b>	110%
Production Jobs	<b>\$14.70</b>	114.4%	<b>\$16.81</b>	124.6%	111.3%	107.8%	117.3%	123.3%	120.1%	<b>15.95</b>	119%
Transportation and Material Moving Services	<b>\$14.47</b>	100.0%	\$14.47	100.5%	104.4%	105.4%	124.3%	118.7%	107.0%	<b>\$16.06</b>	102%

Source: Employment Development Department, Occupations Data ([www.edd.ca.gov](http://www.edd.ca.gov)), Q1 2017 and Q1 2010  
Wages in **GREEN** are for occupations where Solano County wages are greater than California wages.

**TAKEAWAY:** Solano County wages continue to be a competitive advantage across the state and in neighboring communities.

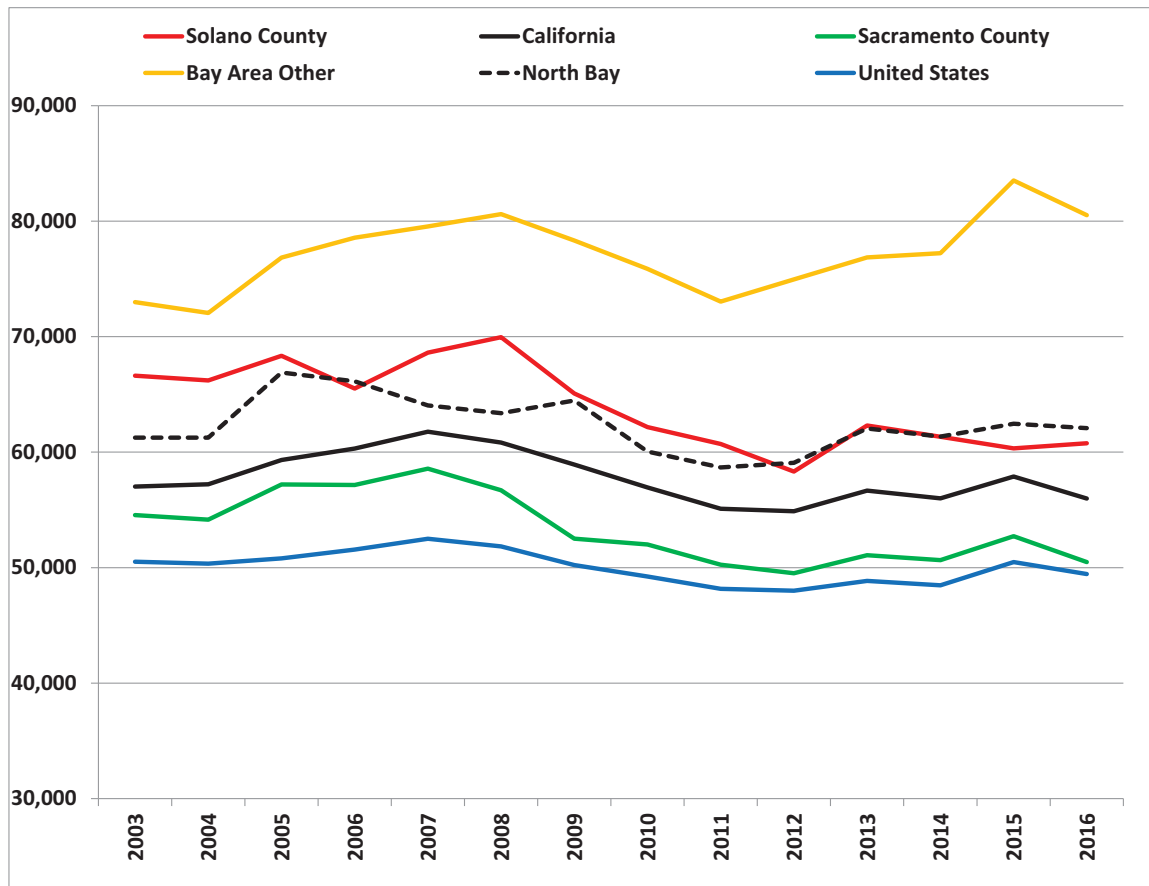
**OPPORTUNITY:** With the cost of living rising in the core Bay Area, relatively lower wages in Solano County can be an attractant for both new businesses and existing businesses moving from other parts of the region, along with lower-priced housing and commercial spaces.

## Index of Economic and Community Progress

### Median Household Income Comparisons

Median household income is another measure of rising or falling incomes, typically representing four people forming a household. For Solano County, inflation-adjusted, median household income increased a bit in 2016 while all other comparison areas fell slightly. As shown above, personal income growth in Solano County for 2016 was stronger than surrounding counties for Solano County; the Bay Area Other counties, mainly San Francisco and San Mateo counties, fell back a bit in real terms in 2016 despite personal income gains.

**Median Household 2003–2016, Comparisons Between Selected Areas, in 2009 Dollars**



Sources: Median Household Income, Census Bureau (<http://factfinder.census.gov>); CPI Data is from California Department of Finance (<http://www.dof.ca.gov/Forecasting/Economics/Indicators/Inflation/>)

**TAKEAWAY:** In Solano County, 2016 was the first increase in median household income after inflation adjustments since 2013 (+\$430 in 2016), with all other comparison areas falling slightly.

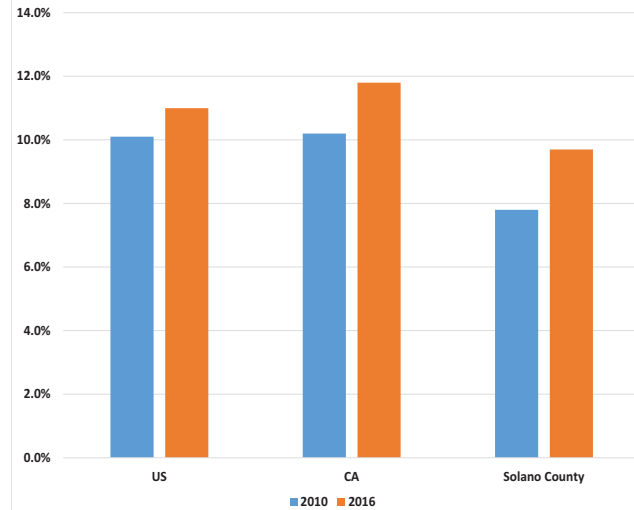
**CHALLENGE:** While Solano County's MHI in real terms is higher than the state average, the Bay Area income levels are generally higher as a reflection of higher wages. This difference provides a reason for Solano County residents to commute into the Bay Area other counties for work versus lower-wage jobs in Solano County.

## Index of Economic and Community Progress

### Poverty Rates

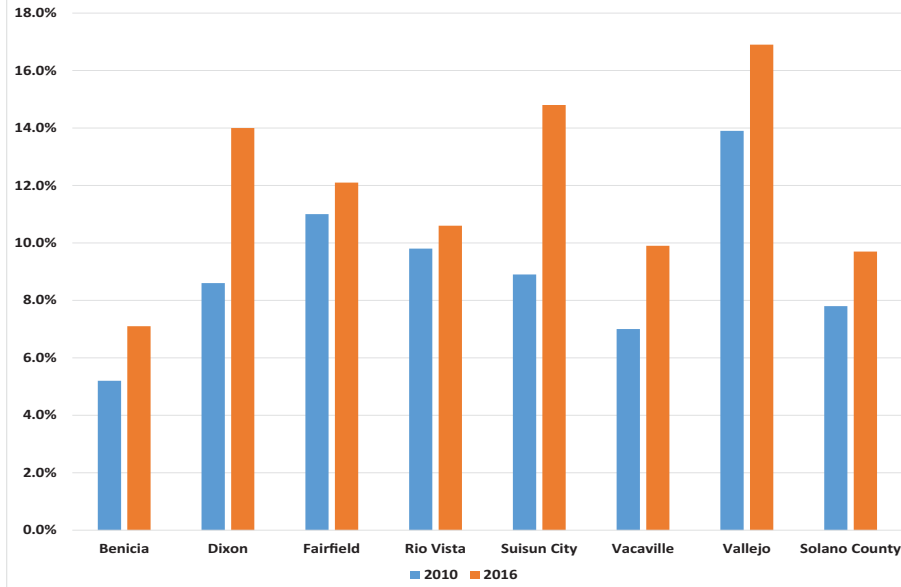
These data are new in this Index version. As incomes grow during economic recovery and expansion, not all households rise out of poverty conditions. The American Community Survey (ACS) of the Census Bureau tracks poverty rates along with other demographic and economic data cited in this Index. These are five-year averages, ending in the year shown in the following graphs. Solano County has a lower poverty rate than both the United States and California on average since 2010. However, cities in Solano County have relatively high percentages of households in poverty. In 2010, the baseline year, the income threshold for a household of four people was \$22,314 and then \$24,563 in 2016.

**Poverty Rates, 2010 and 2016, Percentage of all Households, Solano County, California and The United States**



Source: American Community Survey (ACS) Table DP03: <http://factfinder.census.gov>

**Poverty Rates, 2010 and 2016, Percentage of all Households, Solano County Cities and County Overall**



Source: American Community Survey (ACS) Table DP03: <http://factfinder.census.gov>

**TAKEAWAY:** Even with economic recovery, poverty rates on a five-year average are rising.

**CHALLENGE:** Many of Solano County's communities have poverty concerns, which reduces personal income and median household income per capita, and pressures government resources to provide assistance to county households (perhaps as much as 1 in 4) to fill gaps in income.

# Index of Economic and Community Progress

## Agriculture

Agriculture comes in many forms, and has many links to local manufacturing for food and beverages, and is also an export industry for Solano County. The Solano County Agricultural Commissioner publishes annual data on agricultural outcomes in the county. Wine grapes continued to increase in value in 2016 (the latest data). Calves and cattle saw a sharp decline as did processed tomatoes, but other major agricultural industries saw growth. The effects of drought may explain the continued downturn for 2016, such as hay prices rising becoming reduced cattle values and farming, these conditions may continue to suppress growth in 2017's crop and agricultural values.

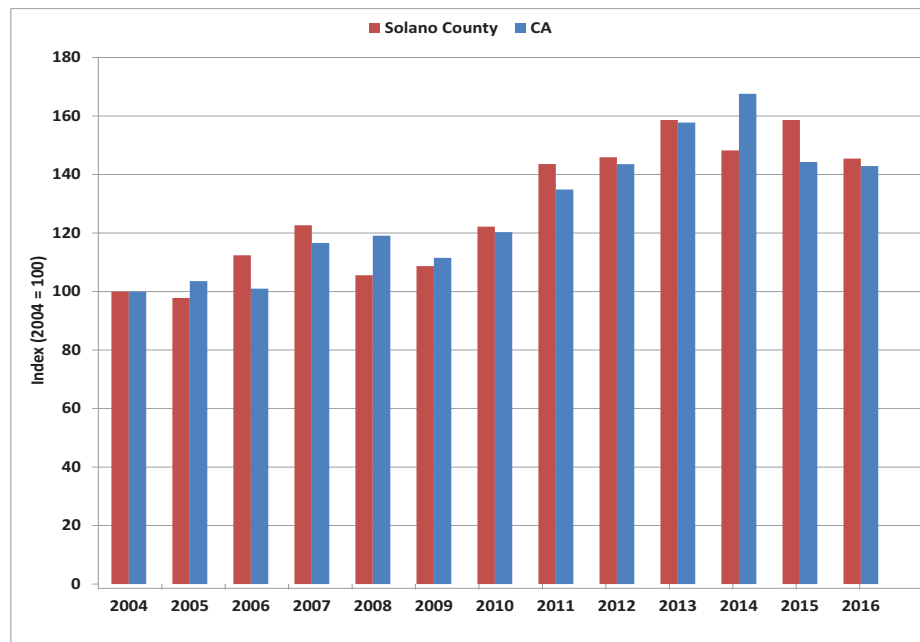
**Solano County Top 10 Agricultural Industries and Revenues  
2010, 2014, 2015, and 2016, Sorted by 2016 Value**

<i>Agricultural Product</i>	<i>2010</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>
<b>Total Solano County</b>	<b>\$259,398,000</b>	<b>\$378,645,000</b>	<b>\$353,869,000</b>	<b>\$347,172,000</b>
Walnuts	\$31,161,700	\$45,422,000	\$37,912,000	\$44,822,000
Nursery Products	23,352,000	35,594,000	37,648,000	39,754,000
Almonds	8,468,100	14,156,000	23,603,000	35,917,000
Tomatoes (Processed)	36,901,400	46,124,000	42,156,000	33,843,000
Alfalfa	19,742,700	43,700,000	34,821,000	22,267,000
Grapes	9,274,800	17,621,000	14,988,000	19,560,000
Sunflower Seeds	7,845,300	14,455,000	6,904,000	11,414,000
Sheep	6,355,600	7,912,000	6,684,000	9,339,000
Cattle/Calves	22,608,000	31,673,000	27,556,000	9,192,000
Wheat	9,672,700	13,789,000	9,092,000	7,428,000
All Other Ag Products	\$81,895,800	\$113,988,000	\$112,505,000	\$113,636,000

Source: Solano County Agricultural Commissioner

([http://solanocounty.com/depts/agriculture/crop\\_report/2009\\_2018.asp](http://solanocounty.com/depts/agriculture/crop_report/2009_2018.asp))

**Total Agricultural Value, Solano County and California, 2004–2016, Index 2004 = 100**



Sources: Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov)) and Solano County Agricultural Commissioner ([https://www.solanocounty.com/depts/agriculture/crop\\_report/2009\\_2018.asp](https://www.solanocounty.com/depts/agriculture/crop_report/2009_2018.asp))

**TAKEAWAY:** Agricultural values fell again in 2016, likely due to continued, low commodities prices and drought conditions reducing yields and herds.

**OPPORTUNITY:** Food and beverage manufacturing throughout the world can use local agriculture in Solano County as a raw input, expanding support for local farmers.

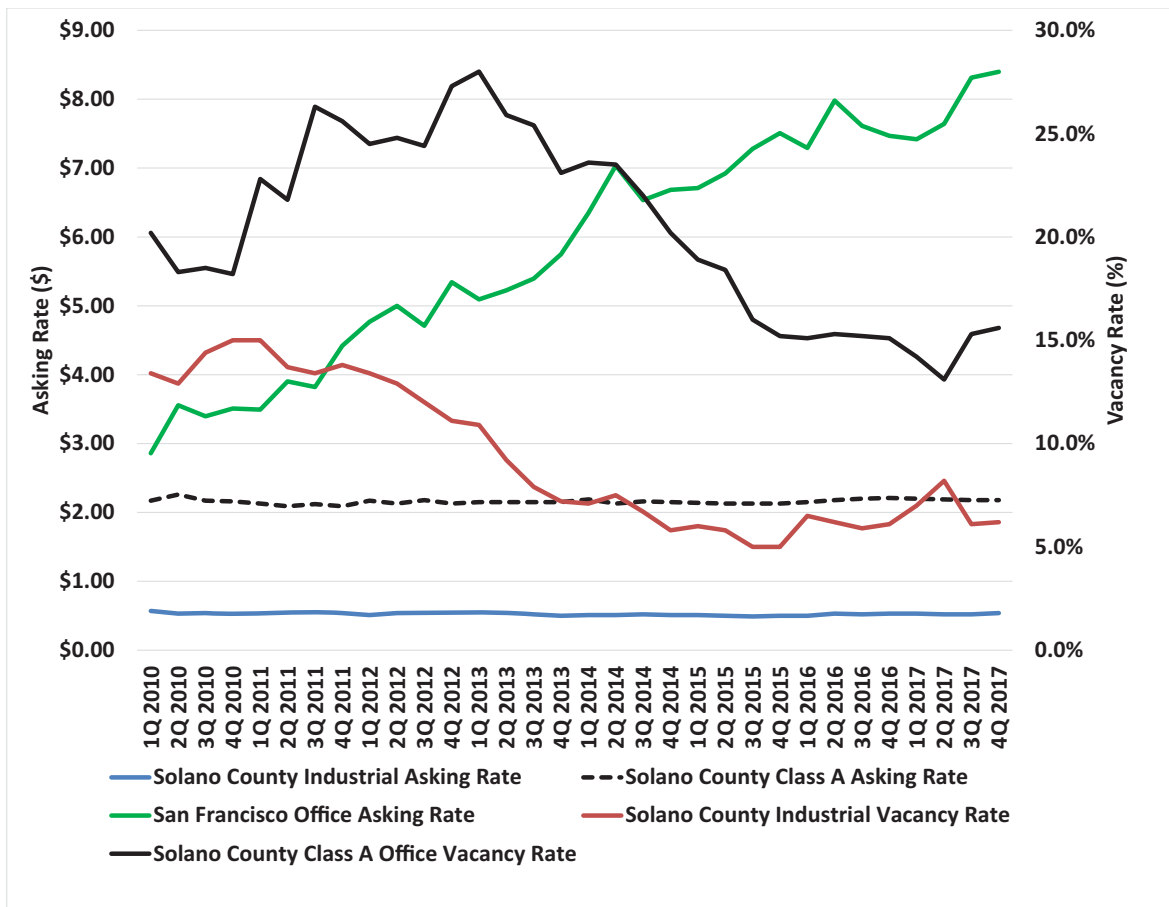
## Index of Economic and Community Progress

### Housing and Commercial RE Demand

#### Commercial Real Estate Pricing and Vacancy

Commercial real estate data track available infrastructure for companies operating (or wishing to operate) in the region. The figures here show industrial and office space, two of the most common types. As with other markets, the commercial real estate market is regional. There was 1.28 million square feet of space permitted in fiscal year 2016-17 for Solano County, 67 percent of this new space was permitted in Fairfield and Vacaville.

**Solano County Industrial Space Asking Price/Sq Ft and Vacancy Rate, 2010-2017 Q4**



Source: Colliers International (<http://www.colliers.com/en-us/fairfield/insights>)  
 Asking Price is indicated on the left-hand axis; Vacancy Rate is indicated on the right-hand axis.

**TAKEAWAY:** Vacancy rates increased slightly in 2017, while prices remained flat and industrial space is close to fully utilized. Low vacancy rates means more productive spaces.

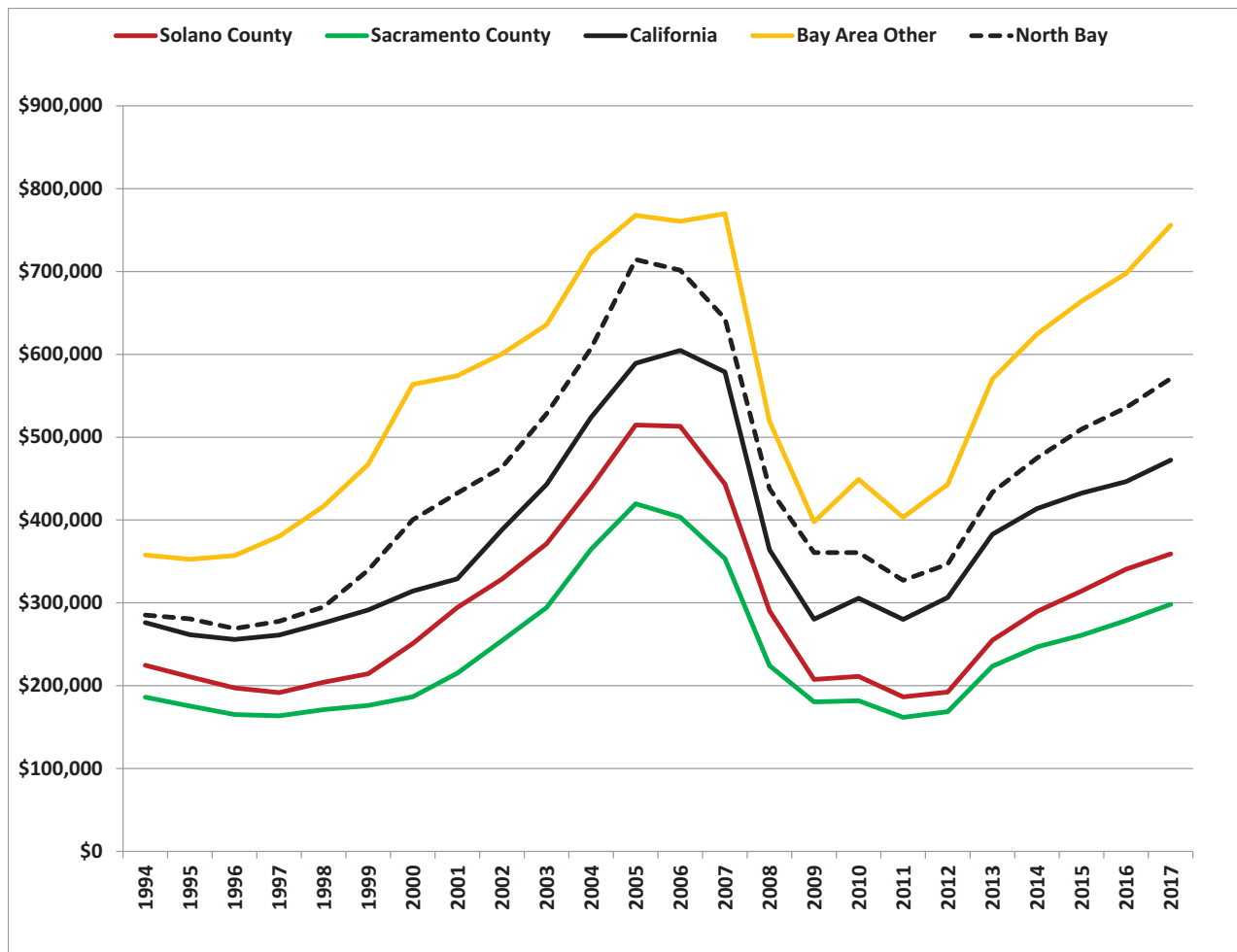
**OPPORTUNITY:** With office vacancy relatively high and prices relatively low (flat for some time), attraction and expansion of business is less costly in Solano County. High prices in San Francisco County (in excess of \$8 per sq ft.) also act as an economic development opportunity for Solano County.

## Index of Economic and Community Progress

### Median Home Prices, Home Sales Volume, and Rental Prices

Housing markets continued their recovery and expansion in 2017 in terms of median home price. Sales volume was estimated at 9,452 single-family home units in Solano County for 2017, basically the same volume as 2016. There are 4,800 more housing units built in net in Solano County since 2010 (the end of the Great Depression as a reference point) on the supply side. Prices increased by 6.8 percent in Solano County between 2016 and 2017; according to the California Association of REALTORS®, Solano County's median home price was approximately \$450,000 as of December 2017. The statewide median was \$549,650 for a single-family home as 2017 ended according the California Association of REALTORS®.

### Median Home Price, 1994–2017, Comparisons Between Selected Areas, in 2009 Dollars, Monthly



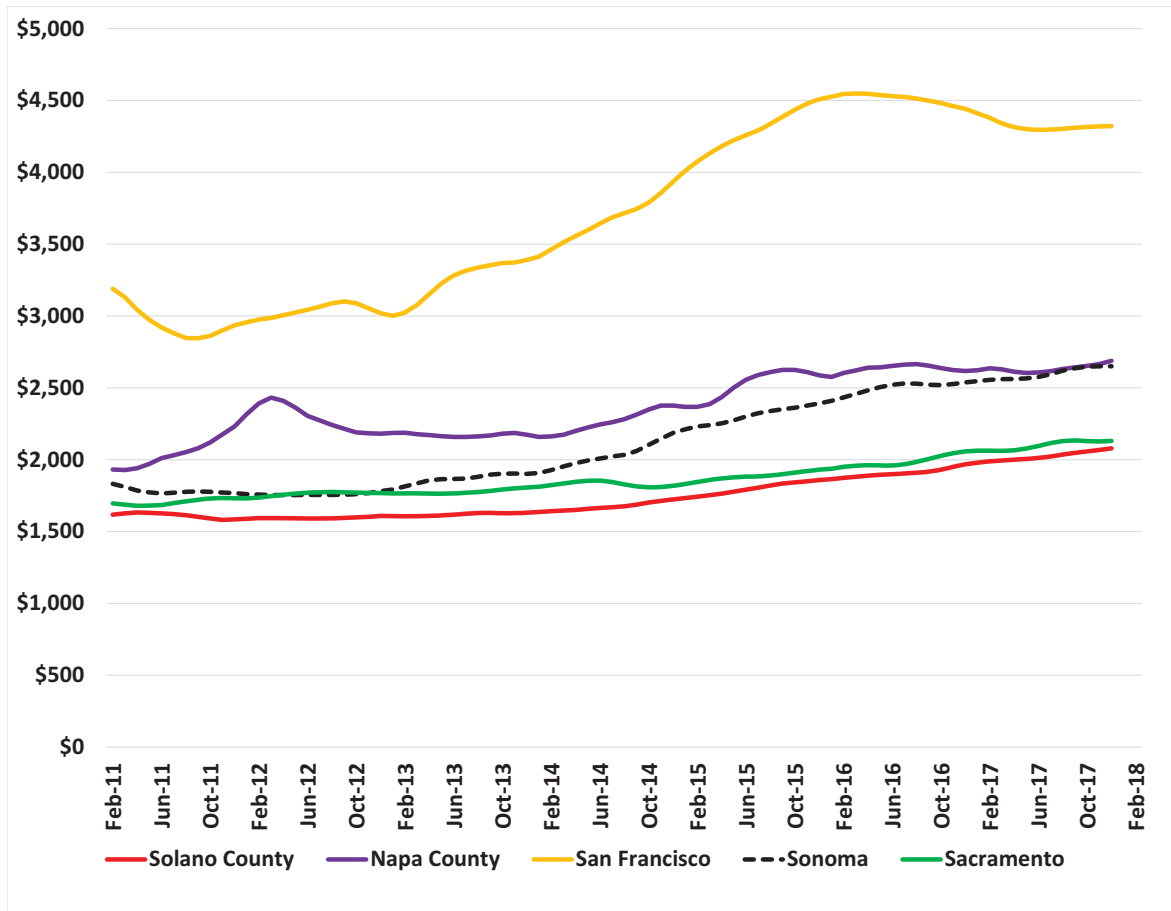
Sources: California Association of Realtors ([www.car.org](http://www.car.org))

*Note: Sacramento County is shown alone (rather than the Sacramento MSA) because there is not similar data over time for Placer, Yolo, and El Dorado counties.*

## Index of Economic and Community Progress

Rental prices have also slowly increased, another sign of both excess demand for housing. In February 2011, the average rental price for one- and two-bedroom apartments in Solano County was \$1,687 per month, according to Zillow Research. The regional fires of late 2017 have put more pressure on both home purchase and rental pricing such that 2018 is a year where prices are likely to rise regionally for both market and post-fire reasons. Rental prices are \$2,100 at the median as of January 2018 in Solano County, and should increase throughout 2018 due to regional supply constraints and rising demand.

### Rental Prices for 1-Bedroom, 2-Bedroom, and Average of All Rental Units, 2011–2017, Monthly



Source: Zillow Research (<http://www.zillow.com/research/data/#rental-data>)

**TAKEAWAY:** 2017 the sixth straight year of home price growth at the median in Solano County, 6.8 percent higher than 2016; statewide median home prices increased by 6.6 percent in 2017. Rental prices continued to slowly climb regionally.

**CHALLENGE:** The regional fires of late 2017 have exacerbated a short supply of housing. Economic development professionals need to watch housing and rental markets closely as an indicator of rising cost of living locally.

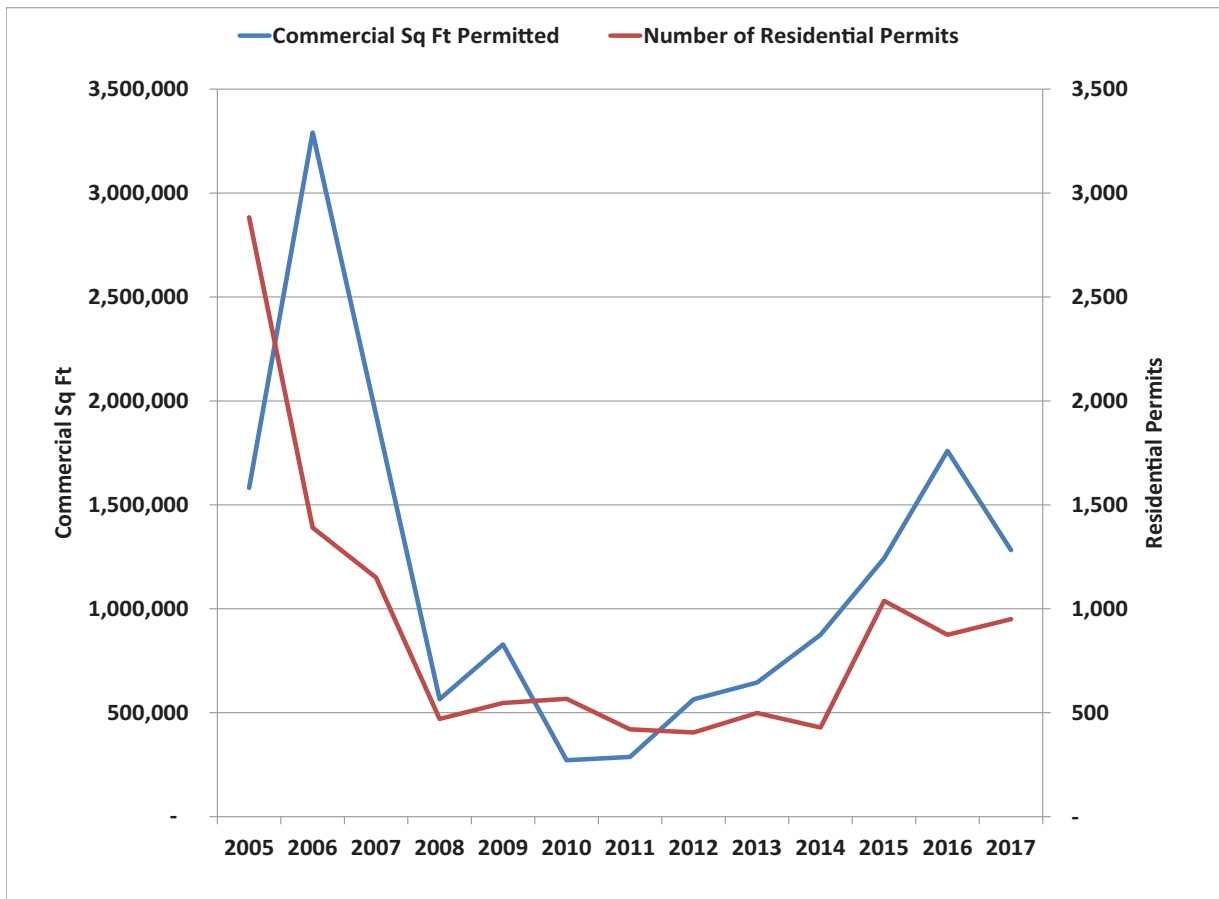


## Index of Economic and Community Progress

### Building Permits

Residential building permits data are a way to forecast an increase in housing units, construction activity around housing, and subsequent impacts on the local economy. Commercial space construction is an indicator of confidence in the local and regional economies, as employers build or occupy more space as a business grows. The County of Solano tracks both data series as shown here. Approximately 1.28 million square feet of new commercial space was permitted in fiscal year 2016-17. There were also 950 residential building permits issued.

**Solano County Residential and Commercial Building Permits, Fiscal Years 2004-05 to 2016-17**  
**Commercial Square Feet and Residential Units Permitted**



Sources: Census Bureau (<http://www.census.gov/const>) and County of Solano (via e-mail with staff)

**TAKEAWAY:** Building permits for both residential and commercial space continue to grow as Solano County's economy expands in fiscal year 2016-17.

**OPPORTUNITY:** Given regional housing shortfalls due to slow building and 2017 fires that destroyed housing stock, Solano County is poised to be a place where businesses and residents can grow simultaneously as more people look at Solano County as a place to live after the recent fires, but remain in the greater Bay Area.

## Index of Economic and Community Progress

### Housing Prices Versus Median Household Income

The California Association of REALTORS® provides a way to measure housing affordability through a “Housing Affordability Index” or HAI. The HAI takes median household income levels and estimates of the cost of owning a home (mortgage, average cost of utilities and maintenance, etc.); these data become a ratio to determine and compare what percentage of the population can afford to buy a home at the current median home price.

If household income does not keep pace with local housing prices, affordability falls; as of 2017 Q3, 43 percent of households in Solano County can afford to purchase a home at the median household income, given current rates of interest and the average cost of home ownership.

**Housing Affordability Index, 2010 Q3 to 2017 Q3**  
**Percent of the Population That Can Afford a Median-Priced Home**

<i>Quarter</i>	<i>Solano</i>	<i>Sacramento</i>	<i>Calif.</i>	<i>Sonoma</i>	<i>Napa</i>	<i>Santa Clara</i>	<i>Alameda</i>	<i>Contra Costa</i>	<i>Marin</i>	<i>San Francisco</i>
2010.Q3	71%	68%	46%	40%	41%	30%	31%	21%	23%	22%
2011.Q3	75%	72%	52%	46%	48%	34%	36%	27%	25%	26%
2012.Q3	77%	73%	49%	46%	45%	32%	34%	28%	27%	25%
2013.Q3	56%	50%	32%	31%	28%	22%	21%	22%	18%	16%
2014.Q3	49%	48%	29%	29%	21%	21%	21%	20%	15%	12%
2015.Q3	44%	46%	29%	24%	21%	19%	20%	34%	19%	10%
2016.Q3	45%	45%	31%	27%	25%	22%	22%	35%	19%	14%
2017.Q3	43%	43%	28%	25%	26%	17%	20%	33%	18%	13%

Source: California Association of Realtors (<http://www.car.org/marketdata/data/haitraditional/>), Quarter 3 2017 is the latest data

**TAKEAWAY:** Solano County’s affordability is large than most regional counties and the state, but is dramatically reduced since emerging from the Great Recession.

**CHALLENGE:** Continued pressure on affordability is coming as regional housing shortages pressure housing costs due mainly to the 2017 fires.

## Index of Economic and Community Progress



## Our Changing Community

## Index of Economic and Community Progress

### People

#### Population Growth

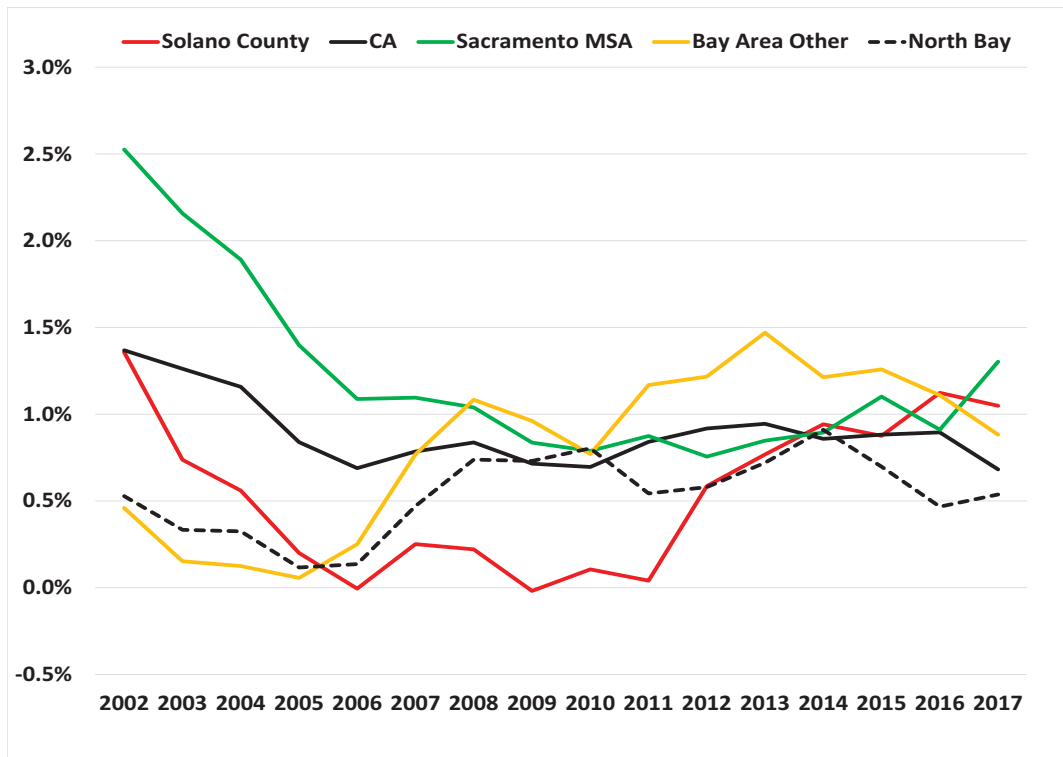
Population growth creates workforce and housing demand. Solano County's population grew by 4,525 residents from January 1, 2016 to January 1, 2017; the growth rate was approximately 1.1 percent. The Bay Area Other counties grew by 55,677 people, with a growth rate that was also 1.1 percent in contrast.

**Change in Total Population, Compared to 2017**

Place	2010	2016	2010	2016
<b>Solano County</b>	22,755	4,525	4.4%	1.1%
California	2,299,713	267,730	5.5%	0.9%
Sacramento MSA	97,511	19,473	5.5%	0.9%
Bay Area Other	505,265	55,677	7.7%	1.1%
North Bay	39,576	4,871	4.0%	0.5%

Source: California Department of Finance, Demographic Research Unit ([www.dof.ca.gov](http://www.dof.ca.gov))

**Population Growth Percent Change from the Previous Year, 2002–2017, January 1 Estimates**



Source: California Department of Finance, Demographic Research Unit ([www.dof.ca.gov](http://www.dof.ca.gov))

**TAKEAWAY:** Population growth for Solano County continues as the Bay Area other counties also grow and compete for regional workforce.

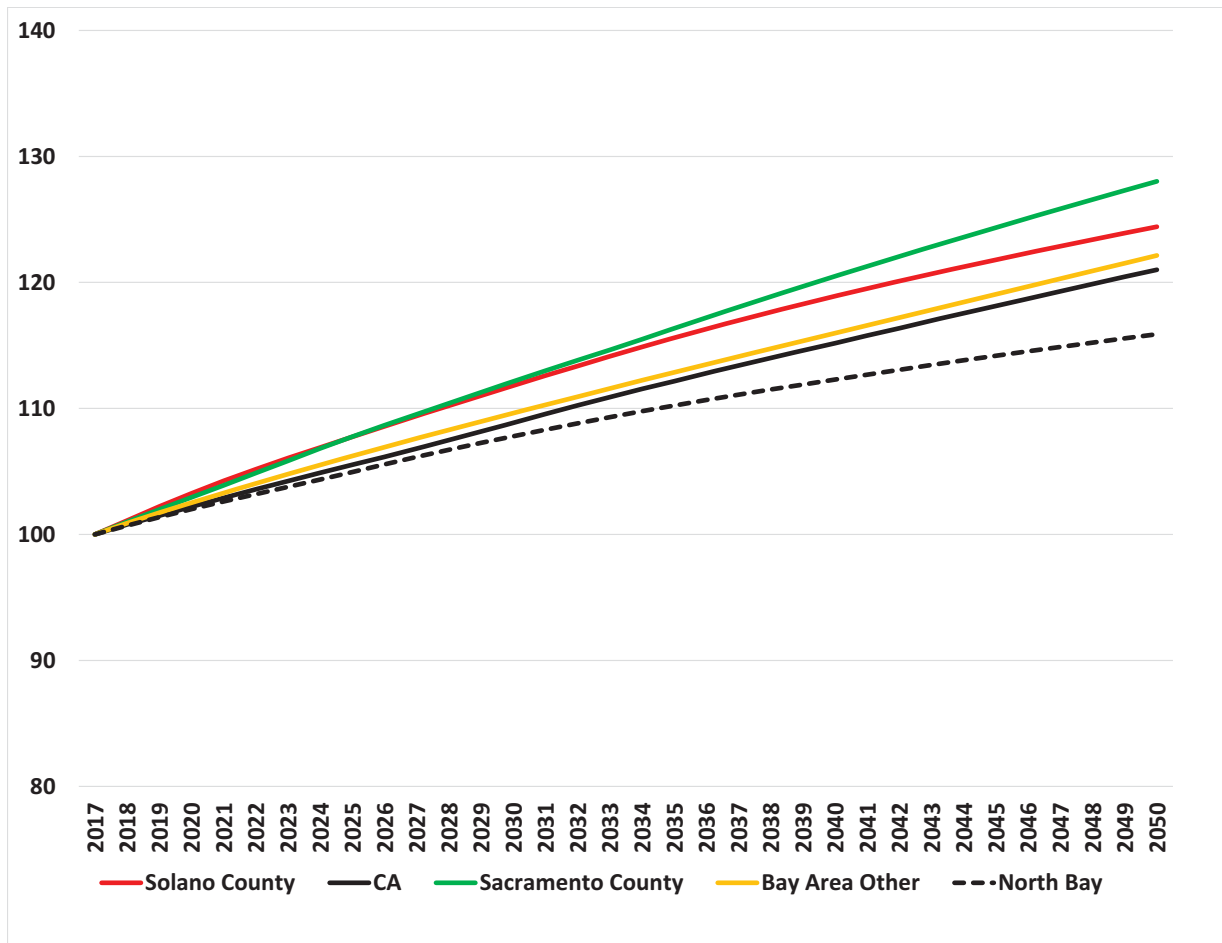
**OPPORTUNITY:** As the regional population grows, there are more, potential labor force participants and thus more opportunities for local employers to utilize this resource, including aging residents.

## Index of Economic and Community Progress

### Population Growth Projections

Like the jobs forecast earlier in this Index from a joint project by CalTrans and the California Economic Forecast. Projected population growth data for Solano County from 2017 to 2050 are shown here, with other areas shown for comparison. Population forecasts help build employment forecasts based on assumed labor-force participation rates and ultimately the number of workers available in a broad area (see more below on labor force participation). California's Department of Finance (DOF) does a similar forecast, shown in past editions of this Index.

### Population Growth Estimated Percent Change from the Previous Year, Selected Areas, 2010–2050



Source: CalTrans and CA Economic Forecast, Sept 2017

([http://www.dot.ca.gov/hq/tpp/offices/eab/socio\\_economic\\_files/2017/FullReport2017.pdf](http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2017/FullReport2017.pdf))

**TAKEAWAY:** Solano County's population growth is faster than all comparison areas except for Sacramento.

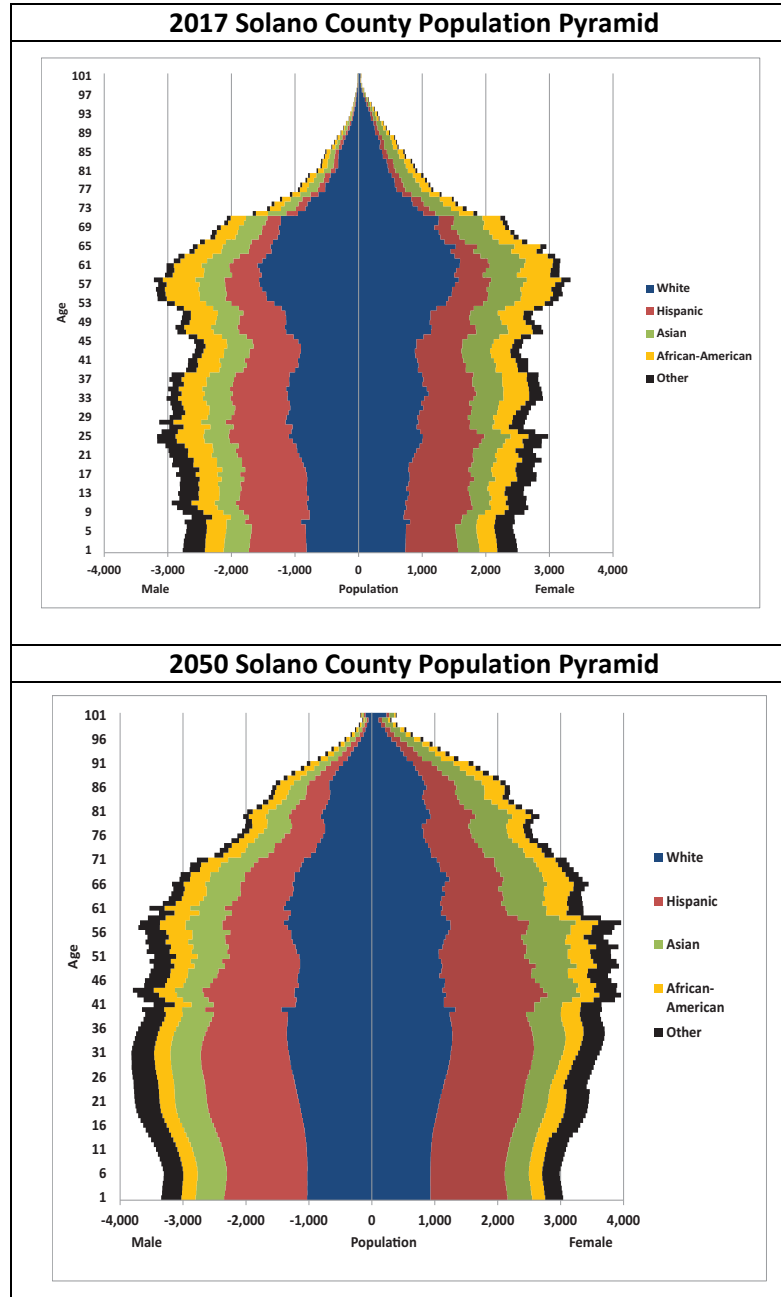
**CHALLENGE:** Housing units and available jobs must keep up with a rising population to either provide economic opportunity or support the growing populace or both.

## Index of Economic and Community Progress

### Population Pyramid for 2050

One way to compare and contrast population projections by using population pyramids. These pyramids are graphics used in demographic research to look at comparisons of age (on the vertical axis), gender mix (where females are positive values and males are negative values on the horizontal axis), and ethnicity (where shaded areas reflect each ethnicity's population proportion).

Population pyramids do not change wildly from year to year unless the underlying demographic assumptions and realities change. Notice the top of the 2050 pyramid (older residents) gets broader suggesting an aging populace; these figures remind us that Solano County is projected to become older and more ethnically diverse through 2050.



Source: California Department of Finance,  
Demographic Research Unit ([www.dof.ca.gov](http://www.dof.ca.gov))

**TAKEAWAY:** Ethnic diversity remains a theme throughout California as population grows, and Solano County mirrors that diversity.

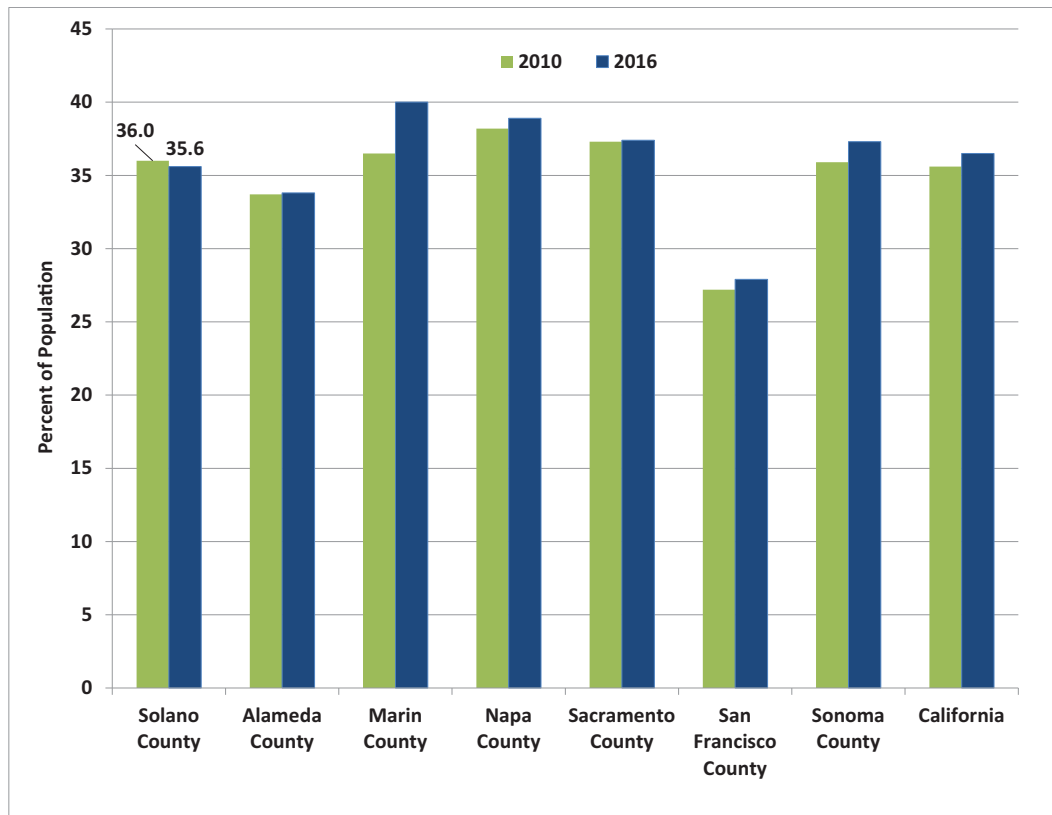
**OPPORTUNITY:** Workforce development programs that are culturally diverse and recognize a wide array of possible careers.

## Index of Economic and Community Progress

### Dependency Ratios

An area's total dependency ratio measures the percentages of area residents 65 and older and under 18 years of age. As this ratio rises, fewer residents are of classic working age (18–64 years old); more young and old residents considered “dependent” on working-age residents to provide resources or to redistribute income through social programs. Solano County's dependency ratio was 36.0 percent in 2010 and was 35.6 percent in 2016, the latest data available. San Francisco County remains less dependent than other regional counties, with Napa, Marin and Sacramento counties experiencing an increase.

**Total Dependency Ratio, Comparison Between Selected Areas, 2010 and 2016**  
Sum of Percentages of the Population Under 18 and 65 and Older



Source: Census Bureau (<http://factfinder.census.gov>)

**TAKEAWAY:** Solano County is not aging as fast in this decade as expected, but monitoring these data help watch for shifts in the working age population.

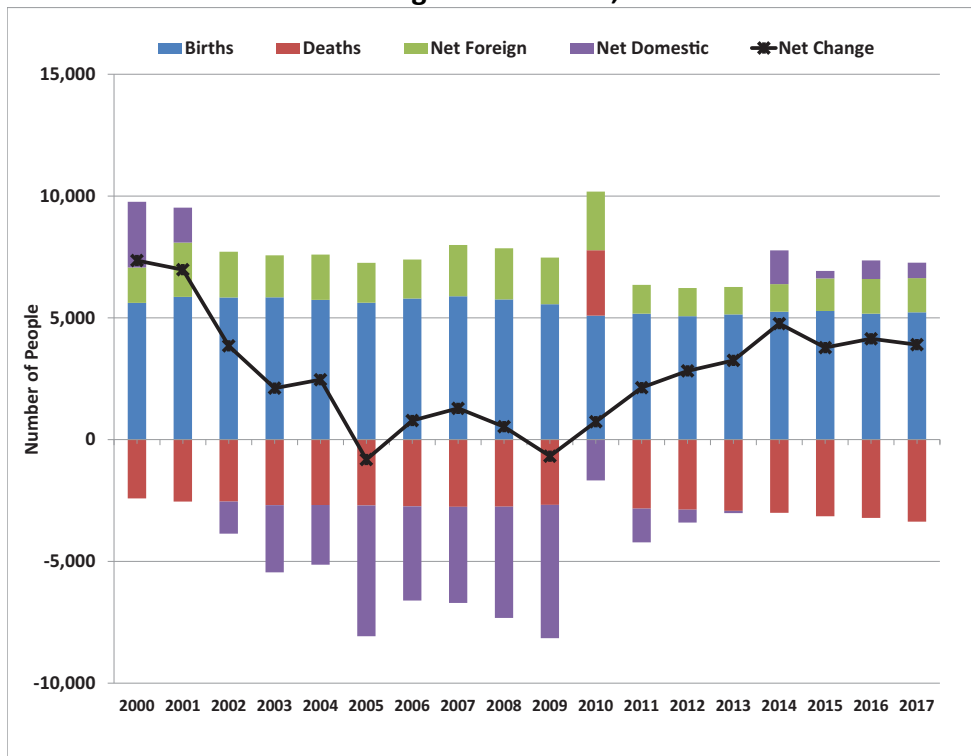
**CHALLENGE:** Population forecasts expect the aging (thus the dependent population to rise); the challenge is to provide workforce and entrepreneurial opportunities for aging workers, especially if more, aging workers remain in the labor force.

## Index of Economic and Community Progress

### Components of Population Change

Solano County has seen a slight increase in the growth rate of its population, which has increased overall more due to births versus deaths than from immigration. However, immigration has been a key reason for population growth since 2010. In 2017, more people came to Solano County from other parts of the United States and other countries as “net foreign or domestic” migration than in 2016, with over 2,000 new county residents.

**Solano County Components of Population Change from Previous Year and Net Change in Residents, 2000–2017**



Source: California Department of Finance, Demographic Research Unit ([www.dof.ca.gov](http://www.dof.ca.gov))

**Solano County Change in Population Compared to 2017, Number of People**

Year	Births	Deaths	Net Foreign	Net Domestic	Net Migration
2010	36,309	-21,373	8,763	1,085	9,848
2013	20,930	-12,738	5,295	3,090	8,385
2014	15,678	-9,733	4,162	1,708	5,870
2015	10,397	-6,585	2,823	1,402	4,225
2016	5,224	-3,368	1,403	638	2,041

Source: California Department of Finance, Demographic Research Unit ([www.dof.ca.gov](http://www.dof.ca.gov))

**TAKEAWAY:** Migration to Solano County has accounted for a rising proportion of county population growth since 2013, as the local economy continues to expand.

**OPPORTUNITY:** With more new residents coming from abroad, economic development efforts to find ties to global markets and a wide array of new businesses may expand.



# Index of Economic and Community Progress

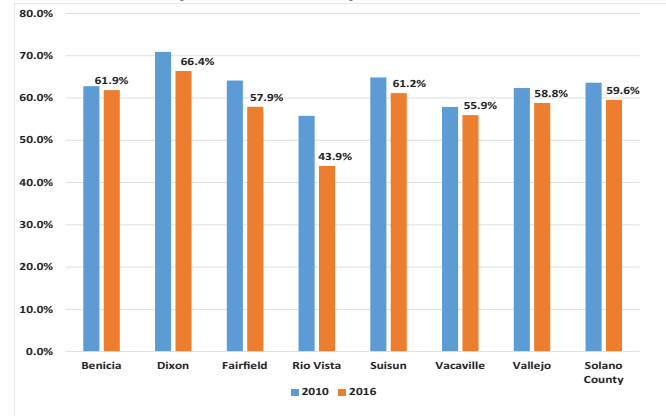
## Workforce Readiness and Supply

### Labor Force Participation Rates

The labor force participation rate measures the percentage of the working age population that is actually working. For Solano County, this rate has slowly fallen as has the national and state participation rates.

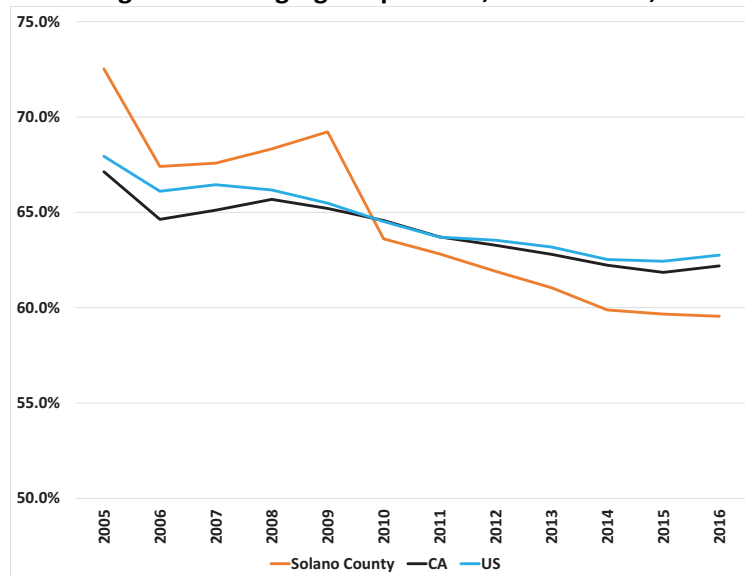
When the economy is growing, more people tend to make themselves available for work. When the economy is not going well, the labor force may fall because people are struggling to find work, retire or a combination of reasons. As the national, state and county economies approach full employment, some local residents may consider re-entry into the labor force, as new entrants are attracted to rising wages. The data here show the national, state and Solano County data.

**Labor Force Participation Rates, 2005 to 2016  
Solano County and its Incorporated Areas**



Source: Census Bureau (<http://factfinder.census.gov>)

**Labor Force Participation Rates, 2005 to 2016, Solano County, California and US  
Percentage of Working Age Population, 16 and older, in Labor Force**



Source: American Community Survey for Population, Bureau of Labor Statistics for Labor Force (2016 the latest population estimates), Source: Census Bureau (<http://factfinder.census.gov>)

**TAKEAWAY:** Labor force participation in Solano County follows national and state trends.

**OPPORTUNITY:** As new and expanding businesses come to Solano County, a potential labor force exists for new businesses, where building training programs and linking to local education is a growing need and opportunity if people are going to re-enter the labor force and employees are going to find employers.

## Index of Economic and Community Progress

### City Overview: Education, Housing and Income

Solano County continues to show improvements in occupied housing, housing units, and the population's education level. These data are five-year averages (2012-16 is the latest data available); as predicted in the last Index, the 2012-16 data shows higher inflation-adjusted incomes, given actual employment growth and inflation discussed elsewhere in this Index. Data shown here are median age; housing units and occupancy; income and education levels; and household size.

#### Median Age in Solano County and Its Cities, 2000, 2010, 2015, and 2016

<i>Place</i>	<i>2000</i>	<i>2010</i>	<i>2015</i>	<i>2016</i>
<b>Solano County</b>	<b>33.9</b>	<b>36.5</b>	<b>37.3</b>	<b>37.7</b>
United States	35.3	36.9	37.6	37.5
California	33.3	34.9	35.8	36.0
Benicia	38.9	45.0	43.0	44.2
Dixon	31.5	32.3	34.1	34.0
Fairfield	31.1	32.8	34.1	34.4
Rio Vista	40.7	55.8	60.0	62.3
Suisun City	31.7	32.7	33.2	33.1
Vacaville	33.9	36.7	37.3	37.1
Vallejo	34.9	37.5	38.3	38.3

Source: Census Bureau (<http://factfinder.census.gov>)

#### Housing and Occupancy, 5-Year Averages Ending in Stated Year: 2010, 2015 and 2016 (How many homes are there and how many are occupied or vacant.)

<i>Place</i>	<i>Total Housing Units</i>			<i>Occupied</i>			<i>Vacant</i>		
	<i>2010</i>	<i>2015</i>	<i>2016</i>	<i>2010</i>	<i>2015</i>	<i>2016</i>	<i>2010</i>	<i>2015</i>	<i>2016</i>
<b>Solano County</b>	<b>151,616</b>	<b>154,380</b>	<b>155,091</b>	<b>91.7%</b>	<b>93.0%</b>	<b>93.7%</b>	<b>8.3%</b>	<b>7.0%</b>	<b>6.3%</b>
United States	130,038,080	133,351,840	134,054,899	87.8%	87.7%	87.8%	12.2%	12.3%	12.2%
California	13,552,624	13,845,790	13,911,737	91.4%	91.9%	92.1%	8.6%	8.1%	7.9%
Benicia	11,905	11,459	11,653	91.7%	94.6%	94.6%	8.3%	5.4%	5.4%
Dixon	6,124	6,172	6,116	94.2%	95.1%	95.0%	5.8%	4.9%	5.0%
Fairfield	36,283	36,576	37,055	91.7%	94.7%	95.0%	8.3%	5.3%	5.0%
Rio Vista	3,592	4,096	4,395	92.7%	90.5%	90.0%	7.3%	9.5%	10.0%
Suisun City	9,291	9,086	9,192	93.3%	96.3%	97.0%	6.7%	3.7%	3.0%
Vacaville	31,780	33,567	33,339	94.4%	94.7%	95.4%	5.6%	5.3%	4.6%
Vallejo	45,297	45,894	45,612	88.9%	89.8%	91.2%	11.1%	10.2%	8.8%

Source: Census Bureau (<http://factfinder.census.gov>)

# Index of Economic and Community Progress

## Income, Household Size, and Education, 2010, 2015, and 2016, Five-Year Averages

Place	Median Household Income (2009 Dollars)			Average Household Size			Percent of Residents with HS Diploma or Better			Percent of Residents with Bachelor's Degree or Better		
	2010	2015	2016	2010	2015	2016	2010	2015	2016	2010	2015	2016
Solano County	\$67,562	\$61,335	\$59,995	2.83	2.89	2.88	85.8%	87.5%	87.4%	24.0%	24.9%	25.1%
United States	\$51,076	\$48,467	\$48,778	2.61	2.64	2.64	85.0%	86.7%	87.0%	27.9%	29.8%	30.3%
California	\$60,129	\$56,005	\$55,497	2.93	2.96	2.95	80.7%	81.8%	82.1%	30.1%	31.4%	32.0%
Benicia	\$85,941	\$81,148	\$79,356	2.53	2.55	2.52	94.7%	95.7%	95.5%	41.2%	43.3%	42.5%
Dixon	\$68,879	\$60,859	\$64,807	3.00	3.22	3.29	82.1%	78.1%	78.9%	19.6%	21.8%	20.6%
Fairfield	\$67,167	\$60,287	\$60,476	3.00	3.10	3.09	84.8%	85.6%	85.3%	22.2%	24.1%	25.2%
Rio Vista	\$53,893	\$57,031	\$55,731	2.04	2.11	2.03	93.1%	92.1%	91.9%	25.3%	26.9%	24.4%
Suisun City	\$70,906	\$64,946	\$59,657	3.23	3.28	3.25	86.1%	87.5%	88.4%	19.3%	18.8%	19.0%
Vacaville	\$69,961	\$67,589	\$66,434	2.71	2.76	2.79	85.4%	88.4%	88.8%	21.0%	22.2%	23.0%
Vallejo	\$60,720	\$53,257	\$51,197	2.85	2.85	2.84	84.7%	87.4%	87.2%	24.7%	24.5%	24.4%

Source: Census Bureau (<http://factfinder.census.gov>)

**TAKEAWAY:** Benicia and Rio Vista remain different from the other cities in Solano County, based on age and median household income. These cities remind us about Solano County's contrasts between rural characteristics and ties to the greater Bay Area.

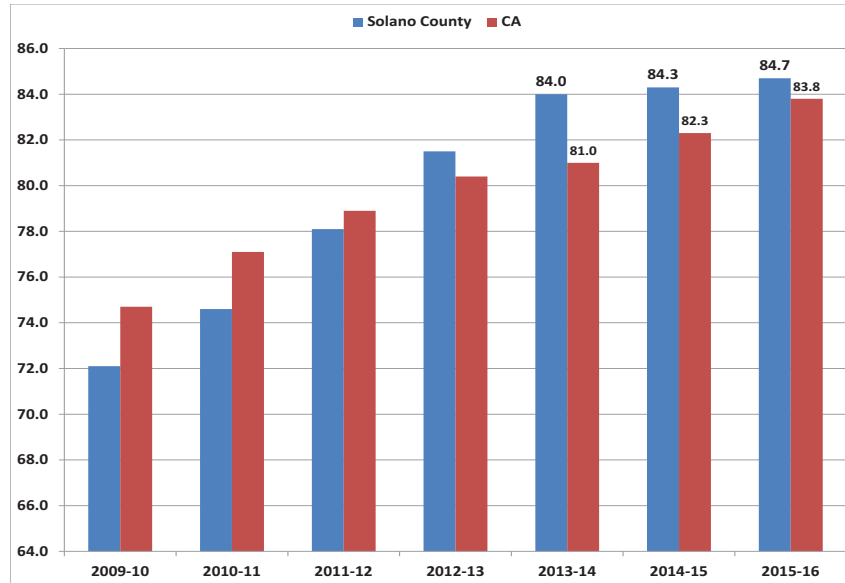
**CHALLENGE:** Economic and workforce development efforts must recognize the economic disparity in Solano County and work with cities and in partnership to fit new and expanding businesses to the local areas.

## Index of Economic and Community Progress

### High School Graduation Rates

Increasing high-school graduation rates indicate strength in local education and more labor force entrants. Solano County saw its graduation rates rise above the state of California's rate in 2015–16 (the latest data). These data monitor changes based on evolving labor-market incentives to stay or leave high school; these data also show continued progress for education and workforce development in Solano County.

#### Solano County and California Graduation Rates, 2009–10 to 2015–16 Academic Years



Source: California Department of Education ([cde.ca.gov](http://cde.ca.gov))

**Note:** There was a methodological change at the Department of Education that does not allow a comparison before 2009-10 with the most recent data from academic year 2015-16.

#### Solano County and California Graduation Rate by Ethnicity, 2015–16 Academic Year

<i>Ethnicity</i>	<i>Solano County</i>	<i>California</i>	<i>Difference</i>
American Indian or Alaska Native	91.7%	73.1%	18.6%
African American	77.8%	70.8%	7.0%
Two or More Races	89.0%	86.0%	3.0%
White	87.3%	88.0%	-0.7%
Asian	92.4%	92.6%	-0.2%
Hispanic or Latino	80.0%	78.5%	1.5%
Filipino	92.7%	93.0%	-0.3%
Pacific Islander	82.1%	82.2%	-0.1%

Source: California Department of Education (<http://cde.ca.gov>)

**Note:** There was a methodological change at the Department of Education that does not allow a comparison before 2009-10 with the most recent data from academic year 2015-16.

**TAKEAWAY:** Overall, Solano County had 84.7 percent of those eligible to graduate do so, while California's rate was 83.8 percent.

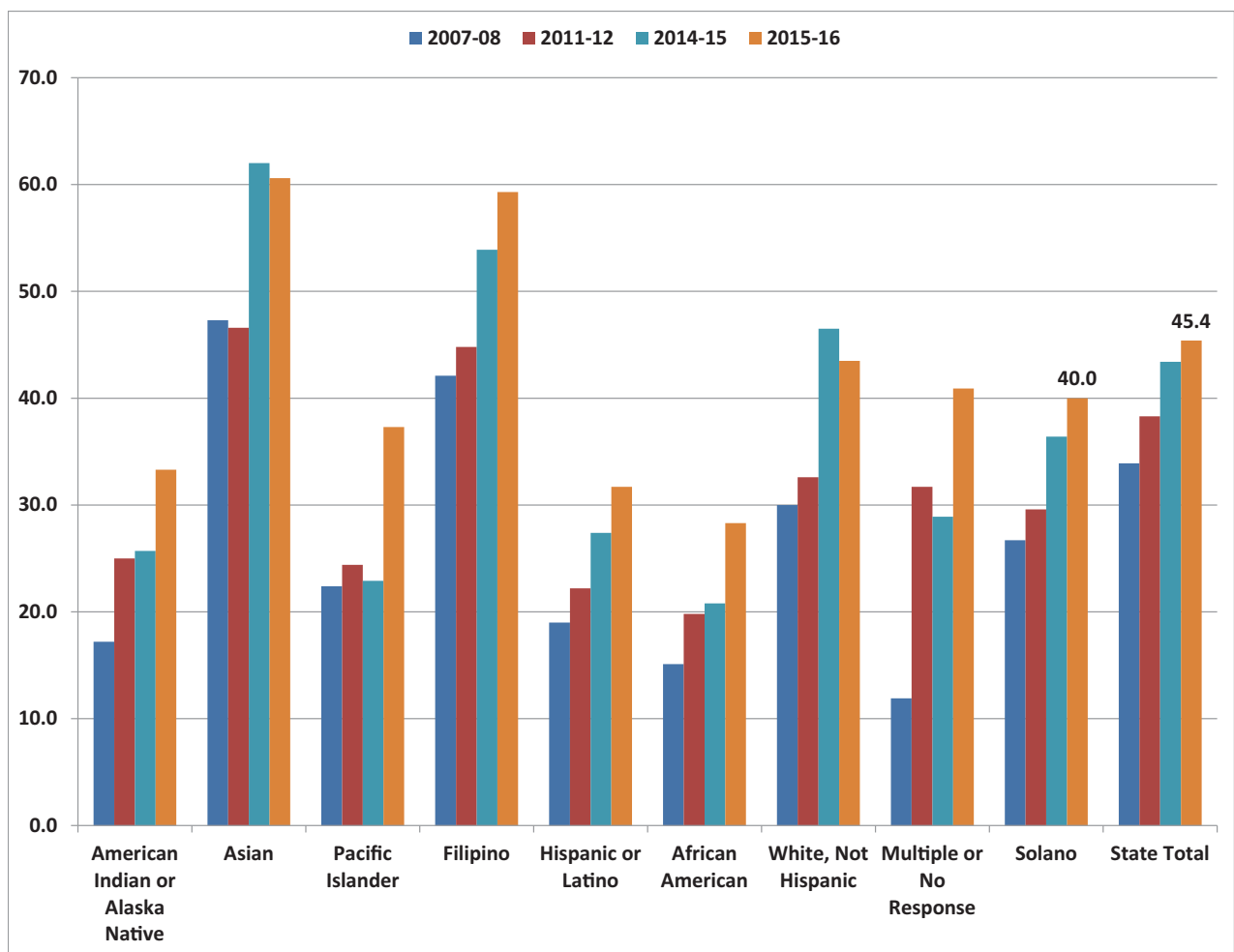
**OPPORTUNITY:** Matching high-school graduates to local college programs or internships early prepares for careers connected to local employers and expands a local labor force in the face of an aging population and lower participation rates.

## Index of Economic and Community Progress

### UC/CSU-Readiness

California's public university systems extend workforce development from high schools and community colleges. Solano County houses higher learning campuses at CSU Maritime, Touro University and Solano Community College; UC Berkeley and UC Davis are close or adjacent to Solano County. Solano County has growth of college-ready students similar to growth in California overall since the 2007-08 academic year. In the 2015–2016 academic year (the latest data available), Solano County experienced an increase in the number of college-ready graduates from 36.4 percent to 40.0 percent. The state overall increased but by a smaller percentage change.

**Comparisons of Percentages of UC/CSU-Ready Solano County High School Graduates  
Selected Academic Years, 2007-08 to 2015-16**



Source: California Department of Education (<http://www.cde.ca.gov>)

**TAKEAWAY:** Solano County continues to show progress in local high-school graduates being UC and CSU ready.

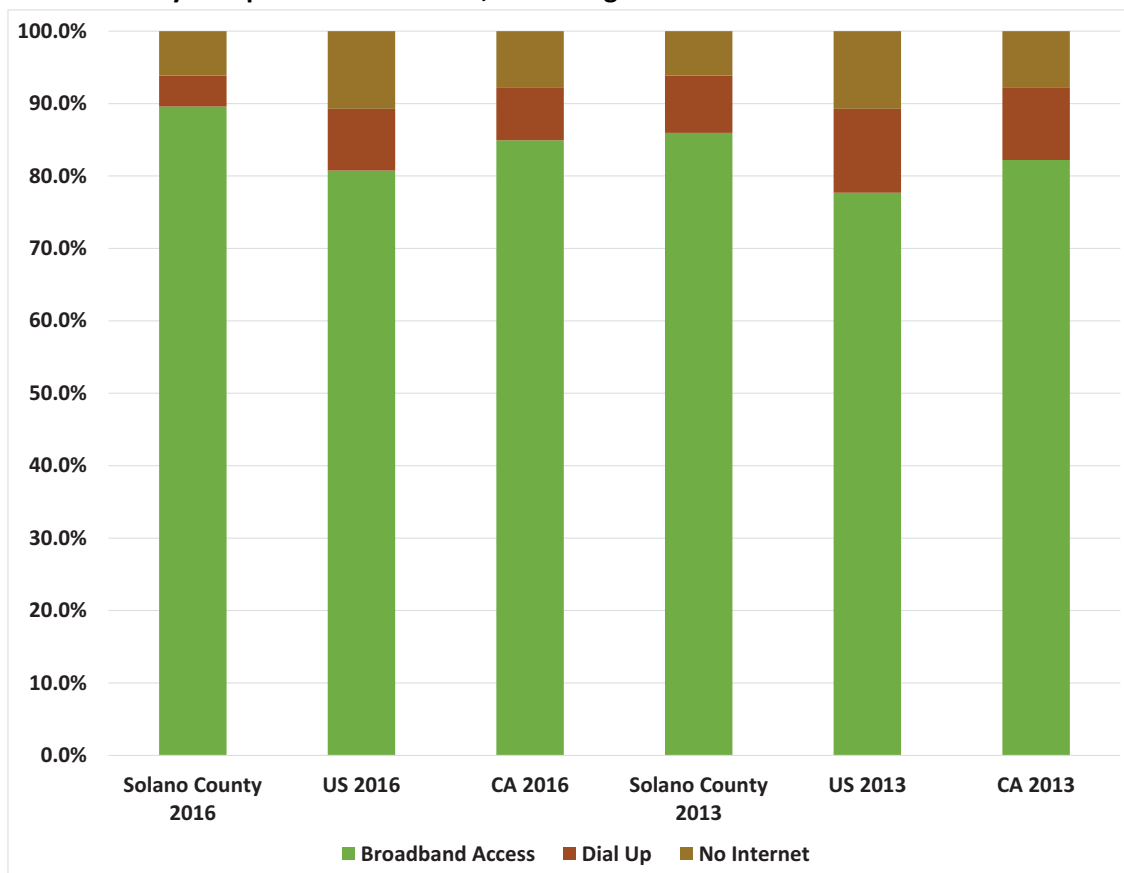
**CHALLENGE:** Solano County continues to be behind the state average in terms of college readiness.

## Index of Economic and Community Progress

### Broadband and Computer Access

To track how communities support education and provide more people ready for work in the local economy, the American Community Survey of the Census Bureau is now following broadband and computer access in homes. Such access not only provides a household with access to global business opportunities, such access enhances the ability of students to do well in school and communicate with teachers and others as part of education. Distance learning, certificate programs, and other online education are less accessible when broadband is not available in the home. Data here compare Solano County to the national and state economies overall.

#### Broadband and Computer Access, 2013 and 2016, Solano County Compared to CA and US, Percentage of Households



Source: American Community Survey, 1-year Samples (<http://factfinder.census.gov>)

**TAKEAWAY:** Broadband and computer access is higher in Solano County than both the state and national average for households.

**OPPORTUNITY:** Distance learning, classes on using computers and program coding, and many other skill-building classes can take place at home online due to broadband access.

## Index of Economic and Community Progress

### Commuting

Solano County has experienced a net outflow of workers over time (shown here are data from 2007 to 2015). Data from the US Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) project estimate commute-flow information for all census blocks in the United States. The data show the proportion and number of Solano County residents who work and where they work. In 2015 (the latest year for which data are available), 35.9 percent of working residents of Solano County worked for employers within Solano County; this implies that 64.1 percent of the county's working residents commute outside the county to work in 2015 (in-bound commuters).

#### Where Solano County Residents Go to Work, 2007, 2010, 2014, and 2015

County	2007		2010		2014		2015	
	Count	Share	Count	Share	Count	Share	Count	Share
<b>Solano County</b>	<b>63,531</b>	<b>35.9%</b>	<b>59,782</b>	<b>35.9%</b>	<b>62,431</b>	<b>34.8%</b>	<b>66,899</b>	<b>35.8%</b>
Contra Costa County	25,064	14.2%	21,165	12.7%	22,412	12.5%	23,431	12.5%
Alameda County	16,268	9.2%	14,110	8.5%	15,037	8.4%	15,720	8.4%
Sacramento County	9,570	5.4%	11,318	6.8%	12,065	6.7%	12,288	6.6%
Napa County	9,824	5.5%	9,613	5.8%	11,397	6.3%	12,207	6.5%
San Francisco County	11,084	6.3%	10,506	6.3%	11,355	6.3%	11,635	6.2%
Santa Clara County	6,387	3.6%	5,364	3.2%	6,097	3.4%	6,432	3.4%
San Mateo County	5,635	3.2%	4,844	2.9%	5,293	2.9%	5,300	2.8%
Marin County	4,403	2.5%	4,327	2.6%	4,791	2.7%	5,001	2.7%
Sonoma County	4,261	2.4%	3,851	2.3%	4,731	2.6%	5,514	3.0%
Other Locations in Laborshed	21,048	11.9%	21,450	12.9%	23,989	13.4%	22,322	12.0%
<b>Total Outbound Commuters</b>	<b>113,544</b>	<b>100.0%</b>	<b>106,548</b>	<b>100.0%</b>	<b>117,167</b>	<b>100.0%</b>	<b>119,850</b>	<b>100.0%</b>
<b>Total Inbound Commuters</b>	<b>56,028</b>	<b>64.1%</b>	<b>62,394</b>	<b>64.1%</b>	<b>64,786</b>	<b>65.2%</b>	<b>77,574</b>	<b>64.2%</b>

Source: LEHD (<http://onthemap.ces.census.gov/>)

**TAKEAWAY:** Solano County is a place where a majority working residents access both the greater Bay Area's and Sacramento Valley's labor markets.

**OPPORTUNITY:** Given the level of outbound commuters, Solano County linking workforce and economic development together can lead to fewer Solano County residents driving outside the county for work, potentially at higher wages.

## Index of Economic and Community Progress

### Quality of Place Index

This final section looks at comparison data that includes variables describing quality of place compared to California generally (the Bay Area in the case of housing prices) on average: high-school graduation rates; commute times; air quality; educational attainment; home purchase and rental prices; and taxable sales per person. Many variables and combinations are possible; this combination shows Solano County's progress along many social concerns. There are 58 counties in California; the data below in many cases are rankings out of these 58 counties. Key takeaways are given by element.

#### Quality of Place Elements, 2017 (2016 is the latest data in some cases)

Element		Key Takeaway
<b>Graduation Rates for High School</b>		Graduation rates have steadily increased since the Great Recession ended (2010).
2010 44 <sup>th</sup> in CA	<b>2016</b> 38 <sup>th</sup> in CA	
<b>Commute Times</b>		Commute times have increased across California since 2010, and Solano County remains a place with long commutes.
2010 49 <sup>th</sup> in CA	<b>2016</b> 48 <sup>th</sup> in CA	
<b>Air Quality</b>		A function of many issues, rising traffic and commute times as examples, air quality has worsened in Solano County.
2010 20 <sup>th</sup> in CA	<b>2017</b> 25 <sup>th</sup> in CA	
<b>Educational Attainment: % of Pop over 25 years old with a BA or higher</b>		Solano County has attracted a more education populace since the Great Recession relative to California's counties on average.
2010 29 <sup>th</sup> in CA	<b>2016</b> 24 <sup>th</sup> in CA	
<b>Home and Rental Prices (as a % of San Francisco County)</b>		While home prices and rental costs have increased since 2010, Solano County continues to be a relatively affordable place to live in the Bay Area.
2010 Rent: 50% of SF Buy 47% of SF	<b>2017</b> Rent: 48% of SF Buy 48% of SF	
<b>Taxable Sales/Capita</b>		Perhaps a function of outbound commuting and workers making taxable purchases where they work, Solano County remains under the state average for taxable sales per person since 2010.
2010 98.6% of State Average	<b>2017</b> 98.8% of State Average	

Sources: California Department of Education; American Community Survey; Environmental Protection Agency; Zillow Research; California Board of Equalization and County of Solano

Quality of Index indicators suggest *opportunities* when in green and *challenges* for policy makers and the community when in red.

**OVERALL TAKEAWAY:** Quality of place metrics for Solano County are close to the statewide average and above in many cases. As an example of place in California, Solano County shows progress as a place to live since the Great Recession.



# Index of Economic and Community Progress

## Data Sources and Methodology

### Solano County Key Facts

#### Area

Data provided by the Solano Economic Development Corporation (EDC).

#### Population

Data are from the E-I: City/County Population Estimates with Annual Percent Change report by the California Department of Finance and for Solano County. Estimates are for July 1, 2017.

#### Jobs

Solano County employment data are provided by the California Employment Development Department, Current Employment Statistics (CES). The industry data may include employees who live outside the county. 2017 annual data are preliminary.

#### Adult Educational Attainment, Age Distribution, and Ethnic Composition

Data are provided by the U.S. Census Bureau American Community Survey in 2016 is an average of data over the years 2012 to 2016 for Solano County.

#### County Revenue and Assessed Property Value

Data for sales tax revenue are from the State of California Board of Equalization and the Solano County Department of Finance. Data on the assessed value of residential properties are from the Solano County Assessor's office.

### Our Changing Economy

#### Annual Employment

Solano County employment data are provided by the California Employment Development Department Current Employment Statistics (CES). The industry data reflects the number of jobs in the county that may pay employees who live outside of the county.

#### Change in Annual Jobs

Solano County employment data are provided by the California Employment Development Department Current Employment Statistics (CES). The industry data reflect the number of jobs in the county that may pay employees who

live outside of the county. The data are through 2017 as annual averages and are estimates.

#### Total Employed Residents and Total Unemployed Residents

Solano County resident employment data is provided by the California Employment Development Department (EDD) Local Area Unemployment Statistics (LAUS). The data reflects the number of residents employed and unemployed in the county. Monthly data reports for Solano County and selected areas originate at the Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov)) and EDD reports the estimates.

#### Non-Employer Firm Growth and Percentage of Non-Employers by Industry

Data for Non-employers are from the U.S. Census Bureau. Non-employer statistics originate from tax return information of the Internal Revenue Service. The data are subject to tax forms data, as well as errors of response, non-reporting and coverage. Values provided by each firm are slightly modified to protect the respondent's confidentiality. The latest data are from 2015.

#### Median Household Income

Data for Median Household Income are from the 2003-2016 American Community Survey data reports from the U.S. Census Bureau, including the decennial Census in 2010. All income values are inflation-adjusted and reported in 2009 dollars, using the California CPI from the California Department of Finance. This California CPI is a weighted average of consumer price index (CPI) data that the Bureau of Labor Statistics (BLS) reports for the San Francisco, Los Angeles, and San Diego metropolitan areas.

#### Tourism and Visitor Support

Estimated data on visitor spending, jobs that support visitors and tax receipts generated from tourism and hotel stays are provided for all 58 California counties and the state overall by Dean Runyan Associates. Data are from 1994 to 2016.

#### Gross Product

Data are provided by the U.S. Bureau of Economic Analysis through 2016 Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov)). Values are inflation-adjusted and reported in 2009 dollars.

# Index of Economic and Community Progress

## Real Per Capita Personal Income

Total personal income and population data are from the Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov)). Income values are inflation-adjusted and reported in 2009 dollars, using the California CPI from the California Department of Finance.

## Sources of Personal Income

Data are provided by the Bureau of Economic Analysis (BEA). Data are from Personal Income by Major Source and Earnings by NAICS Industry (CA05N). Personal income has been adjusted into 2009 dollars using either the California CPI from the California Department of Finance or the U.S. City Average Consumer Price Index (CPI) of all urban consumers, published by the Bureau of Labor Statistics, when data are national.

## Economic Base and Locally-Serving Industries: Moving Solano Forward Phase II

These data come from the Quarterly Census of Employment and Wages (QCEW) which allows for a look at employment, wages, and establishments data at the NAICS-4-digit level. The North American Industry Classification System (NAICS) allows for a drill down to major industry sector. Wages are adjusted to 2009 dollars using the California CPI from the California Department of Finance or the U.S. City Average Consumer Price Index (CPI) of all urban consumers, published by the Bureau of Labor Statistics, when the data are national.

## Agriculture

Data on county agriculture and the industries within that sector come from the Solano County Agricultural Commissioner and the Bureau of Economic Analysis (BEA). The BEA tracks farm incomes, almost like an income statement, annually with a one-year lag.

## Poverty Rates

Poverty rates represent the percentage of households under the federal poverty level in terms of household income in a given year. Five-year averages for Solano County are provided by the American Community Survey of the Census Bureau. The latest data are from 2016.

## Wages by Occupation

Wages data are available from The California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov)) and the U.S. Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov)) by occupation following Standard Occupation Classification (SOC) codes.

## Commercial Real Estate

Data on Solano County's commercial real estate comes from Colliers International and their research department. The tracking of office space, both class A and B, as well as industrial space, is from a survey instrument that is proprietary to Colliers. Other commercial real estate firms, such as Cushman-Wakefield, will likely have different estimates, but there is not a governmental source for these data. Data are through 2017 Q4.

## Our Changing Community

### Population Growth and Domestic and Foreign Immigration

Data are from the E-6: Population Estimates and Components of Change by County – July 1, 2000–2017 report by the California Department of Finance and are for Solano County, the Bay Area Other (including Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara counties), the North Bay (Napa and Sonoma counties) and California overall.

Net migration includes all legal and unauthorized foreign immigrants, residents who left the state to live abroad, and the balance of hundreds of thousands of people moving to and from California from within the United States. Estimates for 2017 are provisional. Net migration includes all legal and unauthorized foreign immigrants, residents who left the state to live abroad, and the balance of hundreds of thousands of people moving to and from California from within the United States.

For the population pyramids, the data used comes from the California Department of Finance, P-3 report (State and County Population Projections by Race/Ethnicity, Detailed Age, and Gender, 2010–2060 (by year)).

## Dependency Ratios

Data for the dependency ratios, which are the percentage of the population that is either under 18 years of age or over 65 years of age, come from the American Community Survey from the U.S. Census Bureau, including the decennial Census in 2010, covering years between 2005 and 2016.

## High School Dropout Rates

Data for the 2015–2016 academic year are provided by the California Department of Education Educational Demographics Office. The 4-year derived dropout rate is an

# Index of Economic and Community Progress

estimate of the percent of students who would drop out in a four-year period based on data collected for a single year.

## High School Graduation Rates and UC/CSU-Readiness

Data for the 2015–2016 academic year are provided by the California Department of Education. There has been a recent change in methodology such that time periods before 2009 are not comparable to those after 2009. In theory, the methodology used calculates an approximate probability that one will graduate on time by looking at the number of 12th grade graduates and number of 12th, 11th, 10th and 9th grade dropouts over a four-year period.

## Home Sales and Housing Affordability

Data were provided by the California Association of REALTORS® (CAR) for median home prices, sales volume of single-family homes and also by Zillow Research (Rental Prices). CAR also calculates the percentage change in homes sales by county, compares numerous counties across the state, and also has a housing affordability index (HAI) it publishes quarterly at [www.car.org](http://www.car.org).

## Labor Force Participation Rates

This is a ratio of the population over 16 years old and under 65 years of age to the total population traditionally. Some measures have expanded that to 16 years and above as a way of measuring local working-age residents and their engagement in local labor markets.

## Broadband and Computer Access

The Census Bureau, in its American Community Survey, is now tracking the number of households with a computer or with broadband access of both. These data are shown here as a way to consider Solano County versus the state and nation and the ability to use tools at home to increase labor supply readiness and learning opportunities. The latest data is as of 2016.

## Building Permits

Building permits data are available from both the County of Solano and the Census Bureau at the metropolitan statistical area (MSA) level. The County of Solano provided both residential permit counts and square footage of new commercial construction permitted. The building permits

database at the Census Bureau can be found at the following website:

<http://www.census.gov/construction/bps/>

## City Data: Economics and Demographics

Data on the cities and their demographics come from the American Community Survey (ACS) of the Census Bureau (<http://factfinder.census.gov>). While this survey has some data limitation for smaller municipalities and the unincorporated portions of counties, it is the best current source of information on cities and towns between the ten-year Census dates. Data shown here are five-year averages per the ACS methodology.

## CalTrans/CA Economic Forecast

Data for the forecasts of jobs and population for all 58 California counties has been performed by CalTrans in partnership with the California Economic Forecast from the UCLA Anderson School of Business. This forecast is to provide CalTrans with planning data for new roadways and infrastructure as California's economy and population grow. The 2017 to 2050 version is available at [http://www.dot.ca.gov/hq/tpp/offices/eab/socio\\_economic\\_files/2017/FullReport2017.pdf](http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2017/FullReport2017.pdf)

## Rental Home Prices

Home rental prices come from Zillow Research, which has information on rental price estimates for most metropolitan areas and counties in the United States. <http://www.zillow.com/research/data/#rental-data>

## Commuting

Data on commuting workers come from the Census Bureau and its partnership with the Bureau of Labor Statistics and the QWI called the Longitudinal Employer-Household Dynamics (LEHD) database. These data are from 2002 to 2015 as of January 2018.

## Air Quality

Data on comparative air quality comes from the Environmental Protection Agency and its daily monitor by county for comparison. <https://www.epa.gov/outdoor-air-quality-data/air-quality-index-report>

The 2017 Solano County Index of Economic and  
Community Progress can be found at:

**[www.solanocounty.com/economicindex](http://www.solanocounty.com/economicindex)**

**Economic Forensics and Analytics**

Robert Eyler, Ph.D., President  
PO Box 750641, Petaluma, CA 94975  
(707) 318-0348 ♦ [eyler@econforensics.com](mailto:eyler@econforensics.com)  
[www.econforensics.com](http://www.econforensics.com)

**County of Solano**

Nancy Huston, Assistant County Administrator  
675 Texas Street, Suite 6500, Fairfield, CA 94533  
(707) 784-6100 ♦ [nlhuston@solanocounty.com](mailto:nlhuston@solanocounty.com)  
[www.solanocounty.com](http://www.solanocounty.com)

**Solano County Economic Development Corporation**

Robert Burris, President  
360 Campus Lane, Suite 102, Fairfield, CA 94534  
(707) 784-1855 ♦ [robert@solanoedc.org](mailto:robert@solanoedc.org)



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	22	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Report	<b>Department:</b>	County Administrator
<b>File #:</b>	18-414	<b>Contact:</b>	Michelle Heppner, 784-3002
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Receive an update from staff and the County's State Legislative Advocate on the status of legislation that is of interest to the County; and Consider taking a watch position on AB 1971 and AB 998, which were reviewed by the County's Legislative Committee on May 21, 2018 and referred to the full Board for consideration		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Legislative Committee Agenda - May 21, 2018, B - Federal Legislative Update		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_\_\_ No   X    
Public Hearing Required? Yes \_\_\_\_\_ No   X  

### **DEPARTMENTAL RECOMMENDATION:**

It is recommended that the Board receive an update from staff and the County's State Legislative Advocate on the status of legislation that is of interest to the County and consider taking a watch position on AB 1971 and AB 998, which were reviewed by the County's Legislative Committee on May 21, 2018 and referred to the full Board for consideration.

### **SUMMARY:**

Staff will provide an overview of legislation considered by the Board's Legislative Committee on May 21, 2018. The County's Legislative Advocate, Karen Lange of Shaw/Yoder/Antwih, Inc., will provide a verbal update on developments at the Capitol and key legislation of interest to the County. Action items were referred to the full Board for consideration and are discussed individually in the discussion section below.

### **FINANCIAL IMPACT:**

The legislative program is designed to result in additional funding and cost avoidance relative to Solano County. The cost of preparing this report and compiling the information is a General Fund cost covered in the County Administrator's FY2017/18 Adopted Budget.

### **DISCUSSION:**

The County's Legislative Committee Members convened on May 21, 2018 to discuss both Federal and State issues. Joe Krahn and Hasan Sarsour of Paragon Government Relations, the County Federal advocacy team and Karen Lange of Shaw/Yoder/Antwih Inc., the County's State legislative advocate participated in the meeting as well.

The County's May 21, 2018 Legislative Committee agenda included a Federal update from Paragon Government Relations, a summary of which is included in Attachment A. The State advocate, Karen Lange will provide a verbal update at the Board meeting. Also on the agenda were two State legislative bills, AB 1971 and AB 998, each of which is discussed individually below.

**Summary of legislative action considered by the Legislative Committee**

*(Listed in order of the May 21, 2018 Legislative Committee Agenda Action Items)*

**AB 1971 (Santiago) Mental health services: involuntary detention: gravely disabled**

Existing law, the Lanterman-Petris-Short Act, authorizes the involuntary commitment and treatment of persons with specified mental health disorders for the protection of the persons so committed. Under the act, if a person, as a result of a mental health disorder, is a danger to others, or to himself or herself, or is gravely disabled, he or she may, upon probable cause, be taken into custody by a peace officer, a member of the attending staff of an evaluation facility, designated members of a mobile crisis team, or another designated professional person, and placed in a facility designated by the county and approved by the State Department of Social Services as a facility for 72-hour treatment and evaluation.

This bill would expand that the definition of "gravely disabled" for these purposes to also include a condition in which a person, because of a mental health disorder or chronic alcoholism, as applicable, is unable to provide for his or her medical treatment, as specified. The bill would make conforming changes. The bill would make certain legislative findings and declarations related to mental health.

**During the discussion at the Legislative Committee meeting it was noted that by expanding the definition of "gravely disabled," the bill would increase the duties on local agencies, including Solano County Health and Social Services, and would therefore impose a state-mandated local program. Another concern expressed by County Public Health includes the ethical consideration of forcing someone to be treated for conditions against their will.**

**Staff recommends a WATCH position on AB 1971.**

**AB 998 (Grayson) Multidisciplinary teams: human trafficking and domestic violence**

Existing law authorizes a city, county, city and county, or community-based nonprofit organization to establish a family justice center to assist victims of domestic violence, sexual assault, elder or dependent adult abuse, and human trafficking, to ensure that victims of abuse are able to access all needed services in one location in order to enhance victim safety, increase offender accountability, and improve access to services for victims of domestic violence, sexual assault, elder or dependent adult abuse, and human trafficking. Existing law also authorizes counties to establish multidisciplinary personnel teams regarding issues like child abuse to allow various agencies to collaborate.

This bill would authorize a city, county, city and county, or community-based nonprofit organization to establish a domestic violence multidisciplinary personnel team and a human trafficking multidisciplinary personnel team consisting of two or more persons who are trained in the prevention, identification, management, or treatment of domestic violence or human trafficking cases and who are qualified to provide a broad range of services related to domestic violence or human trafficking.

**During the discussion at the Legislative Committee meeting it was noted that AB 998 would allow a multi-disciplinary team (MDT) of representatives from the medical field, law enforcement, social services and the legal system to share information amongst themselves without the explicit consent**

of the family justice center client (victim of abuse) and would therefore not interfere with the County's current practice of requiring explicit consent. The bill also contains a provision that unless required by law elsewhere, testimony about the MDT conversations would not be admissible in any criminal, civil or juvenile court proceeding.

Staff recommends a WATCH position on AB 998.



## **Legislative Committee Meeting**

**Committee**  
Supervisor Erin Hannigan (Chair)  
Supervisor John M. Vasquez

**Staff**  
Michelle Heppner

**May 21, 2018**

**1:30 p.m.**

**Solano County Administration Center  
Sixth Floor Conference Center, Room 6003  
675 Texas Street  
Fairfield, CA 94533**

### **AGENDA**

- i. Introductions** (Attendees)
- ii. Public Comment** (Items not on the agenda)
- iii. Federal Legislative update** (Paragon Government Relations)
  - Fiscal Year 2019 Appropriations Update
  - Interior-Environment-CA WaterFix Language
  - Energy and Water
  - Commerce-Justice-Science
    - Department of Justice grants
  - Transportation-HUD
  - WRDA Reauthorization
  - Farm Bill Reauthorization
  - TANF Reauthorization
- iv. Update from Solano County Legislative Delegation** (Representative and/or staff)
- v. State Legislative Update and Governor's May Revision to State Budget**  
(Karen Lange)

Action Items

  - [AB 1971](#) ([Santiago](#) D) Mental health services: involuntary detention: gravely disabled. Current Analysis: 05/14/2018 Assembly Appropriations ([link](#))
  - [AB 998](#) ([Grayson](#) D) Multidisciplinary teams: human trafficking and domestic violence. Current Analysis: 06/01/2017 Assembly Floor Analysis ([link](#))
- vi. Future Scheduled Meetings:** June 18, 2018
- vii. Adjourn**



AMENDED IN ASSEMBLY APRIL 12, 2018

AMENDED IN ASSEMBLY MARCH 15, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

**No. 1971**

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**Introduced by Assembly Members ~~Santiago and Friedman~~ *Santiago, Chen, and Friedman***

***(Coauthors: Assembly Members Maienschein and McCarty)***

***(Coauthor: Senator Dodd)***

January 31, 2018

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An act to amend Section 1799.111 of the Health and Safety Code, and to amend Sections 5008, 5250, and 5350 of the Welfare and Institutions Code, relating to mental health.

### LEGISLATIVE COUNSEL’S DIGEST

AB 1971, as amended, Santiago. Mental health services: involuntary detention: gravely disabled.

Existing law, the Lanterman-Petris-Short Act, authorizes the involuntary commitment and treatment of persons with specified mental health disorders for the protection of the persons so committed. Under the act, if a person, as a result of a mental health disorder, is a danger to others, or to himself or herself, or is gravely disabled, he or she may, upon probable cause, be taken into custody by a peace officer, a member of the attending staff of an evaluation facility, designated members of a mobile crisis team, or another designated professional person, and placed in a facility designated by the county and approved by the State Department of Social Services as a facility for 72-hour treatment and evaluation. For these purposes, existing law defines “gravely disabled” to mean either a condition in which a person, as a result of a mental

health disorder or chronic alcoholism, is unable to provide for his or her basic personal needs for food, clothing, or shelter, or a condition in which a person has been found mentally incompetent, as specified. Existing law also provides immunity from civil and criminal liability for the detention by specified licensed general acute care hospitals, licensed acute psychiatric hospitals, licensed professional staff at those hospitals, or any physician and surgeon providing emergency medical services in any department of those hospitals if various conditions are met, including that the detained person cannot be safely released from the hospital because, in the opinion of treating staff, the person, as a result of a mental health disorder, presents a danger to himself or herself, or others, or is gravely disabled, as defined.

This bill would expand ~~that~~ *the* definition of “gravely disabled” for these purposes to also include a condition in which a person, as a result of a mental health disorder or chronic alcoholism, as applicable, is unable to provide for his or her medical treatment, as specified. The bill would make conforming changes. *The bill would make certain legislative findings and declarations related to mental health.*

Existing law prohibits a person from being tried or adjudged to punishment while that person is mentally incompetent. Existing law establishes a process by which a defendant’s mental competency is evaluated and by which the defendant is committed to a facility for treatment. If the defendant is gravely disabled, as defined above, upon his or her return to the committing court, existing law requires the court to order the conservatorship investigator of the county to initiate conservatorship proceedings on the basis that the indictment or information pending against the person charges a felony involving death, great bodily harm, or a serious threat to the physical well-being of another person.

By expanding the above definition of “gravely disabled,” the bill would increase the duties on local agencies, and would therefore impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     *SECTION 1. The Legislature finds and declares all of the*  
2     *following:*

3     *(a) The large and growing number of persons with mental health*  
4     *disabilities living on the streets and revolving in and out of*  
5     *hospitals, jails, and prisons in the state is a problem of serious*  
6     *concern for California counties.*

7     *(b) Data from the State Department of Health Care Services*  
8     *for the 2015–16 fiscal year identified 94,133 individuals received*  
9     *outpatient mental health services in county jails and 2,356*  
10    *individuals were admitted to jail-based psychiatric inpatient units.*  
11    *The Department of Corrections and Rehabilitation estimates that*  
12    *among the 129,000 inmates receiving prison-based mental health*  
13    *services, approximately 35,000 individuals have severe mental*  
14    *illness.*

15    *(c) Expert consensus identifies a number of factors contributing*  
16    *to the crises of homelessness and the criminalization of persons*  
17    *with severe mental illness, among which are insufficient community*  
18    *resources, including both psychiatric inpatient and outpatient*  
19    *treatment options, as well as appropriate affordable housing*  
20    *options.*

21    *(d) Among the population of homeless persons with a severe*  
22    *mental illness, there are increasing reports of untreated medical*  
23    *conditions that endanger the health and well-being of those*  
24    *individuals. In far too many cases, these conditions worsen into*  
25    *serious medical emergencies, a number of which tragically result*  
26    *in death.*

27    *(e) Data from the State Department of Health Care Services for*  
28    *the 2015–16 fiscal year also identifies the following involuntary*  
29    *detentions for persons with severe mental illness by category:*

30    *(1) 72-hour adult holds for evaluation and treatment for 136,874*  
31    *individuals.*

32    *(2) 14-day intensive treatment holds for 55,870 individuals.*

33    *(3) 30-day intensive treatment holds for 3,514 individuals.*

34    *(4) Temporary conservatorships for 1,955 individuals.*

35    *(5) Permanent conservatorships for 4,643 individuals.*

1     (f) *The criteria for grave disability, which is defined as an*  
2 *inability to provide for one's own basic personal needs for food,*  
3 *clothing, and shelter as a basis for detention and treatment under*  
4 *these holds, has been identified as a source of concern for several*  
5 *reasons.*

6     (1) *The grave disability criteria is subject to various*  
7 *interpretations statewide, resulting in unequal application of the*  
8 *law from county to county.*

9     (2) *Existing law does not recognize the inability of an individual*  
10 *to provide for his or her own basic personal needs for health as*  
11 *an element contributing to grave disability, resulting in many*  
12 *avoidable tragedies that directly stem from the neglect of medical*  
13 *conditions.*

14     (g) *It is therefore the intent of the Legislature to include a*  
15 *person's inability to provide for his or her basic personal needs*  
16 *for health as an additional element of the grave disability standard,*  
17 *consistent with the original aims of the Lanterman-Petris-Short*  
18 *Act, which seeks to:*

19     (1) *Provide prompt evaluation and treatment of persons with*  
20 *mental health disorders.*

21     (2) *Provide individualized treatment, supervision, and placement*  
22 *services by conservatorship for persons gravely disabled.*

23     (3) *Safeguard individual rights through judicial review.*

24     (4) *Provide services in the least restrictive setting appropriate*  
25 *to the needs of each person receiving services.*

26     (h) *The Legislature recognizes that application of this clarifying*  
27 *standard may provide earlier intervention than what is currently*  
28 *possible. It is the intent of the Legislature in applying this clarifying*  
29 *standard to prevent the further deterioration of a person's health*  
30 *and mental health condition, avoid the need for more intensive*  
31 *and costly interventions later on, avoid increased morbidity and*  
32 *mortality, reduce homelessness, and decrease the prevalence of*  
33 *severe mental illness in our jails and prisons. This standard will*  
34 *allow more efficient use of existing resources to treat more people*  
35 *at lower levels of care, effectively freeing up dollars formerly spent*  
36 *on higher levels of care for use in the mental health system*  
37 *generally.*

38     (i) *The Legislature also recognizes that this clarifying standard*  
39 *will allow some individuals who are now neglected because they*  
40 *do not fall under the current varying interpretations of the gravely*

1 *disabled standard, to access substitute decisionmakers in the form*  
2 *of conservators appointed to assist them in stabilizing their*  
3 *illnesses and support them on their path of recovery.*

4 *(j) In order to provide more consistent interpretations of the*  
5 *definition of “gravely disabled,” the Legislature also declares that*  
6 *counties should consider, to the extent possible, the individual’s*  
7 *ability to make informed decisions about providing for his or her*  
8 *own basic needs for food, clothing, shelter, or medical treatment.*

9 **SECTION 1.**

10 **SEC. 2.** Section 1799.111 of the Health and Safety Code is  
11 amended to read:

12 1799.111. (a) Subject to subdivision (b), a licensed general  
13 acute care hospital, as defined in subdivision (a) of Section 1250,  
14 that is not a county-designated facility pursuant to Section 5150  
15 of the Welfare and Institutions Code, a licensed acute psychiatric  
16 hospital, as defined in subdivision (b) of Section 1250, that is not  
17 a county-designated facility pursuant to Section 5150 of the  
18 Welfare and Institutions Code, licensed professional staff of those  
19 hospitals, or any physician and surgeon, providing emergency  
20 medical services in any department of those hospitals to a person  
21 at the hospital is not civilly or criminally liable for detaining a  
22 person if all of the following conditions exist during the detention:

23 (1) The person cannot be safely released from the hospital  
24 because, in the opinion of the treating physician and surgeon, or  
25 a clinical psychologist with the medical staff privileges, clinical  
26 privileges, or professional responsibilities provided in Section  
27 1316.5, the person, as a result of a mental health disorder, presents  
28 a danger to himself or herself, or others, or is gravely disabled.  
29 For purposes of this paragraph, “gravely disabled” ~~means an~~  
30 ~~inability to provide for his or her basic personal needs for food,~~  
31 ~~clothing, shelter, or medical treatment, if the lack of, or failure to~~  
32 ~~receive, that treatment may result in substantial physical harm or~~  
33 ~~death.~~ *has the same meaning as that term is defined in paragraph*  
34 *(1) of subdivision (h) of Section 5008 of the Welfare and*  
35 *Institutions Code.*

36 (2) The hospital staff, treating physician and surgeon, or  
37 appropriate licensed mental health professional, have made, and  
38 documented, repeated unsuccessful efforts to find appropriate  
39 mental health treatment for the person.

1 (A) Telephone calls or other contacts required pursuant to this  
2 paragraph shall commence at the earliest possible time when the  
3 treating physician and surgeon has determined the time at which  
4 the person will be medically stable for transfer.

5 (B) In no case shall the contacts required pursuant to this  
6 paragraph begin after the time when the person becomes medically  
7 stable for transfer.

8 (3) The person is not detained beyond 24 hours.

9 (4) There is probable cause for the detention.

10 (b) If the person is detained pursuant to subdivision (a) beyond  
11 eight hours, but less than 24 hours, both of the following additional  
12 conditions shall be met:

13 (1) A discharge or transfer for appropriate evaluation or  
14 treatment for the person has been delayed because of the need for  
15 continuous and ongoing care, observation, or treatment that the  
16 hospital is providing.

17 (2) In the opinion of the treating physician and surgeon, or a  
18 clinical psychologist with the medical staff privileges or  
19 professional responsibilities provided for in Section 1316.5, the  
20 person, as a result of a mental health disorder, is still a danger to  
21 himself or herself, or others, or is gravely disabled, as defined in  
22 paragraph (1) of subdivision (a).

23 (c) In addition to the immunities set forth in subdivision (a), a  
24 licensed general acute care hospital, as defined in subdivision (a)  
25 of Section 1250 that is not a county-designated facility pursuant  
26 to Section 5150 of the Welfare and Institutions Code, a licensed  
27 acute psychiatric hospital as defined by subdivision (b) of Section  
28 1250 that is not a county-designated facility pursuant to Section  
29 5150 of the Welfare and Institutions Code, licensed professional  
30 staff of those hospitals, or any physician and surgeon, providing  
31 emergency medical services in any department of those hospitals  
32 to a person at the hospital shall not be civilly or criminally liable  
33 for the actions of a person detained up to 24 hours in those hospitals  
34 who is subject to detention pursuant to subdivision (a) after that  
35 person's release from the detention at the hospital, if all of the  
36 following conditions exist during the detention:

37 (1) The person has not been admitted to a licensed general acute  
38 care hospital or a licensed acute psychiatric hospital for evaluation  
39 and treatment pursuant to Section 5150 of the Welfare and  
40 Institutions Code.

(2) The release from the licensed general acute care hospital or the licensed acute psychiatric hospital is authorized by a physician and surgeon or a clinical psychologist with the medical staff privileges or professional responsibilities provided for in Section 1316.5, who determines, based on a face-to-face examination of the person detained, that the person does not present a danger to himself or herself or others and is not gravely disabled, as defined in paragraph (1) of subdivision (a). In order for this paragraph to apply to a clinical psychologist, the clinical psychologist shall have a collaborative treatment relationship with the physician and surgeon. The clinical psychologist may authorize the release of the person from the detention, but only after he or she has consulted with the physician and surgeon. In the event of a clinical or professional disagreement regarding the release of a person subject to the detention, the detention shall be maintained unless the hospital's medical director overrules the decision of the physician and surgeon opposing the release. Both the physician and surgeon and the clinical psychologist shall enter their findings, concerns, or objections in the person's medical record.

(d) This section does not affect the responsibility of a general acute care hospital or an acute psychiatric hospital to comply with all state laws and regulations pertaining to the use of seclusion and restraint and psychiatric medications for psychiatric patients. Persons detained under this section shall retain their legal rights regarding consent for medical treatment.

(e) A person detained under this section shall be credited for the time detained, up to 24 hours, in the event he or she is placed on a subsequent 72-hour hold pursuant to Section 5150 of the Welfare and Institutions Code.

(f) The amendments to this section made by the act adding this subdivision shall not be construed to limit any existing duties for psychotherapists contained in Section 43.92 of the Civil Code.

(g) This section does not expand the scope of licensure of clinical psychologists.

~~SEC. 2.~~

SEC. 3. Section 5008 of the Welfare and Institutions Code is amended to read:

5008. Unless the context otherwise requires, the following definitions shall govern the construction of this part:

1 (a) “Evaluation” consists of multidisciplinary professional  
2 analyses of a person’s medical, psychological, educational, social,  
3 financial, and legal conditions as may appear to constitute a  
4 problem. Persons providing evaluation services shall be properly  
5 qualified professionals and may be full-time employees of an  
6 agency providing face-to-face, which includes telehealth,  
7 evaluation services or may be part-time employees or may be  
8 employed on a contractual basis.

9 (b) “Court-ordered evaluation” means an evaluation ordered by  
10 a superior court pursuant to Article 2 (commencing with Section  
11 5200) or by a superior court pursuant to Article 3 (commencing  
12 with Section 5225) of Chapter 2.

13 (c) “Intensive treatment” consists of hospital and other services  
14 as may be indicated. Intensive treatment shall be provided by  
15 properly qualified professionals and carried out in facilities  
16 qualifying for reimbursement under the California Medical  
17 Assistance Program (Medi-Cal) set forth in Chapter 7 (commencing  
18 with Section 14000) of Part 3 of Division 9, or under Title XVIII  
19 of the federal Social Security Act and regulations thereunder.  
20 Intensive treatment may be provided in hospitals of the United  
21 States government by properly qualified professionals. This part  
22 does not prohibit an intensive treatment facility from also providing  
23 72-hour evaluation and treatment.

24 (d) “Referral” is referral of persons by each agency or facility  
25 providing assessment, evaluation, crisis intervention, or treatment  
26 services to other agencies or individuals. The purpose of referral  
27 shall be to provide for continuity of care, and may include, but  
28 need not be limited to, informing the person of available services,  
29 making appointments on the person’s behalf, discussing the  
30 person’s problem with the agency or individual to which the person  
31 has been referred, appraising the outcome of referrals, and  
32 arranging for personal escort and transportation when necessary.  
33 Referral shall be considered complete when the agency or  
34 individual to whom the person has been referred accepts  
35 responsibility for providing the necessary services. All persons  
36 shall be advised of available precare services that prevent initial  
37 recourse to hospital treatment or aftercare services that support  
38 adjustment to community living following hospital treatment.  
39 These services may be provided through county or city mental  
40 health departments, state hospitals under the jurisdiction of the



1 State Department of State Hospitals, regional centers under contract  
2 with the State Department of Developmental Services, or other  
3 public or private entities.

4 Each agency or facility providing evaluation services shall  
5 maintain a current and comprehensive file of all community  
6 services, both public and private. These files shall contain current  
7 agreements with agencies or individuals accepting referrals, as  
8 well as appraisals of the results of past referrals.

9 (e) "Crisis intervention" consists of an interview or series of  
10 interviews within a brief period of time, conducted by qualified  
11 professionals, and designed to alleviate personal or family  
12 situations which present a serious and imminent threat to the health  
13 or stability of the person or the family. The interview or interviews  
14 may be conducted in the home of the person or family, or on an  
15 inpatient or outpatient basis with such therapy, or other services,  
16 as may be appropriate. The interview or interviews may include  
17 family members, significant support persons, providers, or other  
18 entities or individuals, as appropriate and as authorized by law.  
19 Crisis intervention may, as appropriate, include suicide prevention,  
20 psychiatric, welfare, psychological, legal, or other social services.

21 (f) "Prepetition screening" is a screening of all petitions for  
22 court-ordered evaluation as provided in Article 2 (commencing  
23 with Section 5200) of Chapter 2, consisting of a professional  
24 review of all petitions; an interview with the petitioner and,  
25 whenever possible, the person alleged, as a result of a mental health  
26 disorder, to be a danger to others, or to himself or herself, or to be  
27 gravely disabled, to assess the problem and explain the petition;  
28 when indicated, efforts to persuade the person to receive, on a  
29 voluntary basis, comprehensive evaluation, crisis intervention,  
30 referral, and other services specified in this part.

31 (g) "Conservatorship investigation" means investigation by an  
32 agency appointed or designated by the governing body of cases in  
33 which conservatorship is recommended pursuant to Chapter 3  
34 (commencing with Section 5350).

35 (h) (1) For purposes of Article 1 (commencing with Section  
36 5150), Article 2 (commencing with Section 5200), and Article 4  
37 (commencing with Section 5250) of Chapter 2, and for the purposes  
38 of Chapter 3 (commencing with Section 5350), "gravely disabled"  
39 means either of the following:

(A) A condition in which a person, as a result of a mental health disorder, is unable to provide for his or her basic personal needs for food, clothing, shelter, or medical treatment, ~~if the lack of, or failure to receive, that treatment may result in substantial physical harm or death~~ *failure to receive medical treatment results in a deteriorating physical condition or death. For purposes of this subdivision, “medical treatment” means the administration or application of remedies for a mental health condition, as identified by a licensed mental health professional, or a physical health condition, as identified by a licensed medical professional.*

(B) A condition in which a person, has been found mentally incompetent under Section 1370 of the Penal Code and all of the following facts exist:

(i) The complaint, indictment, or information pending against the person at the time of commitment charges a felony involving death, great bodily harm, or a serious threat to the physical well-being of another person.

(ii) There has been a finding of probable cause on a complaint pursuant to paragraph (2) of subdivision (a) of Section 1368.1 of the Penal Code, a preliminary examination pursuant to Section 859b of the Penal Code, or a grand jury indictment, and the complaint, indictment, or information has not been dismissed.

(iii) As a result of a mental health disorder, the person is unable to understand the nature and purpose of the proceedings taken against him or her and to assist counsel in the conduct of his or her defense in a rational manner.

(iv) The person represents a substantial danger of physical harm to others by reason of a mental disease, defect, or disorder.

(2) For purposes of Article 3 (commencing with Section 5225) and Article 4 (commencing with Section 5250), of Chapter 2, and for the purposes of Chapter 3 (commencing with Section 5350), “gravely disabled” means a condition in which a person, as a result of impairment by chronic alcoholism, is unable to provide for his or her basic personal needs for food, clothing, or shelter.

(3) The term “gravely disabled” does not include persons with intellectual disabilities by reason of that disability alone.

(i) “Peace officer” means a duly sworn peace officer as that term is defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code who has completed the basic training course established by the Commission on Peace Officer

Standards and Training, or any parole officer or probation officer specified in Section 830.5 of the Penal Code when acting in relation to cases for which he or she has a legally mandated responsibility.

(j) "Postcertification treatment" means an additional period of treatment pursuant to Article 6 (commencing with Section 5300) of Chapter 2.

(k) "Court," unless otherwise specified, means a court of record.

(l) "Antipsychotic medication" means any medication customarily prescribed for the treatment of symptoms of psychoses and other severe mental and emotional disorders.

(m) "Emergency" means a situation in which action to impose treatment over the person's objection is immediately necessary for the preservation of life or the prevention of serious bodily harm to the patient or others, and it is impracticable to first gain consent. It is not necessary for harm to take place or become unavoidable prior to treatment.

(n) "Designated facility" or "facility designated by the county for evaluation and treatment" means a facility that is licensed or certified as a mental health treatment facility or a hospital, as defined in subdivision (a) or (b) of Section 1250 of the Health and Safety Code, by the State Department of Public Health, and may include, but is not limited to, a licensed psychiatric hospital, a licensed psychiatric health facility, and a certified crisis stabilization unit.

~~SEC. 3.~~

*SEC. 4.* Section 5250 of the Welfare and Institutions Code is amended to read:

5250. If a person is detained for 72 hours under the provisions of Article 1 (commencing with Section 5150), or under court order for evaluation pursuant to Article 2 (commencing with Section 5200) or Article 3 (commencing with Section 5225) and has received an evaluation, he or she may be certified for not more than 14 days of intensive treatment related to the mental health disorder or impairment by chronic alcoholism, under the following conditions:

(a) The professional staff of the agency or facility providing evaluation services has analyzed the person's condition and has found the person is, as a result of a mental health disorder or impairment by chronic alcoholism, a danger to others, or to himself or herself, or gravely disabled.

(b) The facility providing intensive treatment is designated by the county to provide intensive treatment, and agrees to admit the person. No facility shall be designated to provide intensive treatment unless it complies with the certification review hearing required by this article. The procedures shall be described in the county Short-Doyle plan as required by Section 5651.3.

(c) The person has been advised of the need for, but has not been willing or able to accept, treatment on a voluntary basis.

(d) (1) Notwithstanding paragraph (1) of subdivision (h) of Section 5008, a person is not “gravely disabled” if that person can survive safely without involuntary detention with the help of responsible family, friends, or others who are both willing and able to help provide for the person’s basic personal needs for food, clothing, ~~or~~ shelter, or medical treatment.

(2) However, unless they specifically indicate in writing their willingness and ability to help, family, friends, or others shall not be considered willing or able to provide this help.

(3) The purpose of this subdivision is to avoid the necessity for, and the harmful effects of, requiring family, friends, and others to publicly state, and requiring the certification review officer to publicly find, that no one is willing or able to assist a person with a mental health disorder in providing for the person’s basic needs for food, clothing, ~~or~~ shelter, or medical treatment.

~~SEC. 4.~~

*SEC. 5.* Section 5350 of the Welfare and Institutions Code is amended to read:

5350. A conservator of the person, of the estate, or of the person and the estate may be appointed for a person who is gravely disabled as a result of a mental health disorder or impairment by chronic alcoholism.

The procedure for establishing, administering, and terminating a conservatorship under this chapter shall be the same as that provided in Division 4 (commencing with Section 1400) of the Probate Code, except as follows:

(a) A conservator may be appointed for a gravely disabled minor.

(b) (1) Appointment of a conservator under this part, including the appointment of a conservator for a person who is gravely disabled, as defined in subparagraph (A) of paragraph (1) of subdivision (h) of Section 5008, shall be subject to the list of

1 priorities in Section 1812 of the Probate Code unless the officer  
2 providing conservatorship investigation recommends otherwise  
3 to the superior court.

4 (2) In appointing a conservator, as defined in subparagraph (B)  
5 of paragraph (1) of subdivision (h) of Section 5008, the court shall  
6 consider the purposes of protection of the public and the treatment  
7 of the conservatee. Notwithstanding any other provision of this  
8 section, the court shall not appoint the proposed conservator if the  
9 court determines that appointment of the proposed conservator  
10 will not result in adequate protection of the public.

11 (c) No conservatorship of the estate pursuant to this chapter  
12 shall be established if a conservatorship or guardianship of the  
13 estate exists under the Probate Code. When a gravely disabled  
14 person already has a guardian or conservator of the person  
15 appointed under the Probate Code, the proceedings under this  
16 chapter shall not terminate the prior proceedings but shall be  
17 concurrent with and superior thereto. The superior court may  
18 appoint the existing guardian or conservator of the person or  
19 another person as conservator of the person under this chapter.

20 (d) (1) The person for whom conservatorship is sought shall  
21 have the right to demand a court or jury trial on the issue of whether  
22 he or she is gravely disabled. Demand for court or jury trial shall  
23 be made within five days following the hearing on the  
24 conservatorship petition. If the proposed conservatee demands a  
25 court or jury trial before the date of the hearing as provided for in  
26 Section 5365, the demand shall constitute a waiver of the hearing.

27 (2) Court or jury trial shall commence within 10 days of the  
28 date of the demand, except that the court shall continue the trial  
29 date for a period not to exceed 15 days upon the request of counsel  
30 for the proposed conservatee.

31 (3) This right shall also apply in subsequent proceedings to  
32 reestablish conservatorship.

33 (e) (1) Notwithstanding subparagraph (A) of paragraph (1) of  
34 subdivision (h) of Section 5008, a person is not “gravely disabled”  
35 if that person can survive safely without involuntary detention  
36 with the help of responsible family, friends, or others who are both  
37 willing and able to help provide for the person’s basic personal  
38 needs for food, clothing, ~~or~~ shelter, or medical treatment.

1 (2) However, unless they specifically indicate in writing their  
2 willingness and ability to help, family, friends, or others shall not  
3 be considered willing or able to provide this help.

4 (3) The purpose of this subdivision is to avoid the necessity for,  
5 and the harmful effects of, requiring family, friends, and others to  
6 publicly state, and requiring the court to publicly find, that no one  
7 is willing or able to assist a person with a mental health disorder  
8 in providing for the person's basic needs for food, clothing, ~~or~~  
9 shelter, or medical treatment.

10 (4) This subdivision does not apply to a person who is gravely  
11 disabled, as defined in subparagraph (B) of paragraph (1) of  
12 subdivision (h) of Section 5008.

13 (f) Conservatorship investigation shall be conducted pursuant  
14 to this part and shall not be subject to Section 1826 or Chapter 2  
15 (commencing with Section 1850) of Part 3 of Division 4 of the  
16 Probate Code.

17 (g) Notice of proceedings under this chapter shall be given to  
18 a guardian or conservator of the person or estate of the proposed  
19 conservatee appointed under the Probate Code.

20 (h) As otherwise provided in this chapter.

21 ~~SEC. 5.~~

22 *SEC. 6.* If the Commission on State Mandates determines that  
23 this act contains costs mandated by the state, reimbursement to  
24 local agencies and school districts for those costs shall be made  
25 pursuant to Part 7 (commencing with Section 17500) of Division  
26 4 of Title 2 of the Government Code.

AMENDED IN SENATE MAY 14, 2018  
AMENDED IN ASSEMBLY MARCH 28, 2017  
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 998**

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**Introduced by Assembly Member Grayson**

February 16, 2017

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~~An act to add Section 1052 to the Military and Veterans Code, relating to veterans. An act to amend the heading of Title 5.3 (commencing with Section 13750) of, to add the heading of Chapter 1 (commencing with Section 13750) to Title 5.3 of, and to add Chapter 2 (commencing with Section 13752) to Title 5.3 of, Part 4 of the Penal Code, relating to crime victims.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 998, as amended, Grayson. ~~Veterans homes: Internet Web site. Multidisciplinary teams: human trafficking and domestic violence.~~

Existing law authorizes a city, county, city and county, or community-based nonprofit organization to establish a family justice center to assist victims of domestic violence, sexual assault, elder or dependent adult abuse, and human trafficking, to ensure that victims of abuse are able to access all needed services in one location in order to enhance victim safety, increase offender accountability, and improve access to services for victims of domestic violence, sexual assault, elder or dependent adult abuse, and human trafficking. Existing law also authorizes counties to establish multidisciplinary personnel teams regarding issues like child abuse to allow various agencies to collaborate.

*This bill would authorize a city, county, city and county, or community-based nonprofit organization to establish a domestic violence multidisciplinary personnel team and a human trafficking multidisciplinary personnel team consisting of two or more persons who are trained in the prevention, identification, management, or treatment of domestic violence or human trafficking cases and who are qualified to provide a broad range of services related to domestic violence or human trafficking. The bill would authorize members of those multidisciplinary personnel teams to disclose to one another information and records that may be confidential but that are relevant to the prevention, identification, management, or treatment of those crimes. The bill would make discussions relating to the disclosure or exchange of that information or records during team meetings confidential, unless required by law, and would prohibit testimony concerning those discussions from being admissible in any criminal, civil, or juvenile court proceeding.*

~~Existing law provides for the establishment and operation of the Veterans' Home of California at various sites, and for an administrator for each home or homesite. Existing law authorizes the Department of Veterans Affairs to accept and process applications from veterans seeking residency at a home.~~

~~This bill would require the Department of Veterans Affairs on or before January 1, 2019, to create an admissions page on its Internet Web site that incorporates an online application option for veterans seeking admission to a home, a user-friendly wait list, contact information for an applicant to ask for assistance regarding the application process, and information on the number of veterans currently on the wait list for each level of care at each home.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. The heading of Title 5.3 (commencing with Section  
2     13750) of Part 4 of the Penal Code is amended to read:

3

4             TITLE 5.3. FAMILY JUSTICE CENTERS AND  
5                     MULTIDISCIPLINARY TEAMS

6



1     *SEC. 2. The heading of Chapter 1 (commencing with Section*  
2     *13750) is added to Title 5.3 of Part 4 of the Penal Code, to read:*

3  
4             *CHAPTER 1. FAMILY JUSTICE CENTERS*  
5

6     *SEC. 3. Chapter 2 (commencing with Section 13752) is added*  
7     *to Title 5.3 of Part 4 of the Penal Code, to read:*

8  
9             *CHAPTER 2. MULTIDISCIPLINARY TEAMS*  
10

11     13752. (a) *Notwithstanding any other law, a city, county, city*  
12     *and county, or community-based nonprofit organization may*  
13     *establish a domestic violence multidisciplinary personnel team*  
14     *consisting of two or more persons who are trained in the*  
15     *prevention, identification, management, or treatment of domestic*  
16     *violence cases and who are qualified to provide a broad range of*  
17     *services related to domestic violence.*

18     (b) (1) *The members of the team may disclose and exchange*  
19     *information and records to and with one another relating to*  
20     *incidents of domestic violence that may be confidential if the*  
21     *member of the team having that information or records reasonably*  
22     *believes it is generally relevant to the prevention, identification,*  
23     *management, or treatment of domestic violence or the provision*  
24     *of domestic violence services and support.*

25     (2) *All discussions relating to the disclosure or exchange of that*  
26     *information or records during team meetings are confidential*  
27     *unless disclosure is required by law.*

28     (3) *Notwithstanding any other law, testimony concerning those*  
29     *discussions is not admissible in any criminal, civil, or juvenile*  
30     *court proceeding.*

31     (c) *A domestic violence multidisciplinary team may include, but*  
32     *need not be limited to, any of the following:*

33         (1) *Law enforcement personnel.*

34         (2) *Medical personnel.*

35         (3) *Psychiatrists, psychologists, marriage and family therapists,*  
36         *or other trained counseling personnel.*

37         (4) *District attorneys and city attorneys.*

38         (5) *Victim-witness program personnel.*

39         (6) *Domestic violence shelter service staff.*

1 (7) *Sexual assault counselors, as defined in Section 1035.2 of*  
2 *the Evidence Code.*

3 (8) *Domestic violence counselors, as defined in Section 1037.1*  
4 *of the Evidence Code.*

5 (9) *Social service agency staff members.*

6 (10) *Child welfare agency social workers.*

7 (11) *County health department staff.*

8 (12) *City or County welfare and public assistance workers.*

9 (13) *Nonprofit agency counseling professionals.*

10 (14) *Civil legal service providers.*

11 (15) *Human trafficking caseworkers.*

12 13753. (a) *Notwithstanding any other law, a city, county, city*  
13 *and county, or community-based nonprofit organization may*  
14 *establish a human trafficking multidisciplinary personnel team*  
15 *consisting of two or more persons who are trained in the*  
16 *prevention, identification, management, or treatment of human*  
17 *trafficking cases and who are qualified to provide a broad range*  
18 *of services related to human trafficking.*

19 (b) (1) *The members of the team may disclose and exchange*  
20 *information and records to and with one another relating to*  
21 *incidents of human trafficking that may be confidential if the*  
22 *member of the team having that information or records reasonably*  
23 *believes it is generally relevant to the prevention, identification,*  
24 *management, or treatment of human trafficking or the provision*  
25 *of human trafficking recovery services and support.*

26 (2) *All discussions relative to the disclosure or exchange of that*  
27 *information or records during team meetings are confidential*  
28 *unless disclosure is required by law.*

29 (3) *Notwithstanding any other law, testimony concerning those*  
30 *discussions is not admissible in any criminal, civil, or juvenile*  
31 *court proceeding.*

32 (c) *A human trafficking multidisciplinary team may include, but*  
33 *need not be limited to, any of the following:*

34 (1) *Law enforcement personnel.*

35 (2) *Medical personnel.*

36 (3) *Psychiatrists, psychologists, marriage and family therapists,*  
37 *or other trained counseling personnel.*

38 (4) *District attorneys and city attorneys.*

39 (5) *Victim-witness program personnel.*

40 (6) *Domestic violence shelter service staff.*

1 (7) *Sexual assault counselors, as defined in Section 1035.2 of*  
2 *the Evidence Code.*

3 (8) *Domestic violence counselors, as defined in Section 1037.1*  
4 *of the Evidence Code.*

5 (9) *Social service agency staff members.*

6 (10) *Child welfare agency social workers.*

7 (11) *County health department staff.*

8 (12) *City or County welfare and public assistance workers.*

9 (13) *Nonprofit agency counseling professionals.*

10 (14) *Civil legal service providers.*

11 (15) *Human trafficking caseworkers.*

12 ~~SECTION 1. Section 1052 is added to the Military and~~  
13 ~~Veterans Code, to read:~~

14 ~~1052. The department shall, on or before January 1, 2019,~~  
15 ~~create an admissions page on its Internet Web site for the purpose~~  
16 ~~of increasing transparency in the process for admission to the~~  
17 ~~homes. The admissions page shall incorporate all of the following:~~

18 ~~(a) An online application option for veterans seeking admission~~  
19 ~~to a home.~~

20 ~~(b) A user-friendly wait list showing an applicant's current spot~~  
21 ~~on a home's wait list relative to other applicants, updated whenever~~  
22 ~~there is a change, and with a mechanism that preserves applicant~~  
23 ~~privacy.~~

24 ~~(c) Contact information for an applicant to ask for assistance~~  
25 ~~regarding the application process.~~

26 ~~(d) Information on the number of veterans currently on the wait~~  
27 ~~list for each level of care at each home.~~

## Summary of Federal Legislative Report – May 21

### Fiscal Year 2019 Appropriations Update

#### Interior-Environment

The House Appropriations Committee recently approved the fiscal year 2019 Interior-Environment spending bill. All told, the legislation would provide nearly \$35.3 billion in funding for the Department of the Interior (excluding the Bureau of Reclamation), the Environmental Protection Agency, and a number of related agencies. The proposed spending is on par with the fiscal year 2018 enacted level.

Among other things, the bill would provide over \$1.5 billion for the Clean Water State Revolving Fund and \$1 billion for the Drinking Water State Revolving Loan Fund, a cut of \$150 million to each program. The measure also includes \$75 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program, or an increase of \$12 million when compared to current spending.

In addition to providing funds for departmental operations, the legislation contains several policy add-ons (known as appropriations riders). Most notably, the spending bill includes language that would insulate the California WaterFix project from federal or state legal challenges. Notably, the WaterFix provision would not only preclude state and federal judicial review of the final Environmental Impact Report/Environmental Impact Statement, the language would shield the forthcoming Record of Decision – as well as any other agency decision or downstream determination – from the threat of litigation.

As expected, the inclusion of the WaterFix rider has been met with fierce opposition from a number of the members of the California congressional delegation, including several lawmakers from the Bay-Delta region. Those members, aided by key Delta area stakeholders – including Solano County and the Delta Counties Coalition (DCC) – will be working to ensure that the provision is not finalized as part of the fiscal year 2019 budget.

#### Energy and Water

On May 16, the House Appropriations Committee approved the fiscal year 2019 Energy and Water spending bill. The legislation funds the Department of Energy, the U.S. Army Corps of Engineers, the Bureau of Reclamation, and several independent agencies.

The measure would spend \$44.7 billion in fiscal year 2019, or \$1.5 billion above the fiscal year 2018 enacted level and \$8.2 billion above President Trump's budget request. Notably, the Army Corps would see its budget increase by over \$450 million, while an additional \$75 million would be available for the Bureau of Reclamation.

For Army Corps dredging activities, the bill includes just over \$3 million for San Pablo Bay and Mare Island Strait and nearly \$3.7 million for the Suisun Bay Channel. The funding levels mirror the administration's budget request.

In addition, the bill includes \$134 million for water storage projects authorized in the Water Infrastructure Improvements for the Nation (WIIN) Act. With regard to California, the federal funds could be used for the following projects: design and pre-construction work on the Shasta Reservoir project; feasibility study completions for the Sites Reservoir and the Temperance Flat Reservoir; and, initiation of a feasibility study to address subsidence on the Friant Kern Canal.

It should be noted that the Committee Report accompanying the Energy and Water spending package includes language regarding the Department of the Interior's ongoing environmental analysis of potential modifications to the coordinated operation of the Central Valley Project (CVP) and State Water Project (SWP). Specifically, the language directs the secretary of the Interior – acting through the Bureau of Reclamation and in conjunction with the Fish and Wildlife Service (FWS) and the National Marine Fisheries Service (NMFS) – to complete its "reconsultation" on the Long-Term Operational Criteria and Plan (OCAP) for coordination of the CVP and SWP by May 31, 2020.

The reconsultation effort is expected to result in modifications to the existing Reasonable and Prudent Alternative actions identified in the Biological Opinions that were issued by the FWS and NMFS in 2008 and 2009, respectively. In its December 29, 2017 Notice of Intent, Reclamation stated the purpose of the reconsultation is to, among other things, "evaluate alternatives that maximize water deliveries."

#### Commerce-Justice-Science

The House Appropriations Committee approved the fiscal year 2019 Commerce-Justice-Science (CJS) Appropriations bill on May 17. The legislation would provide \$62.5 billion in total discretionary funding for the Departments of Commerce and Justice, NASA, and related agencies. The proposed investment represents a \$2.9 billion increase over fiscal year 2018.

With regard to state and local law enforcement and criminal justice grant programs, the legislation would provide \$2.9 billion, or roughly level funding. Within the aforementioned total, the CJS bill includes \$255 million for the State Criminal Alien Assistance Program (SCAAP), an increase of \$15 million. If enacted, the funding boost would build upon the \$30 million increase that SCAAP received in the current fiscal year 2018.

In addition, the legislation would increase funding for the Byrne-Justice Assistance Grant program (+26 million) and the Violence Against Women Act (+\$1 million). The bill would provide level funding (\$225.5 million) for the Community Oriented Policing Services (COPS) program; within the COPS account, the bill specifies several carve outs, the effect of which would reduce the amount of funding available for core hiring grants.

With regard to the Victims of Crime Act (VOCA), the legislation would provide \$2.6 billion for victim services programs authorized under the law. The proposed funding level represents a \$1.8 billion reduction when compared to the FY18 omnibus, which set the VOCA cap at an all-time high of \$4.4 billion. It should be noted that the House bill's funding level for VOCA is more on par with the FY17 enacted budget (and is \$300 million more than the amount recommended by the Trump administration in its budget proposal).

Like the Energy and Water spending bill, the House CJS measure is accompanied by Report language that addresses California water policy. Specifically, the Report directs the secretary of Commerce, acting through NOAA, to consult with the Bureau of Reclamation and FWS to immediately implement authorities provided under the WIIN Act in order to provide maximum water supplies to the CVP and SWP. Under the Act, the Interior and Commerce departments are required to increase water deliveries from the Delta above the maximum rate allowed under the applicable biological opinion to capture high flows during storm events for South-of-the-Delta water contractors.

#### Transportation-HUD

The full House Appropriations Committee is slated to consider the fiscal year 2019 Transportation-Housing and Urban Development (HUD) spending measure on May 23. In total, the legislation reflects an allocation of \$71.8 billion in discretionary spending – \$1.5 billion above the fiscal year 2018 enacted level and \$23.8 billion above the Trump administration's request.

Pursuant to the spending package, \$46 billion from the Highway Trust Fund would be available for the Federal-aid Highway program, which is \$1 billion above the fiscal year 2018 level and on par with the funding authorized by the Fixing America's Surface Transportation (FAST) Act. In addition, the bill would provide an extra \$4.25 billion in discretionary highway funding – a total increase of \$2.76 billion for roads and bridges over current spending.

The measure also would provide \$750 million for the multimodal BUILD program (formerly known as TIGER grants), or a 50 percent cut in funding. The bill includes language to ensure a balanced allocation of BUILD program funding among rural, suburban, and urban areas, while \$250 million would be set aside for port projects.

With regard to community planning and development, the measure includes \$7.6 billion for various HUD activities and programs, or \$115 million below the fiscal year 2018 enacted level. The bill would fund the Community Development Block Grant (CDBG) program at \$3.3 billion, equal to the fiscal year 2018 spending level. Additionally, the legislation would provide \$1.2 billion for the HOME Investment Partnerships Program, which represents a \$162 million cut.

Homeless Assistance Grants would be slated for an increase under the House bill, with the program receiving \$2.5 billion (+\$33 million). The measure includes language targeting the

funding to address geographic areas that have seen an increase in homelessness and to provide assistance to victims of domestic violence.

## WRDA Reauthorization

The Senate Environment and Public Works (EPW) Committee recently approved a bipartisan water infrastructure bill (S 2800). The legislation, entitled America's Water Infrastructure Act of 2018, would authorize a host of flood control, navigation, ecosystem restoration, and other water resources projects under the purview of the U.S. Army Corps of Engineers.

In addition to specific project authorizations, the measure would revamp the process by which the Corps' prepares its budget. Under the bill, the Corps would be required to submit to Congress on an annual basis a five-year budget that includes a work plan for the current fiscal year and a proposed budget for the subsequent four-year period. While Corps headquarters would be responsible for submitting a budget that addresses projects and initiatives of national significance, each district office would be required to provide a plan for projects of regional, tribal, and local significance.

S 2800 also includes provisions designed to increase local and non-federal stakeholder input in the Corps' budgeting process. Additionally, the measure would change cost-sharing rules to allow a state, local government, or private entity that splits the cost of an Army Corps project to be entitled to a partial reimbursement of their contribution if the project comes in under budget.

While the majority of provisions in the Senate's water infrastructure bill pertain to the Corps, the legislation also would make modifications to several key programs that are administered by the Environmental Protection Agency (EPA). For example, the bill would expand authorized activities under the Safe Drinking Water Act State Revolving Loan Fund (SRF) to allow states to use up to 10 percent of their SRF capitalization grants to implement source water protection plans.

Additionally, S 2800 would reauthorize the Water Infrastructure Finance and Innovation Act (WIFIA). Specifically, the measure would extend the authorization for the WIFIA program – which provides long-term, low-cost supplemental loans for regionally and nationally significant water infrastructure projects – at \$100 million annually for fiscal years 2020 and 2021. Authorized by Congress in 2014, EPA issued its first-ever WIFIA loan earlier this year.

The bill also would authorize two key WIFIA studies. The first study, which would be conducted by the Corps, would require the Secretary of the Army to submit a report to Congress on WIFIA implementation impediments. To date, the Corps' WIFIA program has no published guidance and lawmakers have not appropriated any money for the Corps to launch the program. The study also would need to identify all projects that the secretary determines are potentially viable to receive assistance, as well as identify any legislative amendments or regulatory changes that would improve the secretary's ability to implement the program.

The second study, to be completed by the General Accounting Office, would examine WIFIA projects in small, rural, disadvantaged, and tribal communities. Specifically, the study would need to focus on how EPA can create flexibility under WIFIA for the aforementioned entities, including ways to improve access to assistance under the program.

Across Capitol Hill, the chairman of the House Transportation and Infrastructure (T&I) Committee recently introduced his own WRDA reauthorization measure. The bill is more of a traditional project authorization measure and does not include the budget reforms or other policy provisions found in the Senate version of the legislation.

The T&I Committee is scheduled to mark up its WRDA package on May 23.

### Farm Bill Reauthorization

In a defeat for House Republicans, the chamber on May 18 voted down a GOP-sponsored FARM bill reauthorization package (HR 2). Thirty Republicans joined with all Democrats to reject the legislation on a 198-213 vote.

There were several areas of contention on the FARM bill, including disagreements over provisions designed to restrict eligibility for Supplemental Nutrition Assistance Program (SNAP) benefits. Some Republicans, however, voted against the bill due to their ongoing frustration with a lack of action on unrelated immigration legislation.

With regard to SNAP, HR 2 would require all able bodied adults – unless there are children under age six in the household – to be engaged in at least 20 hours of work or work-related activities each week in order to remain eligible for SNAP. The requirement would be effective after the first month of receiving benefits.

The bill also would restrict categorical eligibility to only those individuals receiving Temporary Assistance for Needy Families (TANF) cash assistance or other TANF supports, such as child care. Currently, there are other ways of becoming eligible for SNAP, such as receiving a state assistance program or Supplemental Security Income. Additionally, the proposal would effectively eliminate the use of the standard utility disallowance and instead would require SNAP participants to submit utility bills and would count any Low Income Home Energy Assistance Program benefits when determining SNAP benefits. Given the focus on work, the measure would nearly triple the amount of funding for SNAP Employment and Training programs.

Looking ahead, House Republicans have indicated that they intend to revisit the Farm Bill next month. According to GOP leaders, a second vote on the legislation is planned for June 22.

### TANF Reauthorization



Late last week, Republicans on the House Ways and Means Committee introduced a TANF reauthorization bill. The legislation, entitled the Jobs and Opportunity with Benefits and Services (JOBS) for Success Act of 2018 (HR 5861), is slated to be marked up by the full committee on May 23.

It should be noted that a previously released draft version of the bill included a modified TANF allocation formula that, if approved, would have cut the federal allocation to CalWORKs by 11 percent. After receiving pushback from key California stakeholders, Republicans agreed to drop the provision.

As introduced, HR 5861 would abolish the current process for determining state and county Work Participation Rates (WPR). In its place, the bill would introduce a system that calculates WPRs based on Workforce Innovation and Opportunity Act (WIOA) outcome metrics. The measure also would expand the definition of TANF work activities, including allowing individuals to count as work time spent in vocational education for more than 12 months. Additionally, states, upon HHS approval, would be allowed to tap their TANF block grants in order to fund other work activities if the state were to deem the activities to be necessary to move individuals into economic independence.



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	23	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Presentation	<b>Department:</b>	Human Resources
<b>File #:</b>	18-400	<b>Contact:</b>	Marc Fox, 784-2552
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Receive a presentation from Doug Pryor, Bartel and Associates, LLC, on the projected long-term Public Employees' Retirement System (CalPERS) costs for the County of Solano, including the projected financial impacts to the County resulting from the February 2018 CalPERS Board of Administration decision to amend the amortization policy; Receive financial scenarios to address the County's goal to reach a 90% funded status for pensions over time; Receive recommendations on alternative pension contribution scenarios from the Pension Advisory Committee; and Approve an Appropriation Transfer Request (ATR) increasing appropriations by \$6.6 Million in the respective funds for an additional payment to the CalPERS Public Safety Plan unfunded liability account funded by the General Fund CalPERS Rate Reserve (4/5 vote required)		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>	A - Bartel Associates, LLC Report, B - Projected CalPERS Retirement Rates & Costs, C - Historical CalPERS Rates & Costs, D - Safety Schedule of Amortization Bases, E - MISC Schedule foAmortization Bases		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATIONS:

- 1) The Director of Human Resources recommends that the Board of Supervisors receive an update to the February 2017 presentation from Bartel Associates, LLC on the fiscal impacts of recent California Public Employees' Retirement System (CalPERS) changes, including scenarios which address the County's goal to reach a 90% funded status;
- 2) Receive recommendations on alternative pension contribution scenarios from Pension Advisory Committee; and
- 3) Approve an Appropriation Transfer Request (ATR) increasing appropriations by \$6.6 Million in the respective funds for an additional payment to the CalPERS Public Safety Plan unfunded liability account funded by the General Fund CalPERS Rate Reserve (4/5 vote required).

### SUMMARY:

The CalPERS Board of Administration, in April 2013 and in February 2014, approved significant changes to their actuarial assumptions effective FY2015/16 to improve the funded status of the retirement plan. These changes included new smoothing and amortization methods and an update to the mortality tables. CalPERS

will use a fixed 25-year amortization period for unfunded gains and losses rather than a rolling 30-year amortization period. Additionally, CalPERS updated the mortality tables to increase the life expectancy since people are living longer and, therefore, this requires retirement benefits paid over a longer period of time. These changes increased the County's employer rates.

In December 2016, the CalPERS Board of Administration approved lowering the investment return discount rate assumption from 7.50% to 7.00% over the next three years. The phase-in of the discount rate was reduced to 7.375% for the actuarial valuations dated June 2016, reduced to 7.25% for the actuarial valuations dated June 2017, and reduced to 7.00% for the actuarial valuations dated June 2018. These changes will result in an increase to the County's employer rates.

In December 2017, the CalPERS Board of Administration affirmed the asset allocation model, which was similar to the existing asset portfolio. In February 2018, the CalPERS Board of Administration adopted a new amortization policy, which applies only to newly established amortization bases, reduces total interest paid over time and pays off unfunded actuarial liabilities quicker. This change becomes effective with the June 30, 2019 valuation (for FY2021/22 contributions).

### **FINANCIAL IMPACT**

Bartel Associates, LLC will present detailed findings (Attachment A) as part of their oral presentation.

The total costs as a result of these changes are estimated to increase the County's retirement costs from \$46.245 million in FY2016/17 to a projected \$92.788 million in FY2023/24 as shown in Attachment B. The General Fund's estimated share of these costs is projected to increase from \$13.822 million in FY2016/17 to an estimated \$32.387 million in FY2023/24. Note that these projected costs are based on the current number of county employees in CalPERS and the current Federal and State revenues that reimburse the County for employee costs.

The staff report includes recommendations that proactively pay down the unfunded pension obligations of the County.

### **DISCUSSION:**

#### ***CalPERS Retirement Plans***

The County provides regular and limited-term employees retirement benefits offered through the California Public Employees' Retirement System (CalPERS). Retirement benefits are provided through one of two plans: safety plans for county sheriff officers and county peace officers, and "miscellaneous" plan for all non-safety employees. Retirement benefits are based on the retirement formula factor, employee's earnings, age at time of retirement, and the number of service years the employee worked.

County sheriff officers safety benefits are provided to Deputy Sheriffs (and higher ranks) under a 3% at age 50 retirement formula, or for employees hired after January 17, 2011 under a 3% at age 55 retirement formula. The county sheriff safety officers benefits for new members of the retirement system as of January 1, 2013 is 2.7% at age 57 as set by state legislation.

County peace officer safety benefits are provided to other safety employees (such as Correctional Officers or Probation Officers) under a 2% at age 50 retirement formula, or for employees hired after May 4, 2012 under a 2% at age 55 retirement formula. The county peace officer safety benefits for new members of the retirement system as of January 1, 2013 is 2% at age 57 as set by state legislation.

Non-safety employees receive retirement benefits under a "miscellaneous" formula of 2.7% at age 55, or for

employees hired after May 4, 2012 under a 2% at age 60 retirement formula. The miscellaneous formula for new members of the retirement system as of January 1, 2013 is 2% at age 62 as set by state legislation.

A summary of the County's historical retirement costs are shown in Attachment C. Note, that these expenditures would have been much greater if the County had not negotiated collective bargaining terms with employees paying their own share of retirement and if the County had not negotiated and implemented the second (lower) tier of retirement benefits. (The retirement formulas effective as of January 1, 2013 are a result of statewide pension reform legislation.)

The CalPERS Board of Administration (governing board) approved in April 2013 and in February 2014 significant changes to their actuarial assumptions effective FY2015/16 to improve the funded status of the retirement plan. These changes include new smoothing and amortization methods. CalPERS will use a fixed 25-year amortization period for unfunded gains and losses rather than a rolling 30-year amortization period. Additionally, CalPERS updated the mortality tables to increase the life expectancy since people are living longer and, therefore, requires retirement benefits over a longer period of time. These changes increase the County's employer rates.

In December 2016, the CalPERS Board of Administration approved a reduction in the assumed investment return discount rate from 7.50% to 7.00%, over a three year phase in period. Lowering the discount rate will result in increases in both the normal costs (the cost of pension benefits accruing in one year for active members) and the accrued unfunded liabilities. These increases result in higher employer (County) contributions. Like the earlier changes, the CalPERS Board of Administration directed a multi-year phased-in approach to the change. The discount rate was lowered from 7.50% to 7.375% (increasing the County's FY2018/19 employer rates), then to 7.25% (increasing the County's FY2019/20 rates), and finally to 7.00% (increasing the County's FY2020/21 employer rates). As the impacts of each of these three reduced discount rates are phased-in, the County will not realize the full fiscal impact (increased costs) until FY2024/25.

The decision to reduce the discount rate was based on lower expected future asset returns. CalPERS also has a long-term goal to further reduce overall risk/volatility in the portfolio. CalPERS' risk mitigation strategy was adopted in 2015 to move to more conservative investments over time, using years with better than expected investment returns to achieve an expected 6.50% discount rate in approximately twenty years. In adopting the December 2016 reduced discount rate, CalPERS left unanswered how it will integrate the risk mitigation strategy into this new discount rate policy. Risk mitigation is expected to be clarified later this year, and may result in further reductions to the discount rate in years after June 30, 2018. Additionally, the CalPERS Board of Administration will review their capital market assumptions later this year, which may also result in additional reductions to the discount rate.

In December 2017, the CalPERS Board of Administration affirmed the asset allocation model, which was similar to the existing asset portfolio. There was no resulting discount rate change.

In February 2018, the CalPERS Board of Administration adopted a new amortization policy, which applies only to newly established amortization bases. The new amortization policy requires public agencies to pay a fixed dollar amortization rather than a percent of pay for unfunded liabilities. Actuarial gains/losses will be amortized over 20 years (a reduction from 30 years), the five year ramp up/down for investment gains and losses as amended by eliminating the ramp down (resulting in initially higher rates, but payments over a shorter duration), and eliminating the ramp up/down for other amortization bases. These changes reduce total interest paid over time and pays off unfunded actuarial liabilities quicker. These changes become effective with the June 30, 2019 valuation (for FY 2021/22 contributions).

Bartel Associates, LLC, an actuarial firm, was contracted to calculate the fiscal impact. Bartel Associates previously made presentations to the Board of Supervisors in June 2013 and June 2014. This updated Bartel Associates, LLC report now incorporates the CalPERS approved 2017 and 2018 changes. The Bartel

Associates, LLC report is included as Attachment A.

### ***Pension Funding Policy***

In June 2014 the Pension Advisory Committee (County Administrator, Assistant County Administrator, Treasurer-Tax Collector-County Clerk, Auditor-Controller, and Director of Human Resources) presented, and the Board approved, the County's Pension Funding Policy. On February 7, 2017, the Board approved an updated pension funding policy. The policy prescribes: maintain a stable, well-funded CalPERS pension account that provides the necessary assets to meet pension commitments to employees; ensure planning mechanisms are in place to ensure sufficient liquidity to pay substantially higher annual pension contributions in the future providing flexibility in maintaining a healthy funding level as CalPERS assumptions are adjusted. The goals of the policy are:

- 1) To achieve and maintain a funding ratio at or above 90% in the County's Safety and Miscellaneous CalPERS Plans.
- 2) To reduce the County's unfunded liability consistent with a 90% funding level.
- 3) To stabilize annual contributions.

The County annually reviews and forecasts future costs based on the annual CalPERS actuarial valuation so future costs can be anticipated and incorporated into strategies consistent with the pension funding policy. The following strategies are considered annually during the budget process to help achieve the County's stated goals:

- 1) Fund a General Fund pension reserve for use in achieving the goals in this policy.
  - a) As existing pension and other outstanding debt is retired, those payment streams may be redirected to fund the CalPERS Pension Reserve.
  - b) Direct a portion of year-end fund balance to the CalPERS Pension Reserve.
  - c) Use of one-time revenues.
  - d) Board allocating assets to the CalPERS Pension Reserve as part of the annual Budget Hearings.
- 2) In consultation with Public Agency Retirement System (PARS), work to establish a 115(P) trust fund after the IRS private ruling is issued to PARS.
  - a) *Note: The Board established the 115(P) trust effective February 10, 2015 and appointed the Treasurer-Tax-Collector and the Auditor-Controller, or their successor or designee, as the County's Plan Administrator.*
- 3) Maximize cost sharing and cost recovery from state and federal programs.
- 4) Make additional ongoing contributions to CalPERS in excess of normal contribution if financially feasible.
- 5) Prepay CalPERS annual contribution early to achieve a discount if conditions permit, and place savings in the CalPERS reserve.
  - a) *Note: The County continues to prepay CalPERS annual contributions and plans to do so for FY2018/19.*
- 6) Approve the filling of only mission critical positions.
- 7) Support legislative initiatives as necessary.
- 8) Issue debt (e.g., pension obligation bonds) when practical to achieve the stated goals when market conditions allow.

### **Alternative Contribution Scenarios**

As part of the presentation to the Board, Doug Pryor will cover alternatives that the County may consider to utilize the County's CalPERS reserve estimated balance of \$20.9 million (at year-end) and use those funds to pay down the unfunded pension liability estimated at \$414.5 million for Miscellaneous Employees and \$130.8 million for Safety Employees as of June 30, 2016. This unfunded pension liability for the County covers 6,406 active and retired employees.

In light of the Pension costs for the County, the Pension Advisory Committee has recommended in the past, to establish a CalPERS reserve and to establish an IRS 115 Trust for Pension obligations.

The projected cash balances at June 30, 2018, for the General Fund CalPERS reserve are projected to be \$20.9M and the IRS 115 Trust at \$20.4M. The Pension Advisory Committee continues to be proactive in paying down the unfunded pension obligations (in addition to the annual payment to CalPERS).

On June 4, 2018, the Pension Advisory Committee discussed various alternative/scenarios and has the following recommendations for the Board to consider and approve during the Budget Hearings later in June 2018:

- 1) Delegate authority to the County Administrator to transfer an amount of \$10 million from the CalPERS reserve to the IRS 115Trust to ensure higher interest earnings and to build up assets for future payments to CalPERS. This action has the most impact and will be used to stabilize the employer rates/contributions in the peak years of FY23/24-FY33/34 for both Miscellaneous and Safety Employee Plans illustrated on page 55 of the Bartel Report. (Scenario 4 shows \$15M transfer). (Consider this recommendation at Budget Hearings.)
- 2) Authorize a pre-payment of \$1.59 million from the County's CalPERS reserve to CalPERS to pay off specific unfunded liabilities bases in the Safety Plan for the County of Solano CalPERS plan. (Scenario 1) and attachment. The Board is requested to consider this recommendation prior to Budget Hearings in order to meet the FY18/19 deadline of June 20, 2018 for payment to CalPERS. (Recommend to Approve ATR; requires 4/5 votes).
- 3) Authorize a pre-payment of \$5 million from the County's CalPERS reserve to the CalPERS to pay off a portion of unfunded liabilities bases in the Safety Plan for the County of Solano CalPERS plan based on the input from the assigned CalPERS actuary. The Pension Advisory Committee wanted to make an ad hoc payment to CalPERS of \$5M to the Safety Plan at this time, instead of transferring the full \$15M to the IRS 115Trust; (results in a transfer of \$10M to the IRS 115Trust.). The Board is requested to consider this recommendation prior to Budget Hearings in order to meet the FY18/19 deadline of June 20, 2018 for payment to CalPERS. (Recommend to Approve ATR; requires 4/5 votes).

The County's Miscellaneous Plan includes County, Court and Fair employees. A majority of the County Miscellaneous employee salary and benefits are eligible for some portion of federal and state reimbursement. It is recommended by the Pension Advisory Committee to first address the unfunded liabilities of the Safety Plan which only includes County employees. The increasing costs for providing public safety services to the county residents require that the County use more General Fund revenues as a funding source, due to the State of California realigning programs to the county level without a sufficient level of funding. Also, the cost of the safety personnel continues to increase in our county due to the additional staff required to provide services at this time and the cost per employee is higher. This prepayment of a few unfunded liabilities will bring down the annual employer rate by a small margin.

Future consideration that requires more budget analysis:

Given that the County's Miscellaneous Plan includes the County, Courts and the Solano County Fair employees, the calculations to apply any prepayment to the Miscellaneous Plan complicates the accounting of the application for the prepayment to the employer rates. The prepayment option would result in paying down the courts and Fair Association unfunded liability without their financial payments for these costs. However, the county could elect to reduce amortization period for one or several accrued liability bases with an amortization period longer and reduce it to 20 years. This option would irrevocable increase the employer rate

for County, Courts and Solano County Fair and would increase employer contribution rate equitably to all. This option pays down the liability quicker and reduces the interest cost over the remaining term. The cost for this approach is still being evaluated internally for county departments and this option would require consultation with the Solano Courts and the Fair Association.

**ALTERNATIVES:**

The Board could choose not to accept the updated presentation on CalPERS funding status; however, this is not recommended as the enacted changes by CalPERS will have a considerable fiscal impact to the County.

**OTHER AGENCY INVOLVEMENT:**

CalPERS provided information that was used in evaluating the fiscal impacts. The County Pension Advisory Committee met and discussed the Bartel Report and formulated recommendations for Board of Supervisors consideration and action.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION



**COUNTY OF SOLANO**  
**MISCELLANEOUS AND SAFETY PLANS**

**CalPERS Actuarial Issues – 6/30/16 Valuation**

**Doug Pryor, Vice President**  
Bianca Lin, Assistant Vice President  
Matthew Childs, Actuarial Analyst  
**Bartel Associates, LLC**

June 12, 2018

**Content**

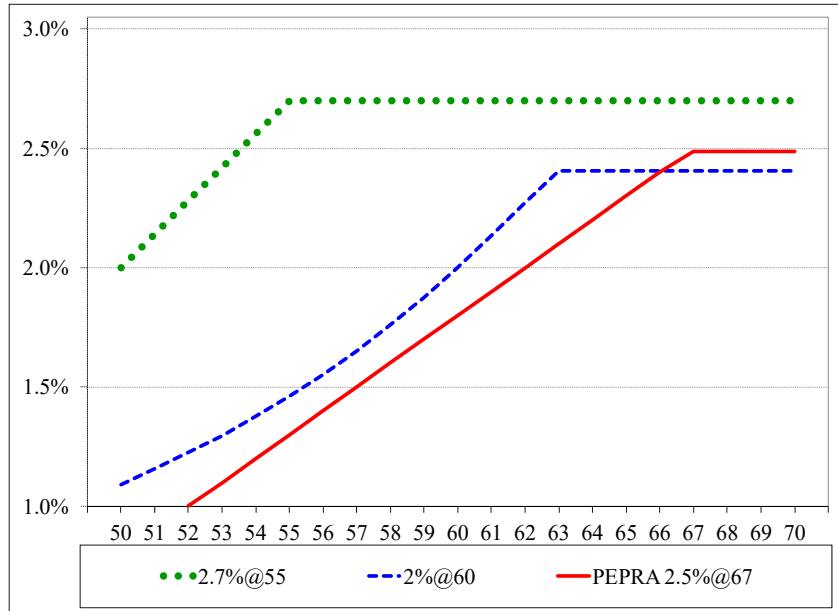
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## BENEFIT FORMULAS

### Miscellaneous Benefits<sup>1</sup>



<sup>1</sup> 2%@60 if hired on or after 5/4/12;  
PEPR 2.5%@67 for new members after 12/31/12.



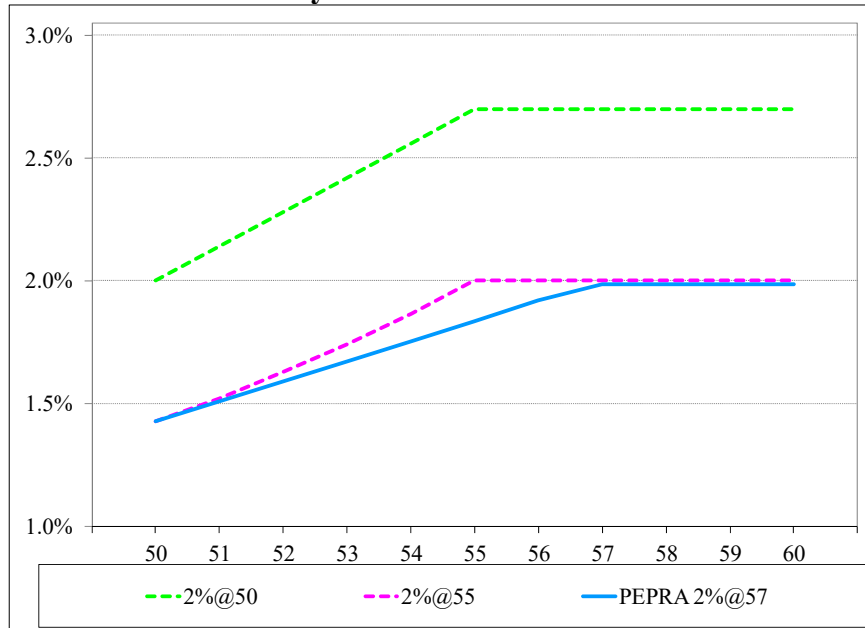
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## BENEFIT FORMULAS

### County Peace Officer Benefits<sup>2</sup>



<sup>2</sup> 2%@55 if hired on or after 5/4/12;  
PEPR 2%@57 for new members after 12/31/12.



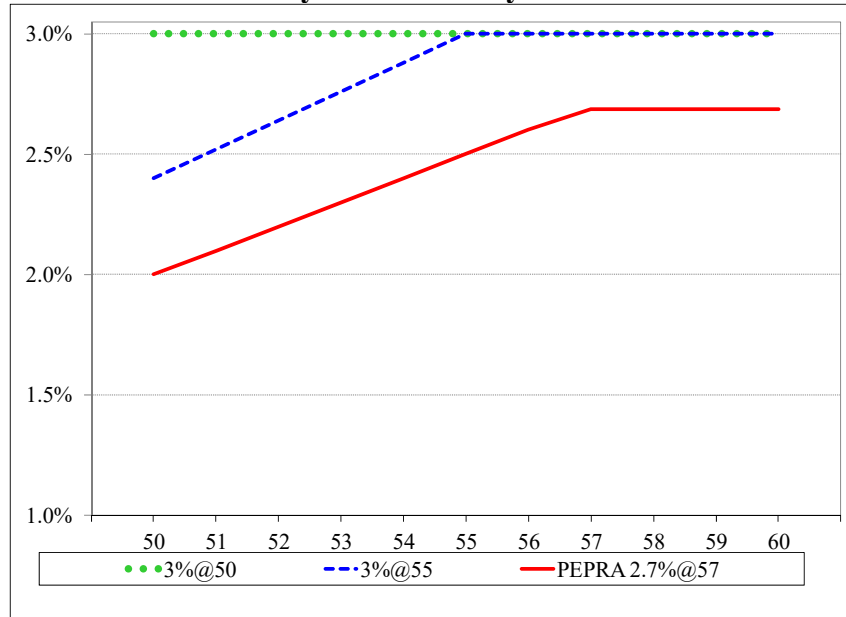
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## BENEFIT FORMULAS

### County Sheriff Safety Benefits<sup>3</sup>



<sup>3</sup> 3%@55 if hired on or after 1/17/11;  
PEPR 2.7%@57 for new members after 12/31/12.



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## CALPERS CHANGES

- Contribution policy changes (Apr. '13):
  - No asset smoothing
  - No rolling amortization
  - 5-year ramp up
  - Included in 6/30/13 valuation (first impact 15/16 rates; full impact 19/20)
- Assumption changes (Feb '14):
  - Anticipate future mortality improvement
  - Other, less significant, changes
  - Included in 6/30/14 valuation (first impact 16/17 rates; full impact 20/21)
- Risk Mitigation Strategy (Nov '15)
  - Move to more conservative investments over time
  - Only when investment return is better than expected
  - Lower discount rate in concert
  - Essentially use ≈50% of investment gains to pay for cost increases
  - Likely get to 6.0% over 20+ years



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## CALPERS CHANGES

### ■ Discount rate change (Dec '16):

	<u>Rate</u>	<u>Initial</u>	<u>Full</u>
● 6/30/16 valuation	7.375%	18/19	22/23
● 6/30/17 valuation	7.25%	19/20	23/24
● 6/30/18 valuation	7.00%	20/21	24/25
● Risk mitigation suspended until 6/30/18 valuation			

### ■ Asset allocation selected similar to current portfolio. No further change to the discount rate (Dec '17).

### ■ New amortization policy (Feb '18)

- Applies only to newly established amortization bases
  - Fixed dollar amortization rather than % pay
  - Amortize gains/losses over 20 rather than 30 years
  - 5-year ramp up (not down) for investment gains and losses
  - No ramp up/down for other amortization bases
- Minimizes total interest paid over time and pays off UAL faster
- Effective June 30, 2019 valuation for 2021/22 contributions

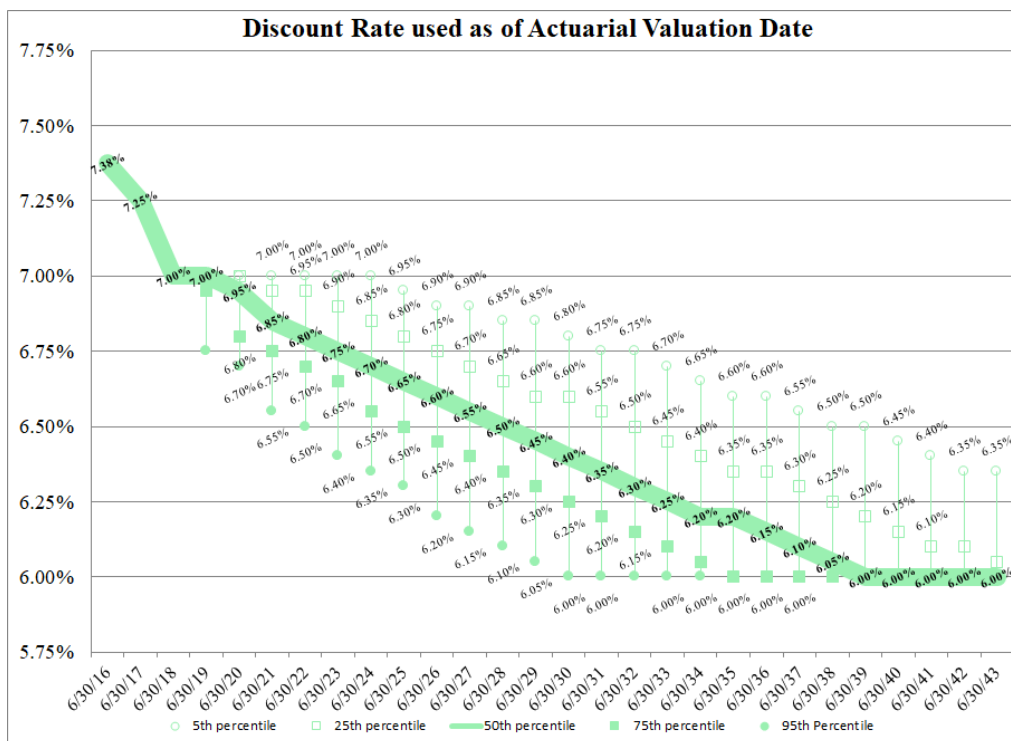


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## CALPERS CHANGES



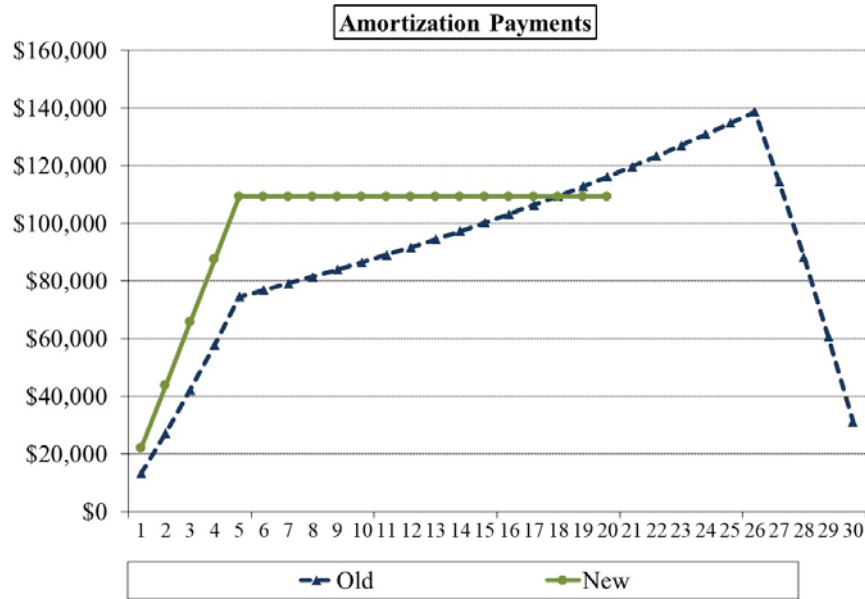
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## CALPERS CHANGES

### Investment Gain/Loss Schedule \$1 Million Initial Balance, 7% Discount Rate



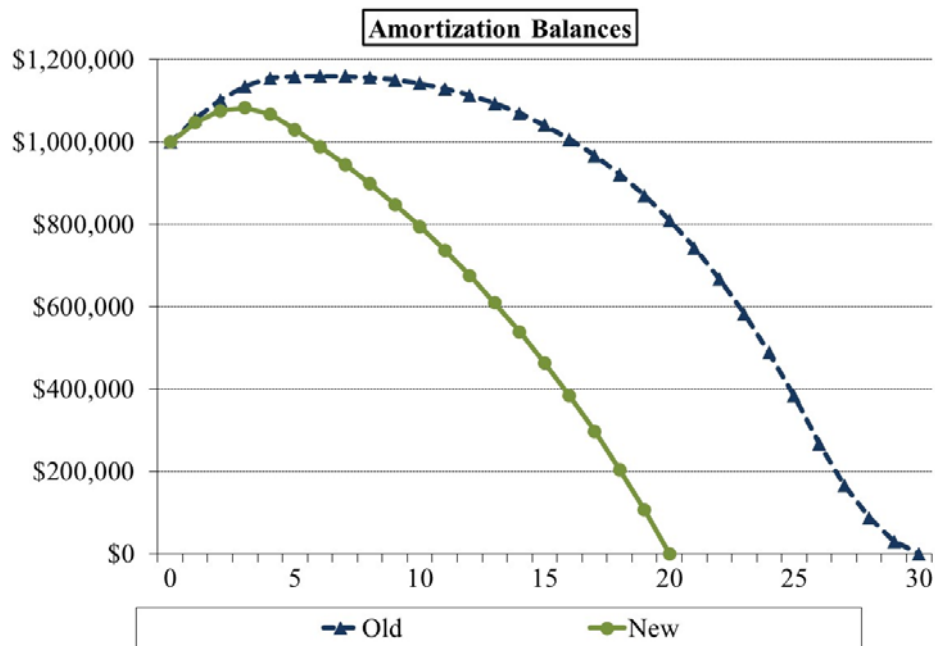
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## CALPERS CHANGES

### Investment Gain/Loss Schedule \$1 Million Initial Balance, 7% Discount Rate



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## SUMMARY OF DEMOGRAPHIC INFORMATION - MISCELLANEOUS

	1996	2006	2015	2016
<b>Actives</b>				
■ Counts	1,972	2,496	2,349	2,438
■ Average				
• Age	44	46	47	47
• County Service	9	9	11	11
• PERSable Wages	\$35,100	\$58,400	\$69,500	\$70,600
■ Total PERSable Wages (millions)	69.1	145.9	163.3	172.2
<b>Receiving Payments</b>				
■ Counts				
• Service		1,441	2,395	2,479
• Disability		157	176	174
• Beneficiaries		147	171	175
• Total	986	1,745	2,742	2,828
■ Average Annual County Provided Benefit <sup>4</sup>				
• Service		\$16,200	\$24,400	\$24,700
• Disability		8,300	10,200	10,400
• Service Retirements in last 5 years		22,700	26,500	24,000

<sup>4</sup> Average County provided pensions are based on County service & County benefit formula, and are not representative of benefits for long service employees.

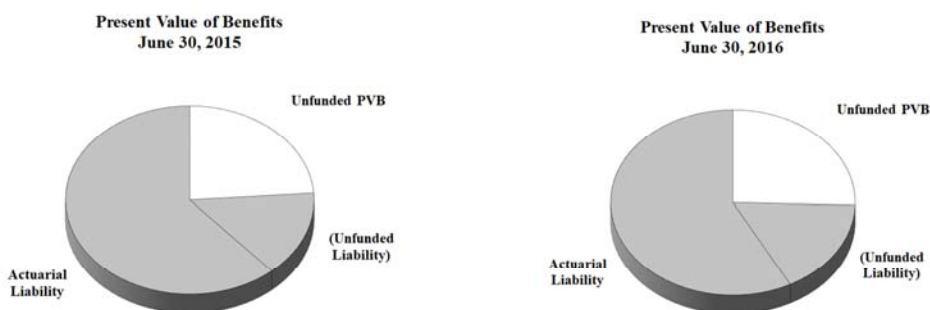


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## FUNDED RATIO - MISCELLANEOUS



<u>June 30, 2015</u>		<u>June 30, 2016</u>
\$ 517,000,000	<b>Active AAL</b>	\$ 547,200,000
767,700,000	<b>Retiree AAL</b>	802,300,000
74,200,000	<b>Inactive AAL</b>	79,800,000
1,358,900,000	<b>Total AAL</b>	1,429,300,000
1,034,600,000	<b>Market Asset Value</b>	1,014,800,000
(324,300,000)	<b>(Unfunded Liability)</b>	(414,500,000)



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## FUNDED RATIO - MISCELLANEOUS

- What happened between 6/30/15 and 6/30/16?
  - Unfunded Liability (Increase)/Decrease ≈ \$(90.2) million
- Gains (losses)
  - Asset gain/(loss) ≈ \$(75.5) million
  - Assumption Change ≈ \$(20.7) million
  - Actuarial gain/(loss) ≈ \$14.0 million
    - ☐ Average Salary \$69,500 → \$70,600
    - ☐ Number of Actives 2,349 → 2,438
    - ☐ Number of Inactives 1,543 → 1,600
    - ☐ Number of Retirees 2,742 → 2,828
  - Other gain/(loss) ≈ \$(11.0) million
    - ☐ Contributions
    - ☐ Other (expected)

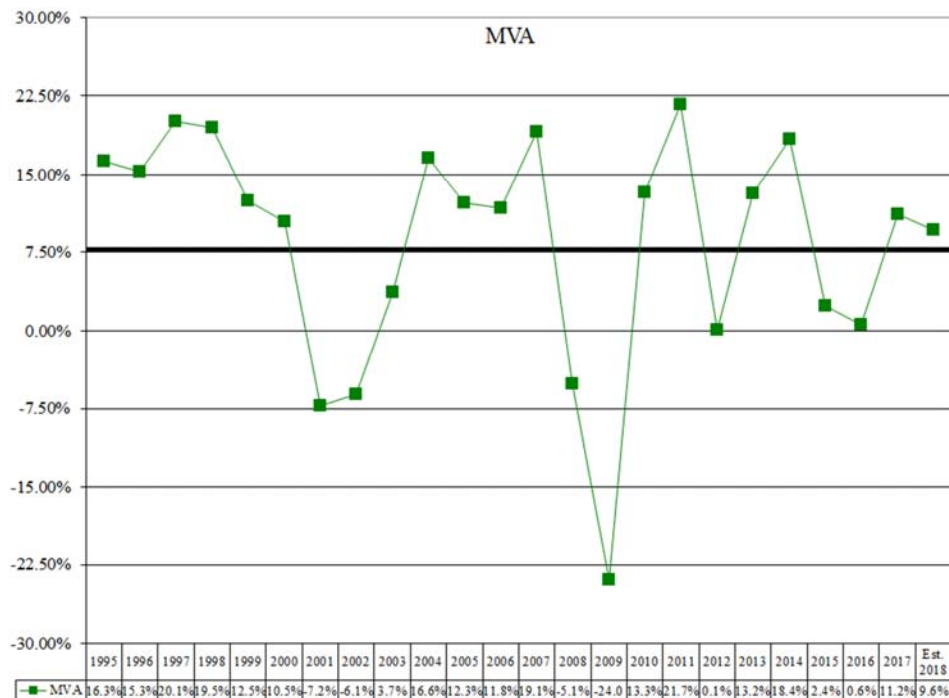


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## INVESTMENT RETURN - MISCELLANEOUS



Above assumes contributions, payments, etc. received evenly throughout year.

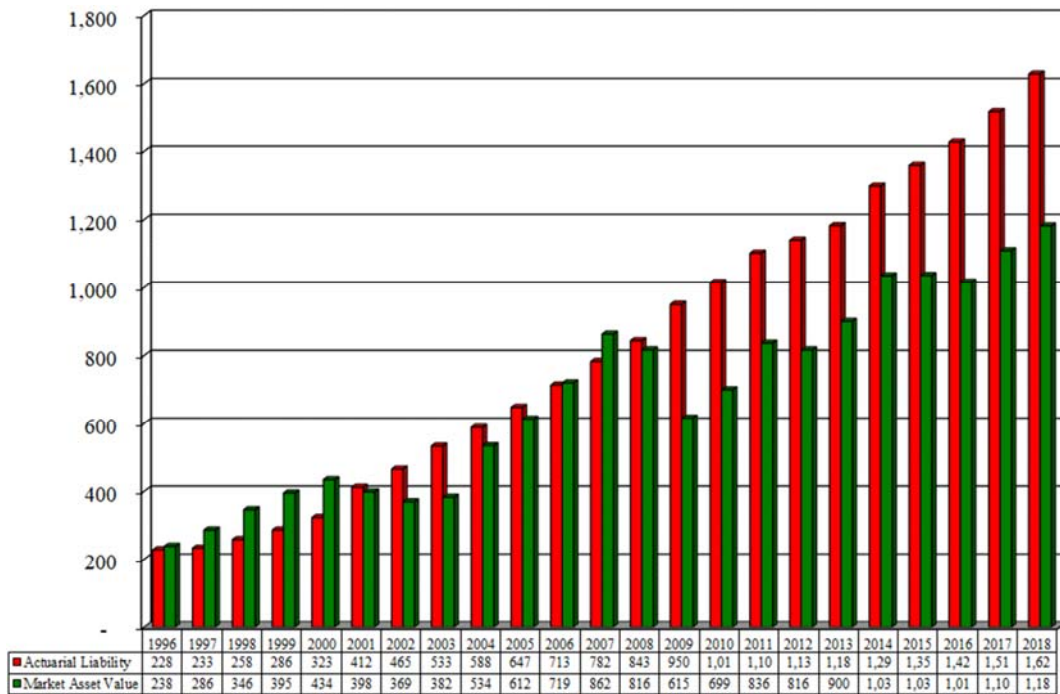


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## FUNDED STATUS (MILLIONS) - MISCELLANEOUS



6/30/17 & 6/30/18 funded status estimated.

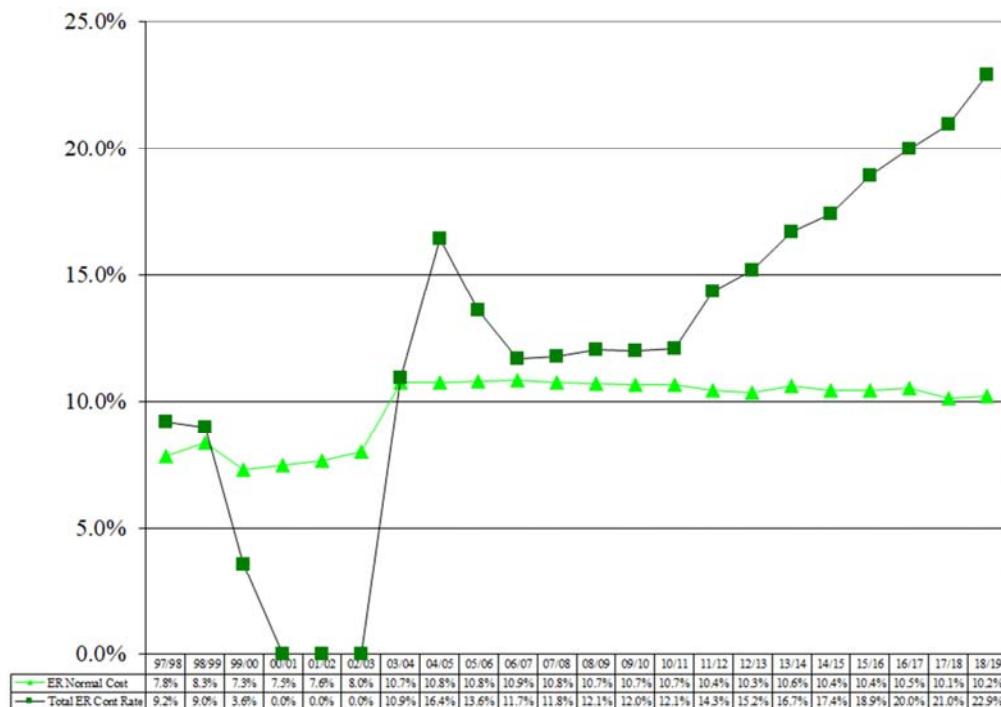


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## CONTRIBUTION RATES - MISCELLANEOUS



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## CONTRIBUTION RATES - MISCELLANEOUS

	<b>6/30/15 2017/2018</b>	<b>6/30/16 2018/2019</b>
■ Total Normal Cost	17.6%	17.7%
■ Employee Normal Cost	<u>7.5%</u>	<u>7.4%</u>
■ Employer Normal Cost	10.1%	10.2%
■ Amortization Bases	<u>10.8%</u>	<u>12.7%</u>
■ Total Employer Contribution Rate	21.0%	22.9%
■ Amortization Period	Multiple	Multiple
■ What Happened from 6/30/15 to 6/30/16:		
● 2017/18 Rate		21.0%
● Payroll > Expected		(0.3%)
● Asset Method Change (4 <sup>th</sup> Year)		1.1%
● 6/30/14 Assumption Change (3 <sup>rd</sup> Year)		0.8%
● 6/30/14 (Gains)/Losses (3 <sup>rd</sup> Year)		(0.9%)
● 6/30/15 (Gains)/Losses (2 <sup>nd</sup> Year)		0.5%
● 6/30/16 Discount Rate change (1 <sup>st</sup> Year)		0.7%
● 6/30/16 (Gains)/Losses (1 <sup>st</sup> Year)		<u>0.0%</u>
● 2018/19 Rate		22.9%



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## CONTRIBUTION RATES - MISCELLANEOUS

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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

### ■ Market Value Investment Return:

- June 30, 2017 11.2%<sup>5</sup>
  - June 30, 2018 9.6%<sup>6</sup>
  - Future returns based on stochastic analysis using 1,000 trials
- | <u>Single Year Returns at<sup>7</sup></u> | <u>25<sup>th</sup> Percentile</u> | <u>50<sup>th</sup> Percentile</u> | <u>75<sup>th</sup> Percentile</u> |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| ● 7.0% Investment Mix                     | <b>0.1%</b>                       | <b>7.0%</b>                       | <b>14.8%</b>                      |
| ● 6.0% Investment Mix                     | <b>0.8%</b>                       | <b>6.0%</b>                       | <b>11.4%</b>                      |
- Assumes investment returns will, generally be 6.5% (as compared to 7.0%) over the next 10 years and higher beyond that.

### ■ No Other: Gains/Losses, Method/Assumption Changes, Benefit Improvements

### ■ Excludes Employer Paid Member Contributions (EPMC)

<sup>5</sup> Based on CalPERS 6/30/17 CAFR.

<sup>6</sup> Based on actual CalPERS return of 7.9% through 3/31/18 and assumed return for 3 months.

<sup>7</sup> N<sup>th</sup> percentile means N percentage of our trials result in returns lower than the indicated rates.



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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

### ■ Tier 2 Members (2.0%@60) effective 2/4/12

### ■ New hire assumptions:

- Assumes 25% of 2013 new hires will be Classic Tier 2 Members and 75% will be New Members with PEPRAs benefits
- Assumes Classic Members will decrease from 25% to 0% of new hires over 20 years

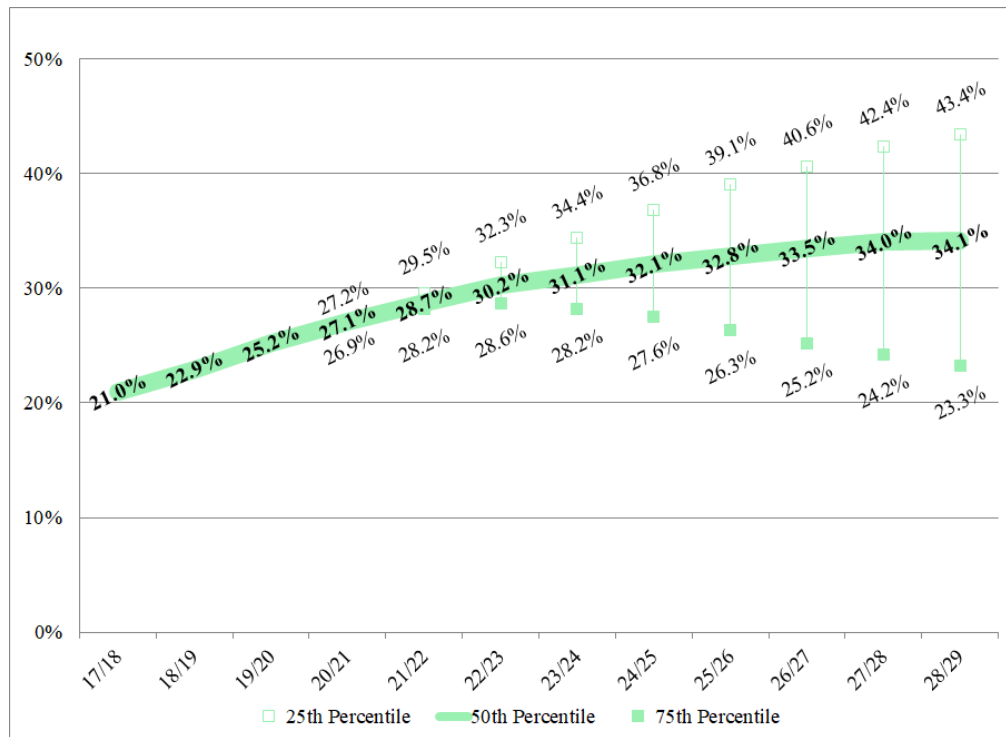


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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

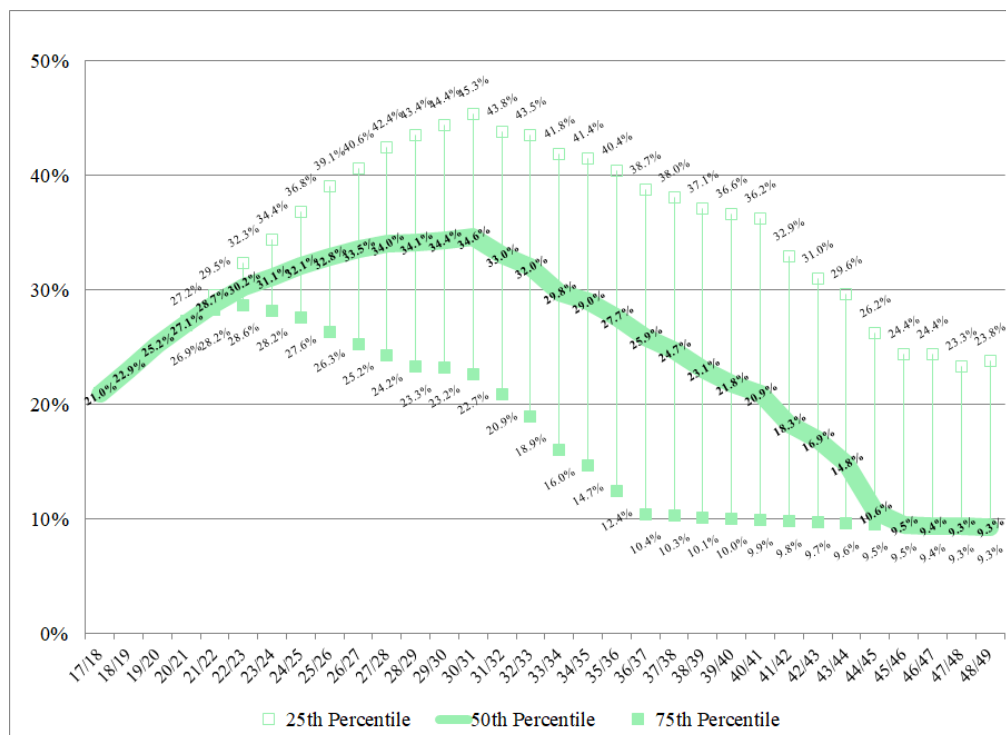


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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

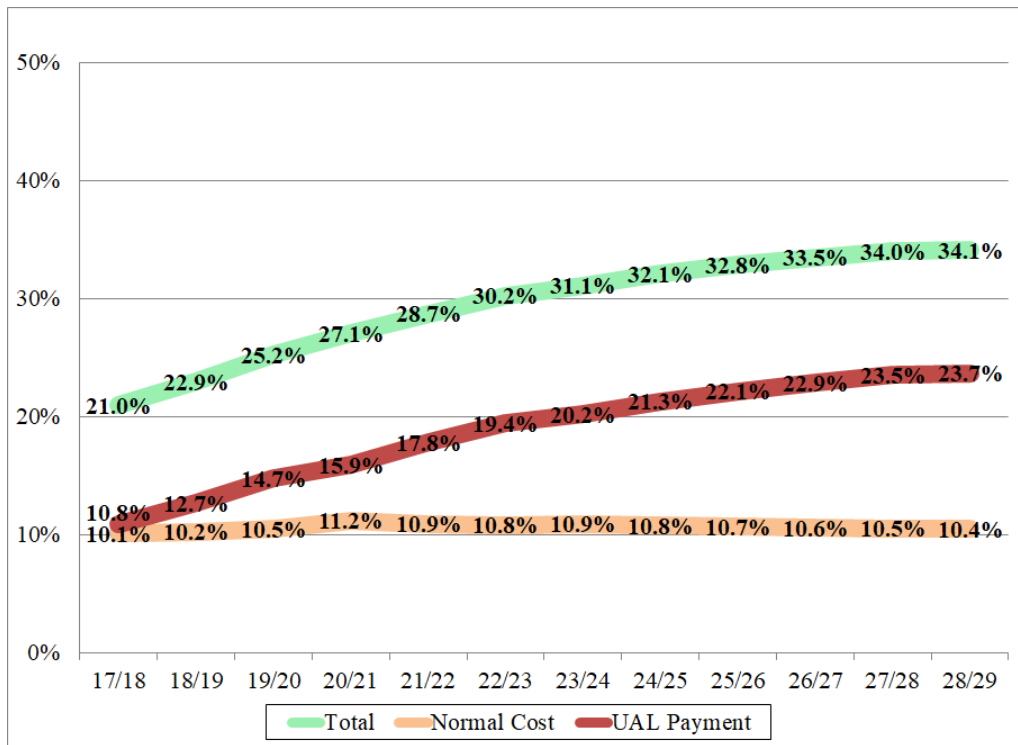


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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

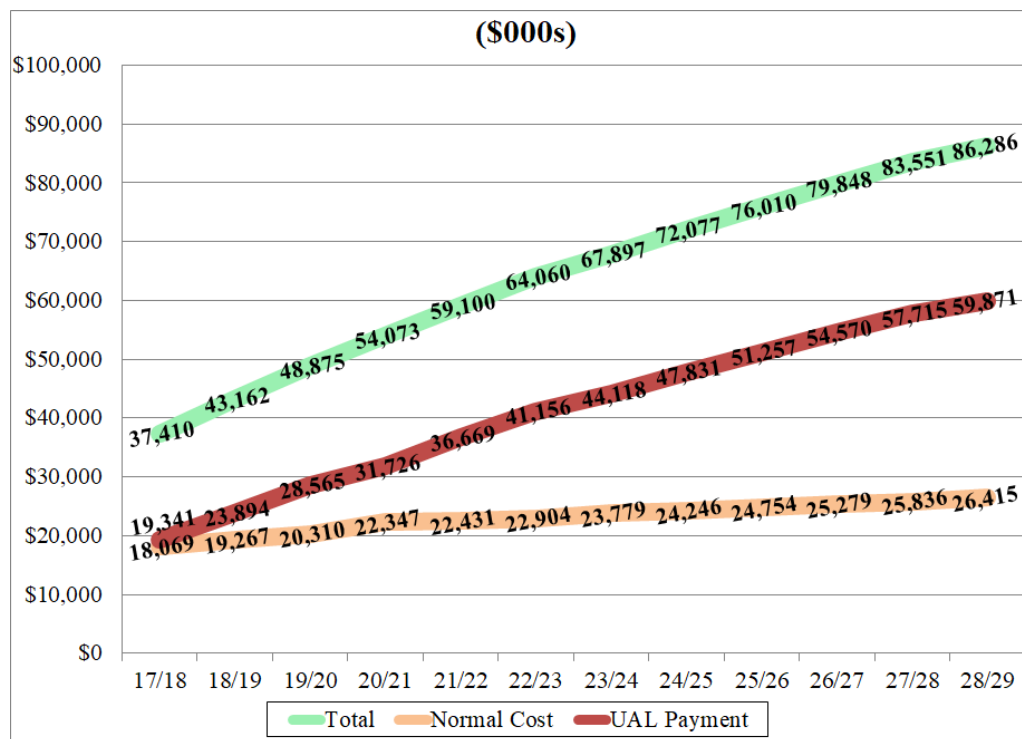


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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

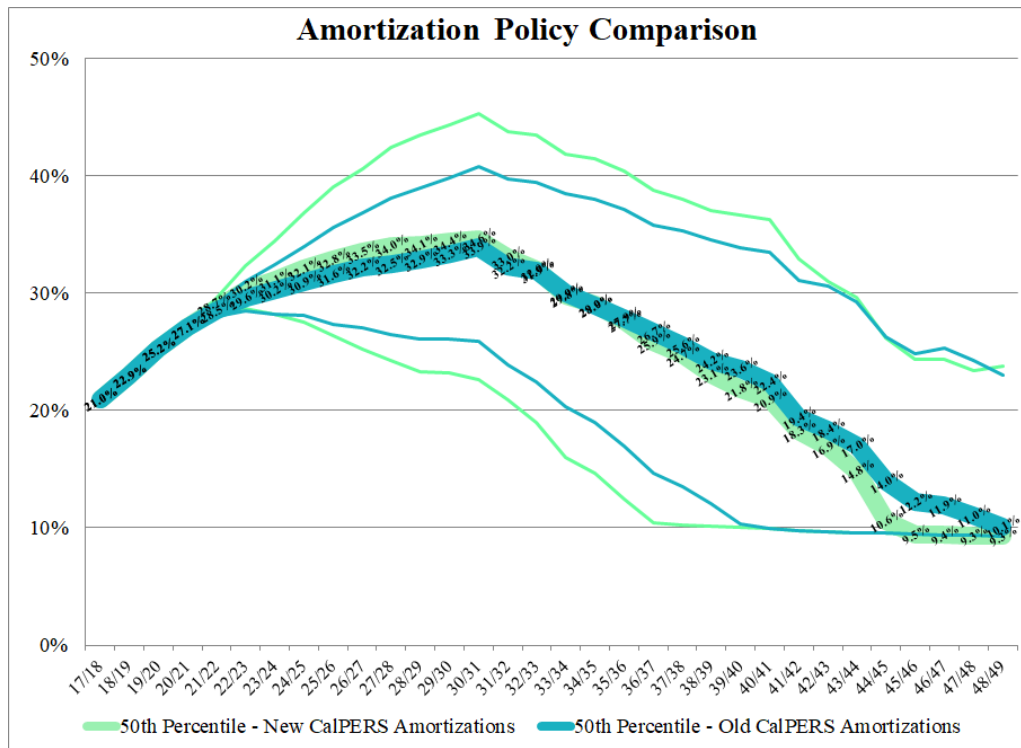


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## CONTRIBUTION PROJECTIONS - MISCELLANEOUS

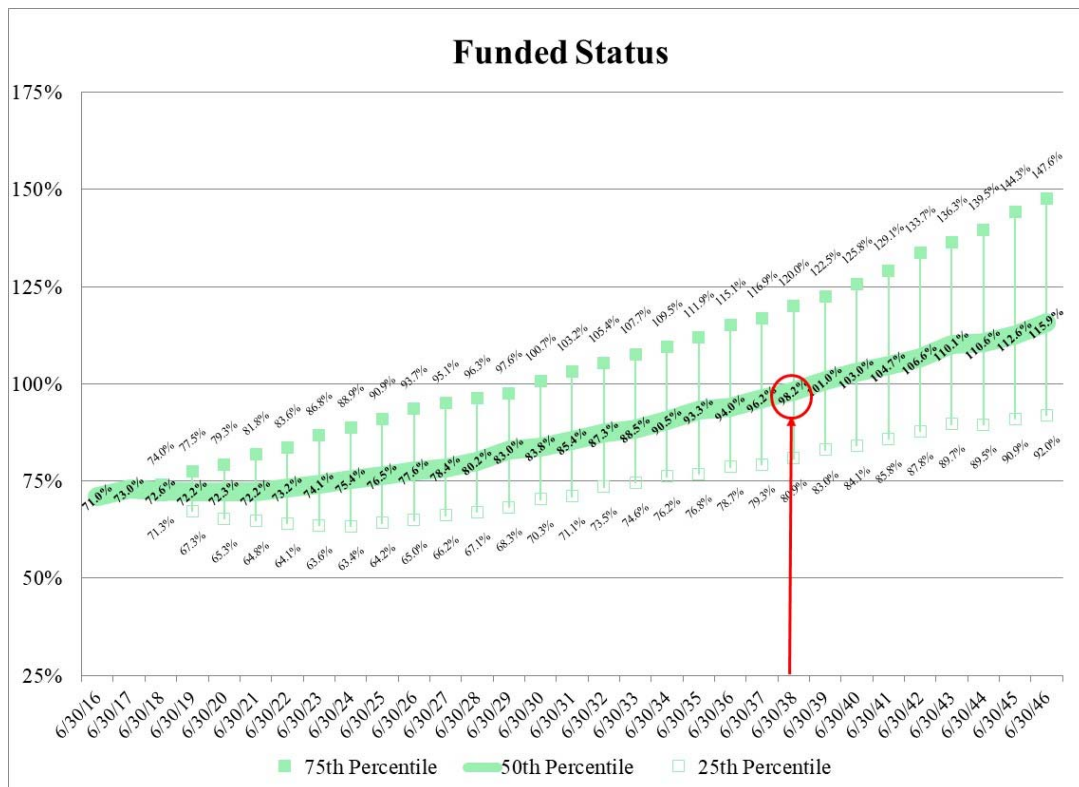


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## FUNDED STATUS - MISCELLANEOUS



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## SUMMARY OF DEMOGRAPHIC INFORMATION - SAFETY

	1996	2006	2015	2016
<b>Actives</b>				
■ Counts	455	521	563	584
■ Average				
• Age	41	41	42	41
• County Service	9	10	15	11
• PERSable Wages	\$41,600	\$66,300	\$79,100	\$80,500
■ Total PERSable Wages (millions)	18.9	34.6	44.5	47.0
<b>Receiving Payments</b>				
■ Counts				
• Service		192	321	341
• Disability		124	162	161
• Beneficiaries		34	48	54
• Total	135	350	531	556
■ Average Annual County Provided Benefit <sup>8</sup>				
• Service		\$28,400	\$37,000	\$38,000
• Disability		19,100	28,600	29,000
• Service Retirements in last 5 years		33,900	37,100	36,600

<sup>8</sup> Average County provided pensions are based on County service & County benefit formula, and are not representative of benefits for long service employees.



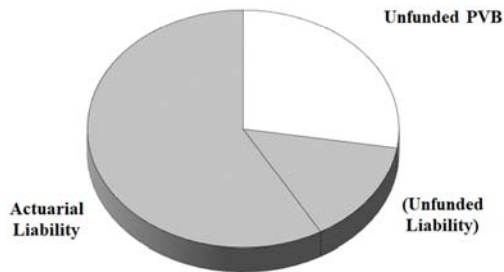
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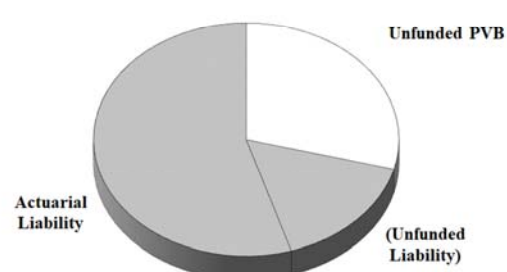


## FUNDED RATIO - SAFETY

Present Value of Benefits  
June 30, 2015



Present Value of Benefits  
June 30, 2016



<u>June 30, 2015</u>		<u>June 30, 2016</u>
\$ 175,400,000	<b>Active AAL</b>	\$ 179,800,000
229,900,000	<b>Retiree AAL</b>	248,600,000
<u>12,700,000</u>	<b>Inactive AAL</b>	<u>15,400,000</u>
418,000,000	<b>Total AAL</b>	443,800,000
<u>316,300,000</u>	<b>Market Asset Value</b>	<u>313,000,000</u>
(101,700,000)	<b>(Unfunded Liability)</b>	(130,800,000)



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## FUNDED RATIO - SAFETY

- What happened between 6/30/15 and 6/30/16?
  - Unfunded Liability (Increase)/Decrease ≈ \$(29.1) million
- Gains (losses)
  - Asset gain/(loss) ≈ \$(22.3) million
  - Assumption Change ≈ \$(6.8) million
  - Actuarial gain/(loss) ≈ \$4.8 million
    - Average Salary \$79,100 → \$80,500
    - Number of Actives 563 → 584
    - Number of Inactives 252 → 258
    - Number of Retirees 531 → 556
  - Other gain/(loss) ≈ \$(4.8) million
    - Contributions
    - Other (expected)

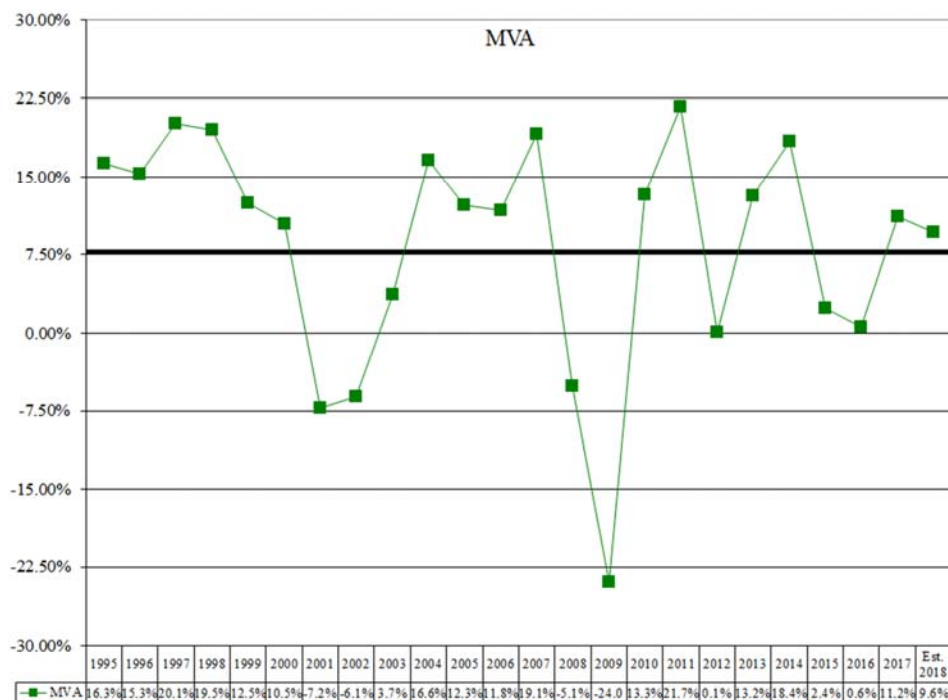


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## INVESTMENT RETURN - SAFETY

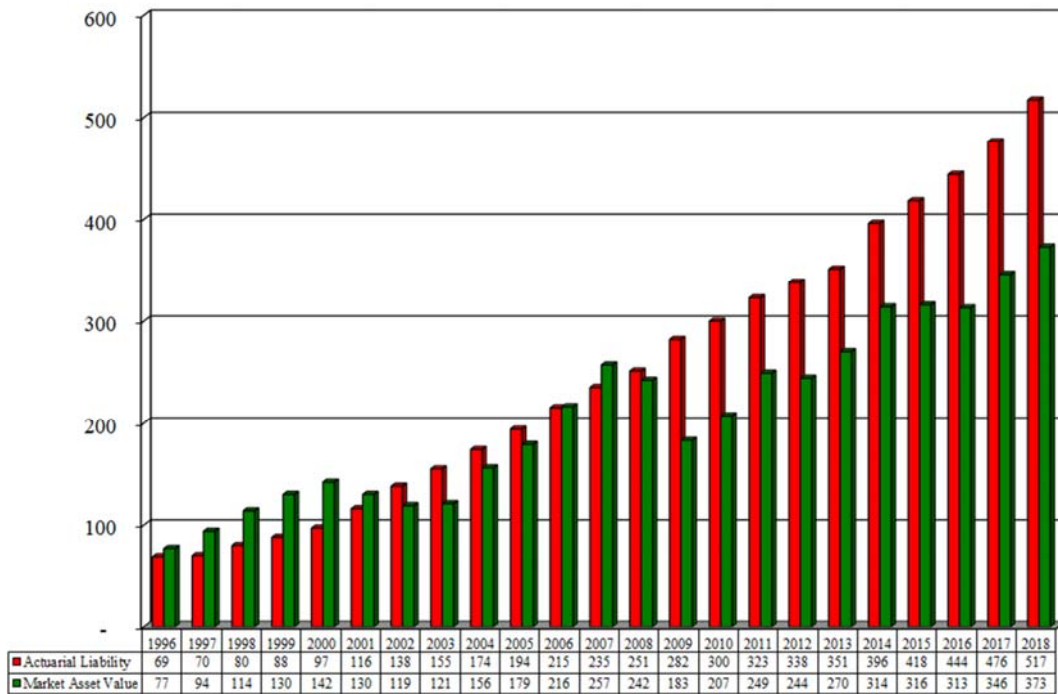


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## FUNDED STATUS (MILLIONS) - SAFETY



6/30/17 & 6/30/18 funded status estimated.

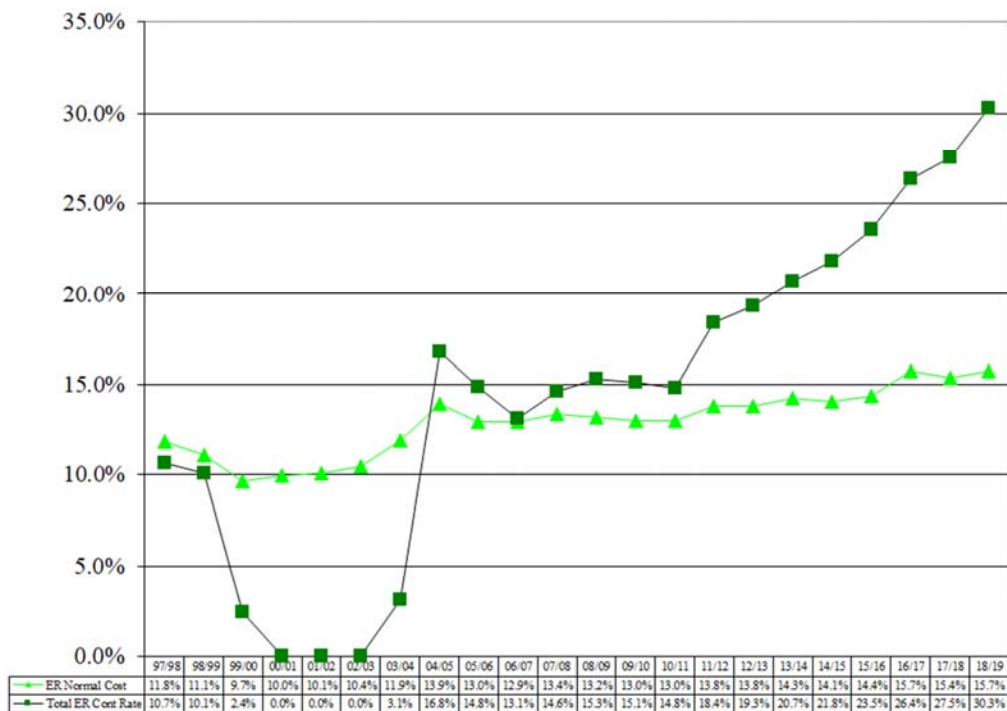


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## CONTRIBUTION RATES - SAFETY



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## CONTRIBUTION RATES - SAFETY

	<b>6/30/15 2017/2018</b>	<b>6/30/16 2018/2019</b>
■ Total Normal Cost	24.4%	24.7%
■ Employee Normal Cost	9.0%	9.0%
■ Employer Normal Cost	15.4%	15.7%
■ Amortization Bases	<u>12.1%</u>	<u>14.5%</u>
■ Total Employer Contribution Rate	27.5%	30.3%
■ Amortization Period	Multiple	Multiple
■ What Happened from 6/30/15 to 6/30/16:		
● 2017/18 Rate		27.5%
● Payroll > Expected		(0.3%)
● Asset Method Change (4 <sup>th</sup> Year)		1.2%
● 6/30/14 Assumption Change (3 <sup>rd</sup> Year)		1.3%
● 6/30/14 (Gains)/Losses (3 <sup>rd</sup> Year)		(1.0%)
● 6/30/15 (Gains)/Losses (2 <sup>nd</sup> Year)		0.5%
● 6/30/16 Discount Rate change (1 <sup>st</sup> Year)		0.9%
● 6/30/16 (Gains)/Losses (1 <sup>st</sup> Year)		<u>0.2%</u>
● 2018/19 Rate		30.3%



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## CONTRIBUTION RATES - SAFETY

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## CONTRIBUTION PROJECTIONS - SAFETY

### ■ Market Value Investment Return:

- June 30, 2017 11.2%<sup>9</sup>
  - June 30, 2018 9.6%<sup>10</sup>
  - Future returns based on stochastic analysis using 1,000 trials
- | <u>Single Year Returns at<sup>11</sup></u> | <u>25<sup>th</sup> Percentile</u> | <u>50<sup>th</sup> Percentile</u> | <u>75<sup>th</sup> Percentile</u> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| ● 7.0% Investment Mix                      | <b>0.1%</b>                       | <b>7.0%</b>                       | <b>14.8%</b>                      |
| ● 6.0% Investment Mix                      | <b>0.8%</b>                       | <b>6.0%</b>                       | <b>11.4%</b>                      |
- Assumes investment returns will, generally be 6.5% (as compared to 7.0%) over the next 10 years and higher beyond that.

### ■ No Other: Gains/Losses, Method/Assumption Changes, Benefit Improvements

### ■ Excludes Employer Paid Member Contributions (EPMC)

<sup>9</sup> Based on CalPERS 6/30/17 CAFR.

<sup>10</sup> June 30, 2018 return based on actual CalPERS return of 10.9% through 1/31/18 and assumed returns for 5 months.

<sup>11</sup> N<sup>th</sup> percentile means N percentage of our trials result in returns lower than the indicated rates.



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## CONTRIBUTION PROJECTIONS - SAFETY

### ■ Tier 2 Sheriff 3%@55 and County Peace Officer 2%@55 effective 1/17/11

### ■ New hire assumptions:

- Assumes 25% of 2013 new hires will be Classic Tier 2 Members (3%@55 & 2%@55) and 75% will be New Members with PEPRAs benefits
- Assumes Classic Members will decrease from 25% to 0% of new hires over 10 years

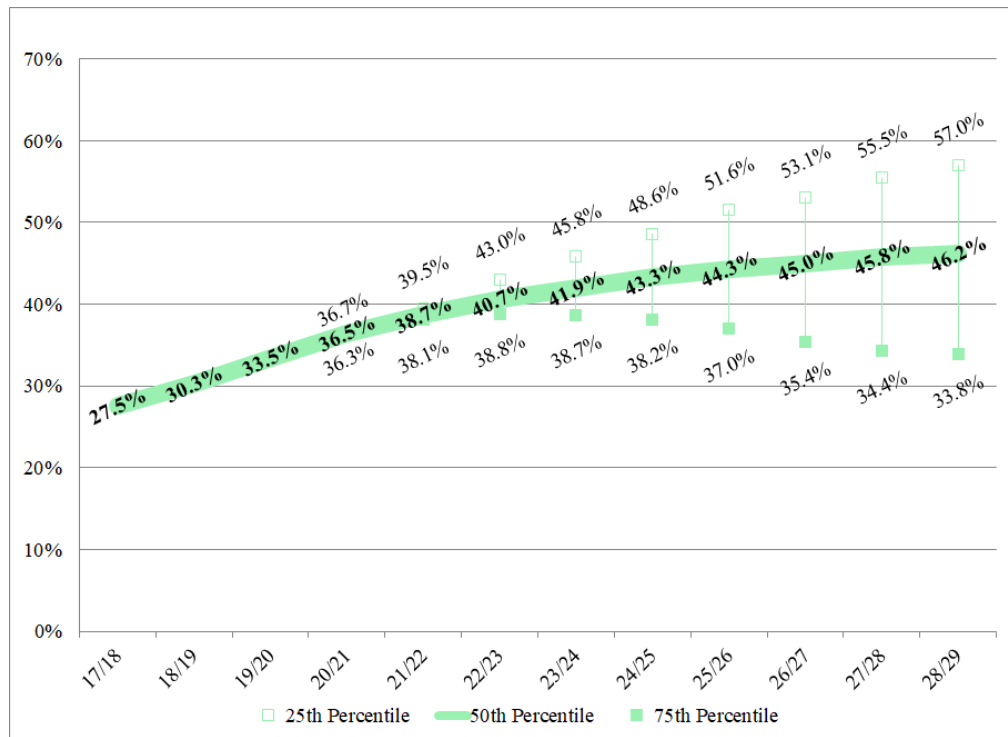


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## CONTRIBUTION PROJECTIONS - SAFETY

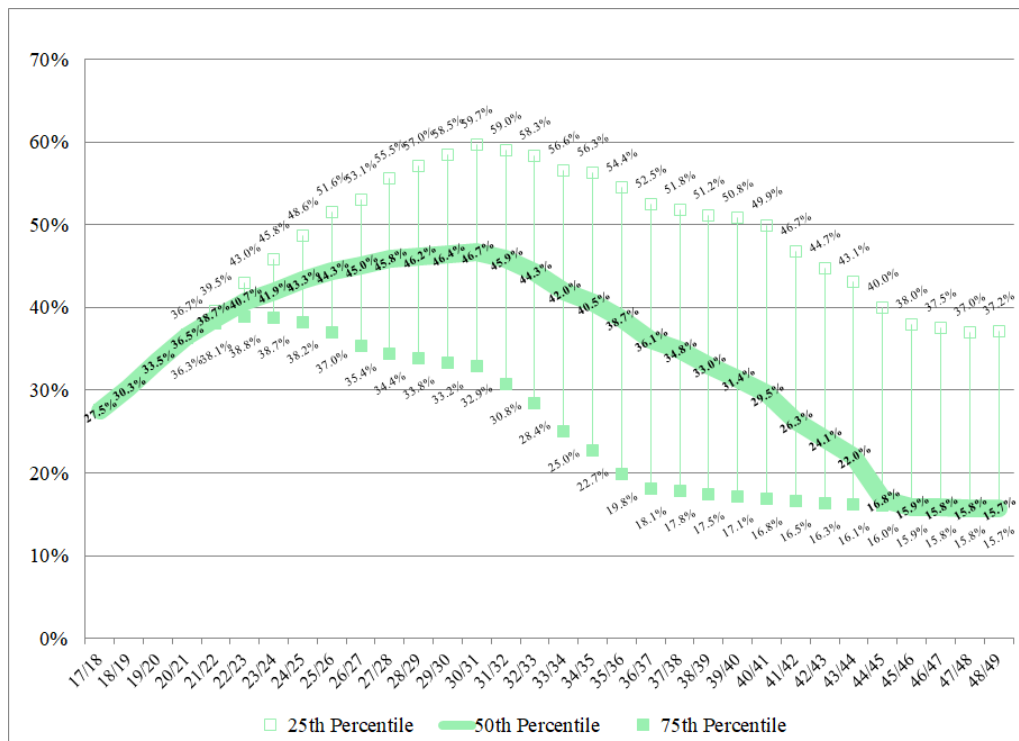


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## CONTRIBUTION PROJECTIONS - SAFETY

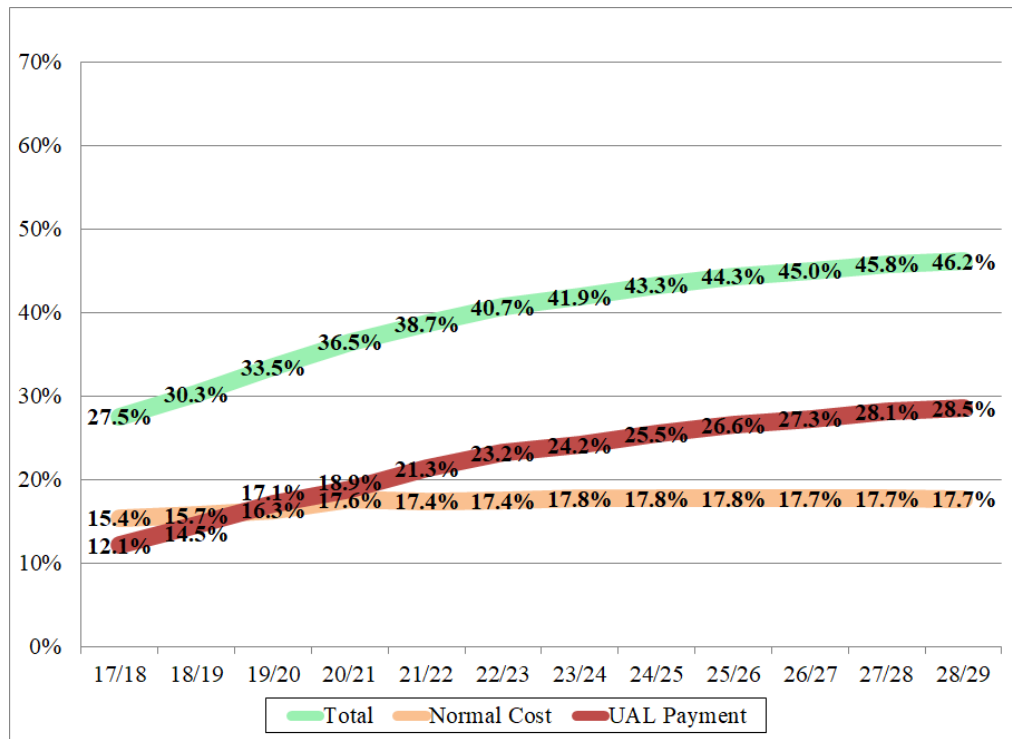


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## CONTRIBUTION PROJECTIONS - SAFETY

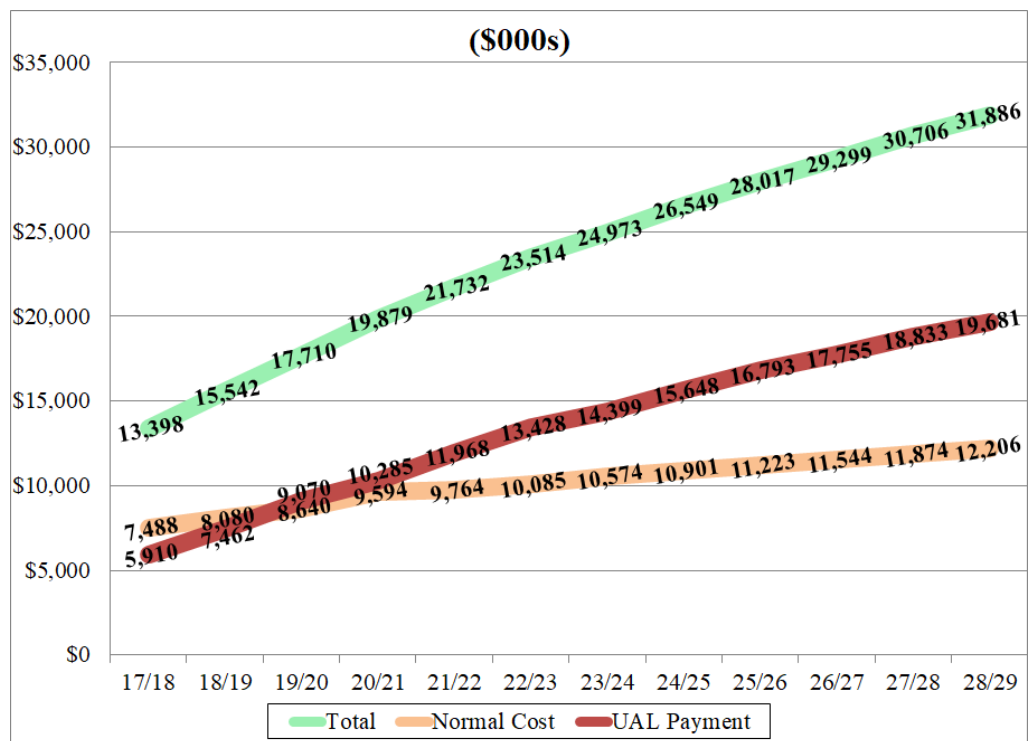


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## CONTRIBUTION PROJECTIONS - SAFETY

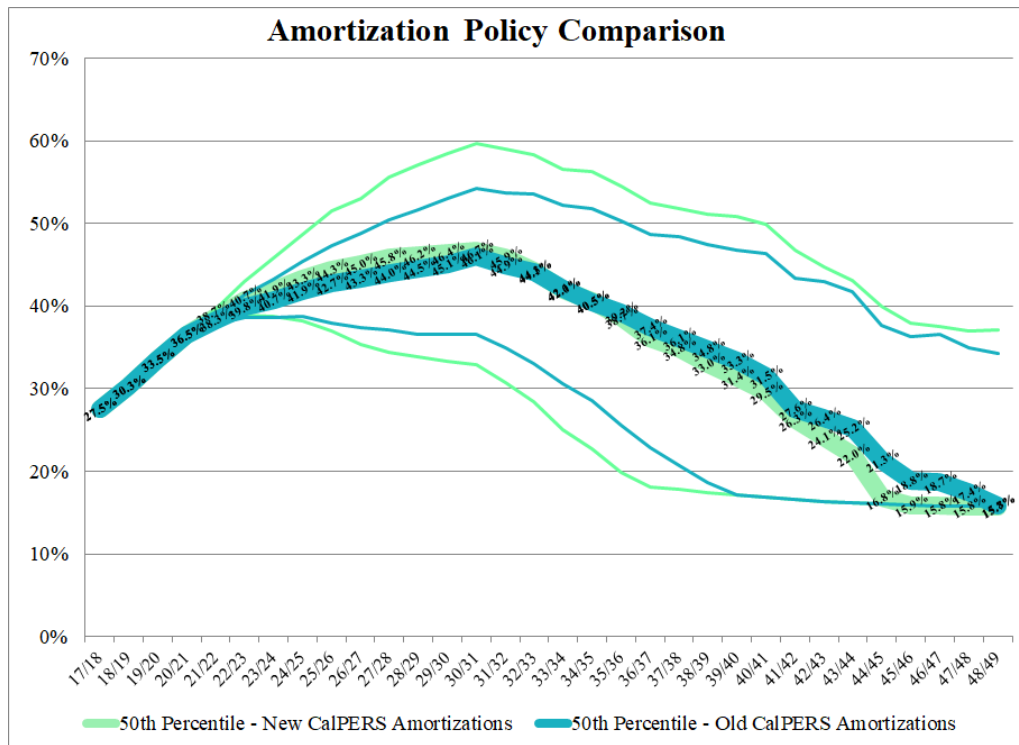


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## CONTRIBUTION PROJECTIONS - SAFETY

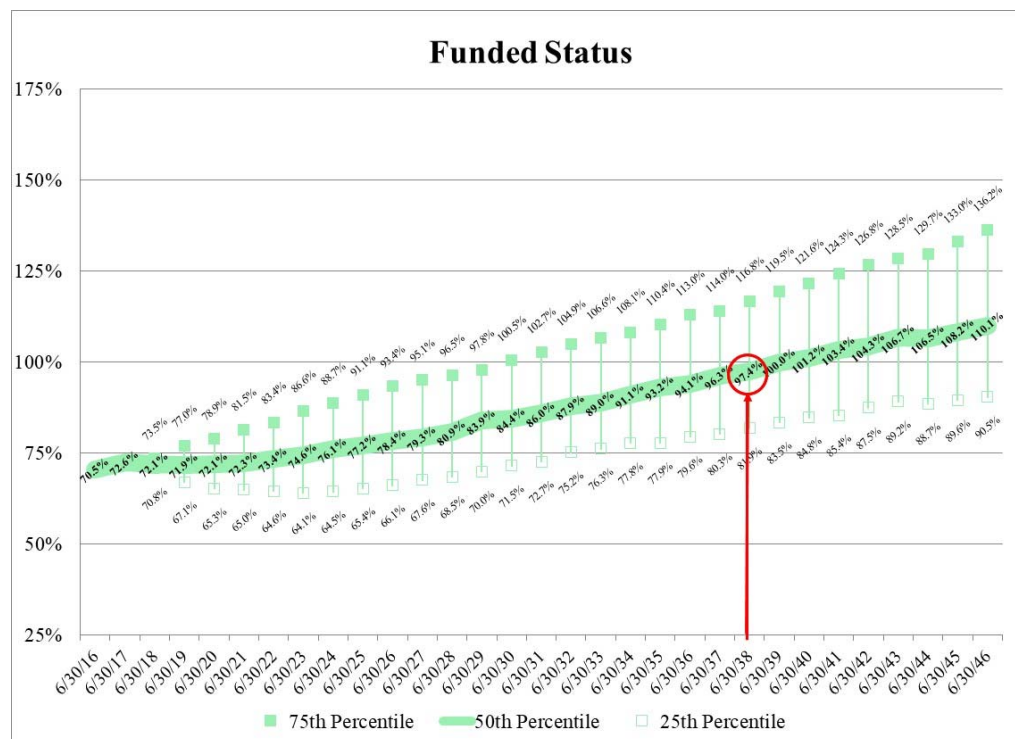


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## FUNDED STATUS – SAFETY



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## ALTERNATIVE CONTRIBUTION SCENARIOS

- Scenario #1:
  - Miscellaneous: Pay off 2005 Benefit Change, 2010 Golden Handshake and 2011 Special Gain/Loss bases
  - Safety: Pay off 2010 Golden Handshake base
- Scenario #2:
  - Re-Amortize 2015 gain/loss base over 20 years (level dollar)
- Scenario #3:
  - Level dollar County contributions for 90% Funded Ratio in 20 years
- Scenario #4:
  - \$15 million CalPERS contribution to Safety plan effective 6/30/18
  - All Safety bases paid down proportionately to their balance on 6/30/18
  - First impact 2018/19 contributions



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## ALTERNATIVE CONTRIBUTION SCENARIOS

### **Additional CalPERS Contribution** **June 30, 2018**

	Miscellaneous	Safety	Total
Scenario #1	\$3,883,000	\$1,590,000	\$5,473,000
Scenario #2	-	-	-
Scenario #3	-	-	-
Scenario #4	-	15,000,000	15,000,000



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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #1

#### **Payoff 2005 Benefit Change, 2010 Golden Handshake, and 2011 Special Gain/Loss Bases**

	<b>Miscellaneous</b>	<b>Safety</b>
Projected Balance at 6/30/18	\$3,883,000	\$1,590,000
Total \$ Savings	1,704,000	637,000
Present Value Savings @ 3%	762,000	295,000
Annual Contribution Reduction		
Percent of payroll	0.20%	0.37%
Dollar amount (18/19)	\$ 371,000	\$ 189,000



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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #2

#### **Re-Amortize 2015 Loss Base over 20 Years**

	<b>Miscellaneous</b>	<b>Safety</b>
Total \$ Savings	\$ 35,968,000	\$ 10,412,000
Present Value Savings @ 3%	11,973,000	3,412,000



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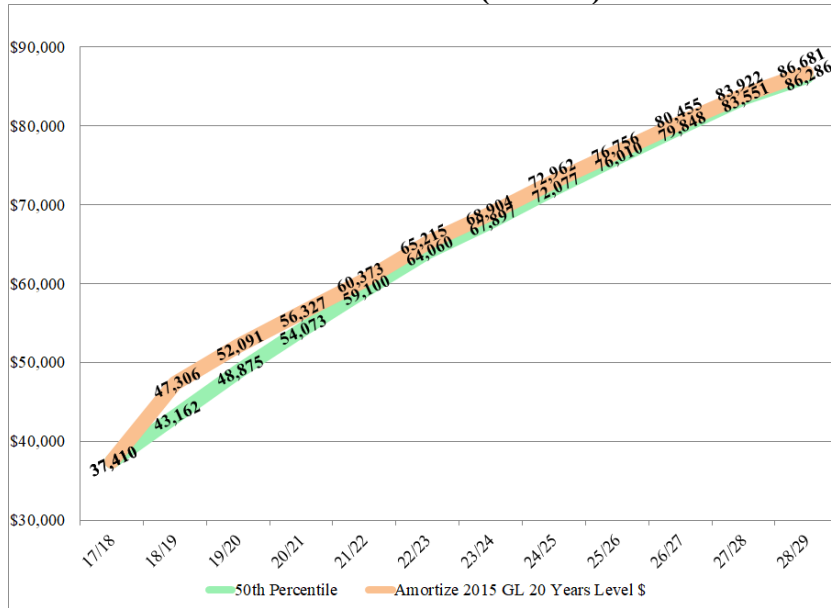
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #2

#### Re-Amortize 2015 Loss Base over 20 Years Miscellaneous (\$000's)



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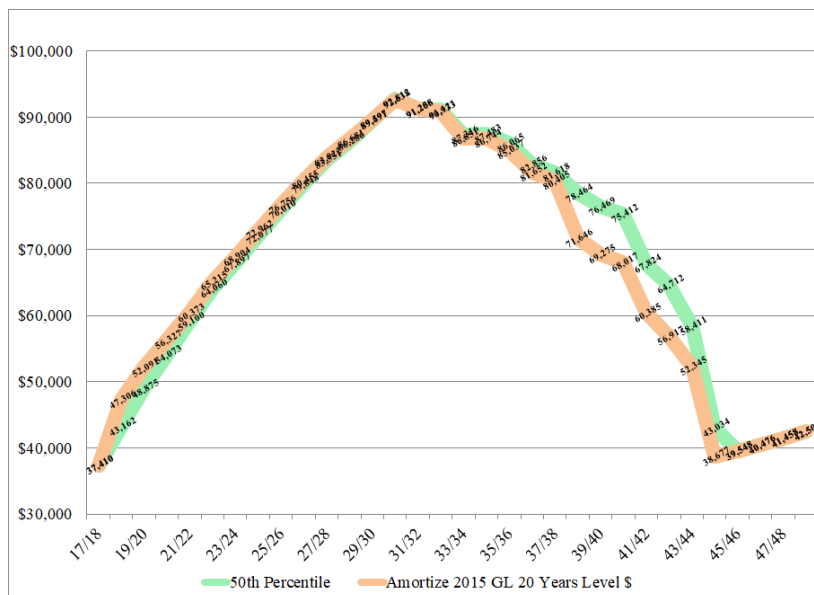
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #2

#### Re-Amortize 2015 Loss Base over 20 Years Miscellaneous (\$000's)



June 12, 2018

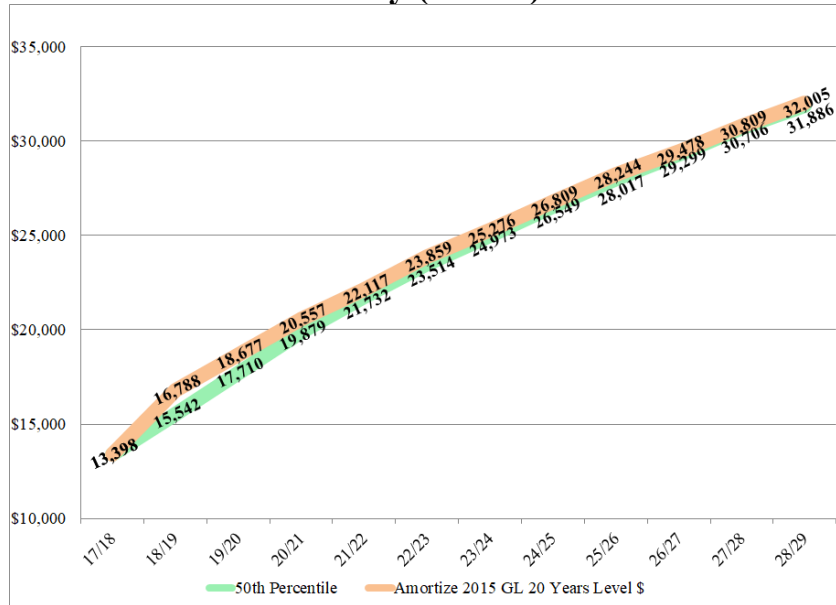
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #2

#### Re-Amortize 2015 Loss Base over 20 Years Safety (\$000's)



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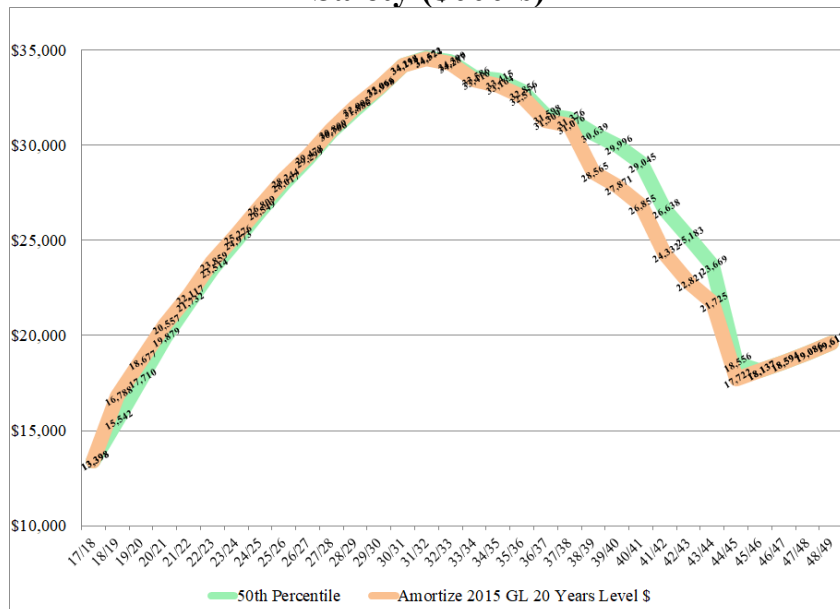
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #2

#### Re-Amortize 2015 Loss Base over 20 Years Safety (\$000's)



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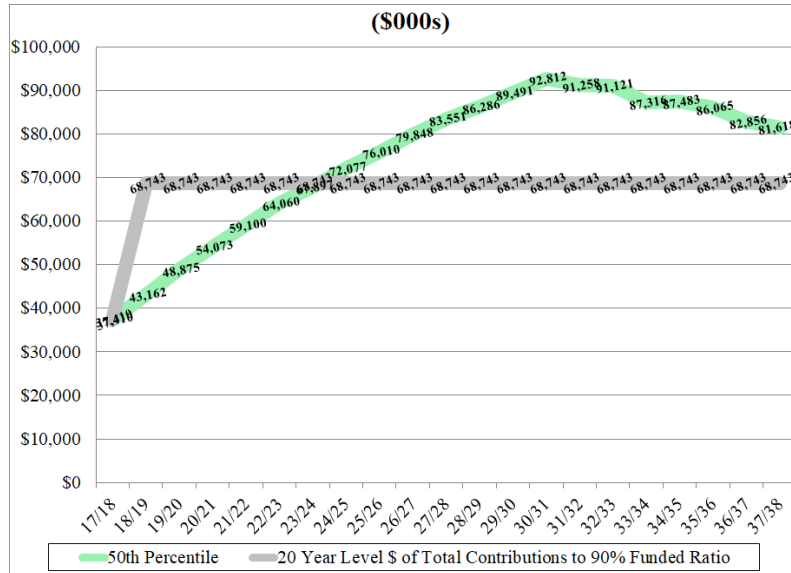




## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #3

#### 90% Funded Ratio in 20 Years Miscellaneous



\* 50<sup>th</sup> percentile gets to 98% funded while 20 year level \$ gets to 90% on 6/30/38.



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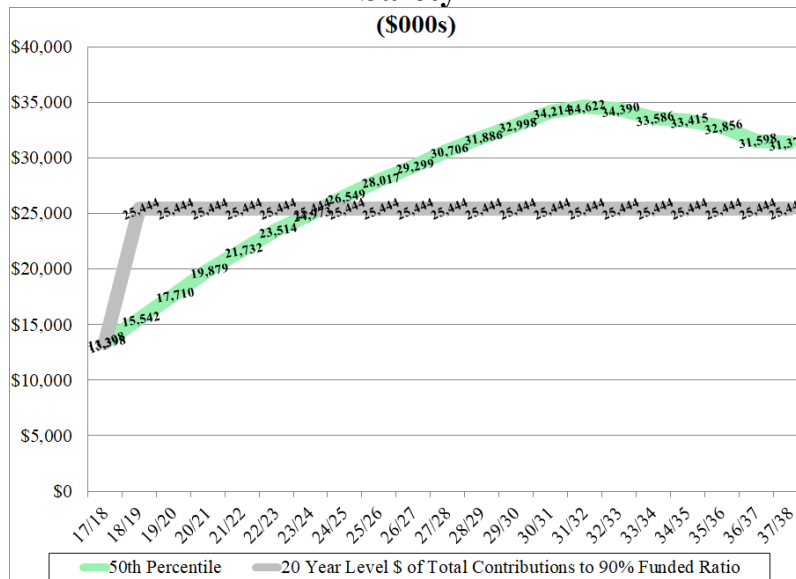
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #3

#### 90% Funded Ratio in 20 Years Safety



\* 50<sup>th</sup> percentile gets to 97% funded while 20 year level \$ gets to 90% on 6/30/38.



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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to Safety

	Miscellaneous	Safety
Total \$ Savings	N/A	\$ 13,880,000
Present Value Savings @ 3%	N/A	5,617,000



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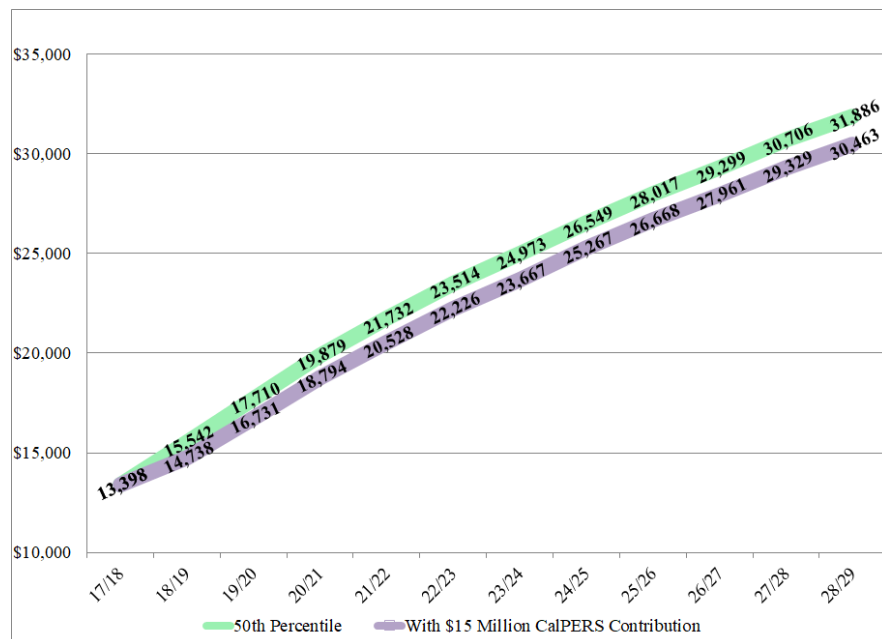
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to Safety (\$000's)



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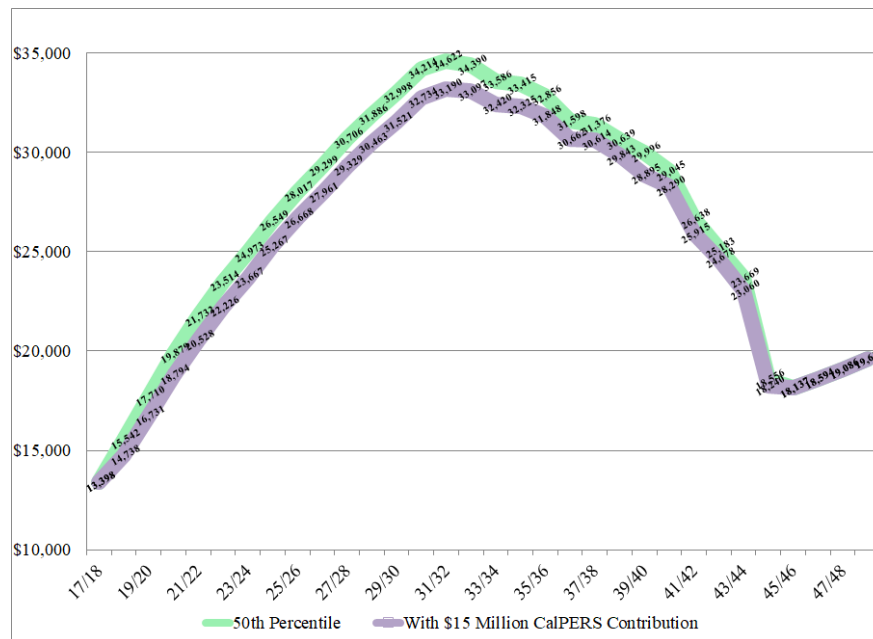
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to Safety (\$000's)



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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to 115 Trust

- Rate Stabilization Fund (115 Trust):
  - Assumed to earn 4% annually
  - Return will vary and depend on future investment allocation
- Safety scenario to compare with \$15 million CalPERS contribution:
  - \$15 million additional contribution to 115 Trust on 6/30/18
  - Target 42.0% payroll contribution effective 23/24 through 33/34
  - Does not include current 115 Trust balance (approximately \$20.3 million).



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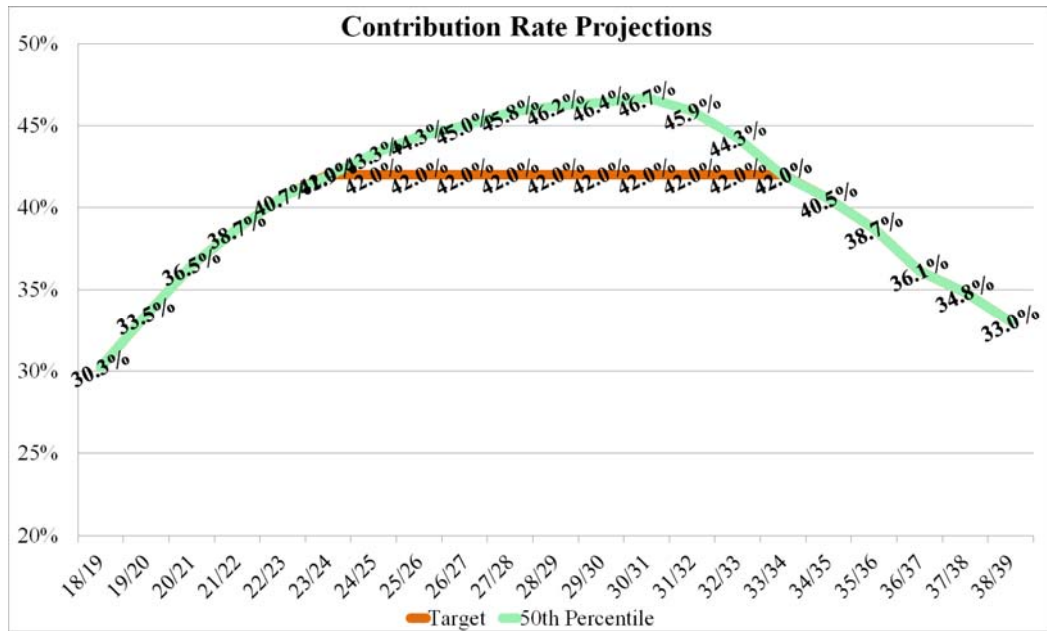
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to 115 Trust



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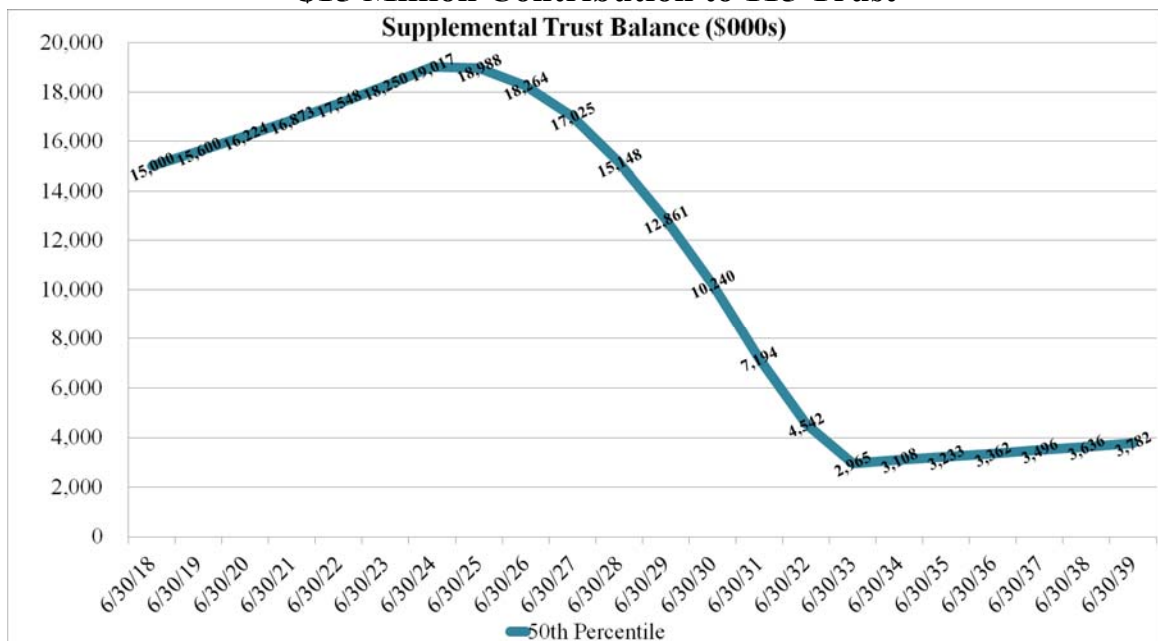
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to 115 Trust



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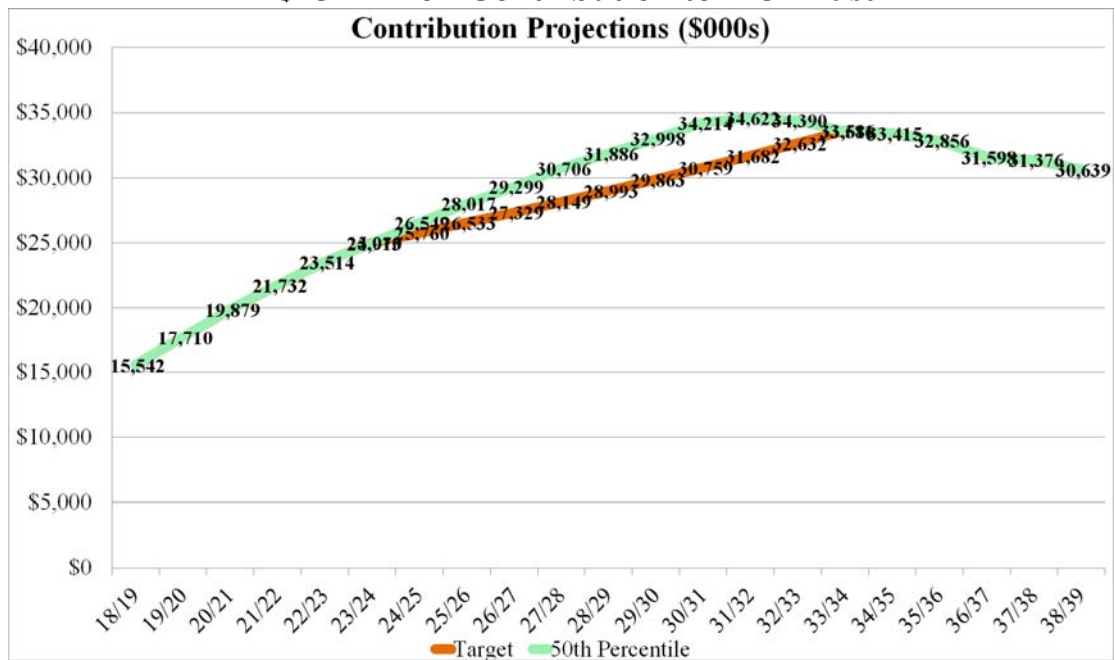
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## ALTERNATIVE CONTRIBUTION SCENARIOS

### Scenario #4

#### \$15 Million Contribution to 115 Trust



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## ALTERNATIVE CONTRIBUTION SCENARIOS

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## POB ANALYSIS ASSUMPTIONS

### ■ Capital Market Assumptions:

<u>Asset Class</u>	<u>PERF Policy Target</u>	<u>Geometric Real Average Return</u>	<u>Standard Deviation</u>	<u>Geometric Nominal Average Return</u>
● Global Equity	47%	4.82%	17.84%	7.44%
● Private Equity	12	5.96	25.14	8.61
● Fixed Income	19	1.47	4.24	4.00
● Liquidity	2	0.06	0.97	2.57
● Inflation Assets	6	1.18	8.69	3.71
● Real Estate	11	3.04	11.22	5.62
● Forestland/Infrastructure	<u>3</u>	3.65	8.40	6.24
	100%			

- Based on study of investment consultant and investment bank 2017 short and long-term capital market assumptions adjusted in some cases for long-term trends in investment returns

### ■ Inflation

2.5%

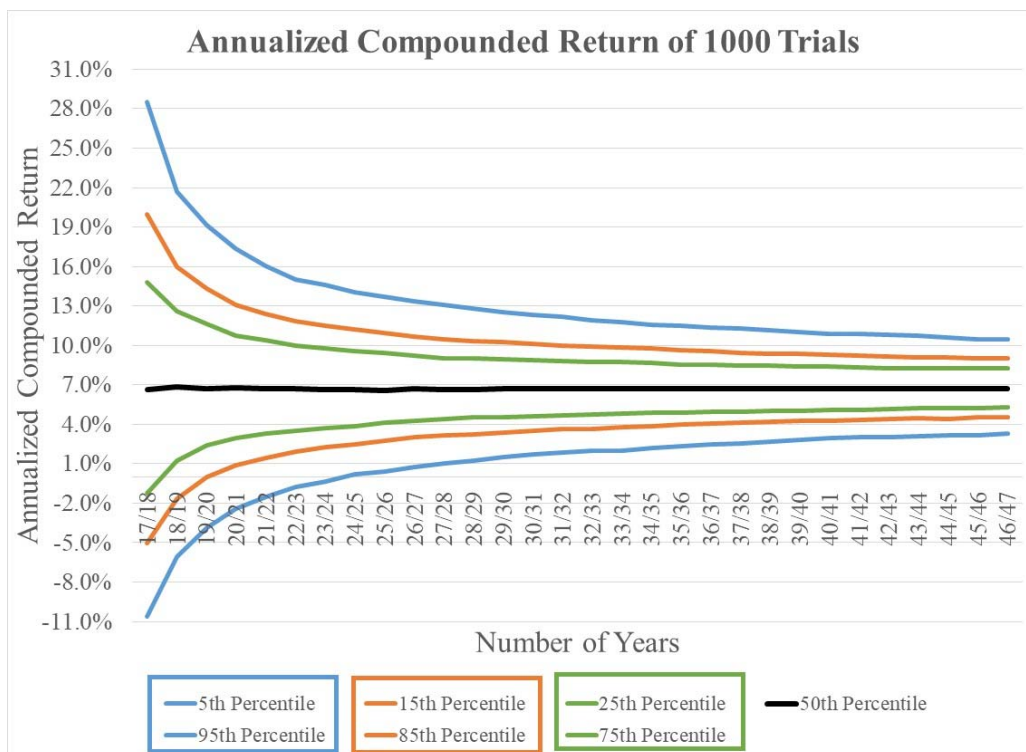


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## POB ANALYSIS ASSUMPTIONS



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## POB ANALYSIS ASSUMPTIONS

- 20 Year Compounded Annualized returns<sup>13</sup>:
  - 50<sup>th</sup> Percentile<sup>14</sup> 6.71%
  - 33<sup>th</sup> Percentile 5.48
  - 30<sup>th</sup> Percentile 5.30
  - 25<sup>th</sup> Percentile 5.00
  - 20<sup>th</sup> Percentile 4.62
  - 15<sup>th</sup> Percentile 4.06

<sup>13</sup> Based on capital market assumptions shown previously net of 0.15% adjustment for administrative expenses.

<sup>14</sup> N<sup>th</sup> percentile means N percentage of our trials result in returns lower than the indicated rates.



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## POB ANALYSIS ASSUMPTIONS

- Discount rate for cash flow differences 3.0%
- Discount rate for Asset difference at 30 years 7.0%
- PEPPRA requires employer contributions not be less than Normal Cost
  - Analysis prepared with and without this requirement
- What was **not** included:
  - Lower (than expected) returns for next 10 years followed by higher (than expected) returns
  - Risk Mitigation Strategy



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## HYPOTHETICAL 2018 POB

### ■ Hypothetical POB

- Amount: \$20 million
- Duration: 20 years
- Interest Rate: 4.5%
- Debt service: level dollar amortization
- All Safety bases paid down proportionately to 6/30/18 balance



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## HYPOTHETICAL 2018 POB

### Hypothetical 2018 POB Debt Service Safety

Safety	2018/19	2019/20	2020/21	2021/22	2022/23
Debt Service	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000

Safety	2023/24	2024/25	2025/26	2026/27	2027/28
Debt Service	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000

Safety	2028/29	2029/30	2030/31	2031/32	2032/33
Debt Service	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000

Safety	2033/34	2034/35	2035/36	2036/37	2037/38
Debt Service	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000	\$1,504,000



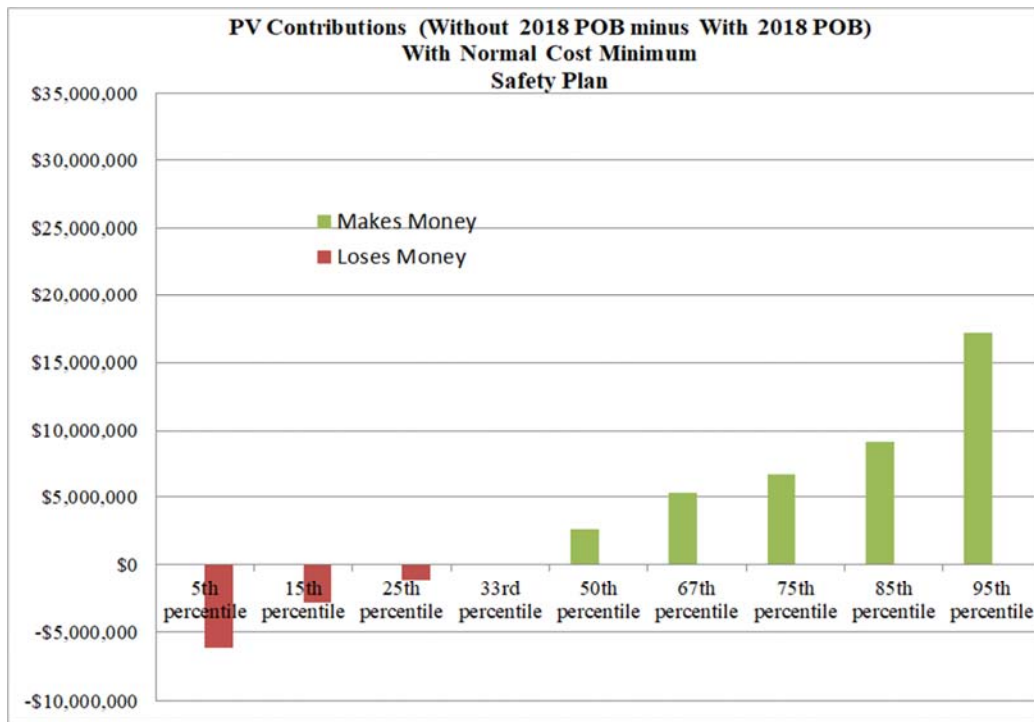
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## HYPOTHETICAL 2018 POB

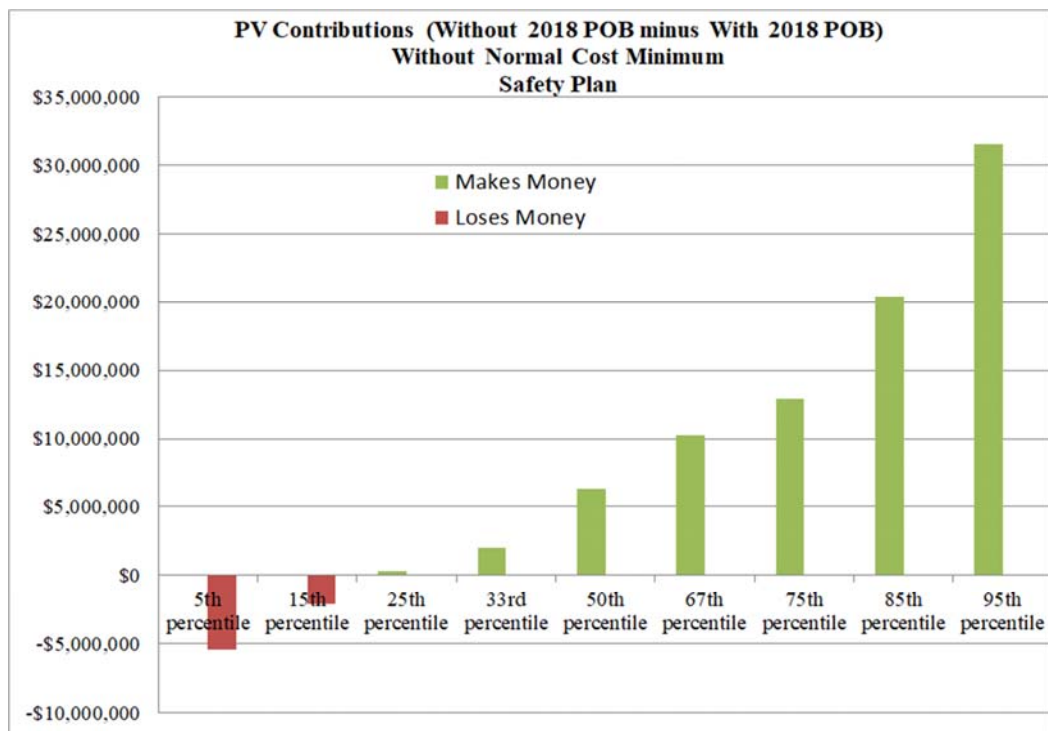


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## HYPOTHETICAL 2018 POB



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## IRREVOCABLE SUPPLEMENTAL (§115) PENSION TRUST

	<b>Estimated 6/30/18 (in \$ millions)</b>
■ <b>Actuarial Accrued Liability</b>	
● Miscellaneous	\$ 1,628.0
● Safety	<u>517.4</u>
● Total	2,145.4
■ <b>Market Value of Assets</b>	
● Miscellaneous	1,181.2
● Safety	<u>373.1</u>
● Total	1,554.3
■ <b>Unfunded Actuarial Accrued Liability</b>	
● Miscellaneous	\$ 446.8
● Safety	<u>144.3</u>
● Total	591.1
■ <b>Unfunded CalPERS Trust</b>	591.1
● PARS Pension Rate Stabilization Fund (115 Trust)	<u>20.3</u>
● Net Unfunded	570.8

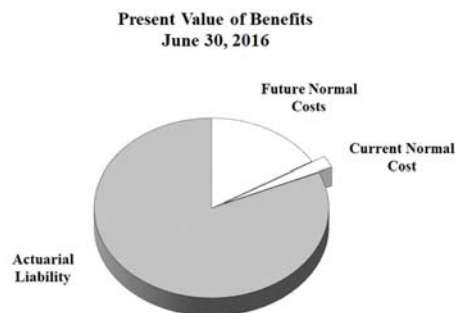


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## DEFINITIONS



- **PVB - Present Value of all Projected Benefits:**
  - Discounted value (at valuation date - 6/30/16), of all future expected benefit payments based on various (actuarial) assumptions
- **Actuarial Liability:**
  - Discounted value (at valuation date) of benefits earned through valuation date [value of past service benefit]
  - Portion of PVB “earned” at measurement
- **Current Normal Cost:**
  - Portion of PVB allocated to (or “earned” during) current year
  - Value of employee and employer current service benefit



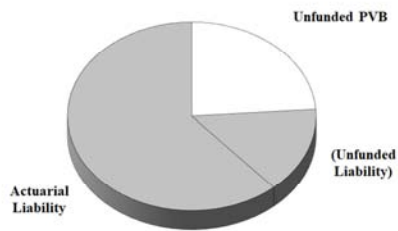
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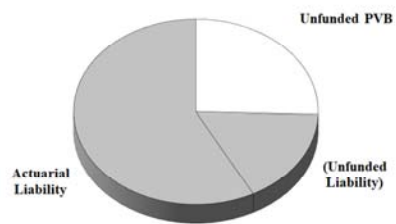


## DEFINITIONS

Present Value of Benefits  
June 30, 2015



Present Value of Benefits  
June 30, 2016



- **Target-** Have money in the bank to cover Actuarial Liability (past service)
- **Unfunded Liability** - Money short of target at valuation date
- **Excess Assets / Surplus:**
  - Money over and above target at that point in time
  - Doesn't mean you're done contributing



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Projected CalPERS Retirement Rates & Costs  
As of June 1, 2018

	ACTUAL <sup>(1)</sup> FY2016/17	PROJECTED FY2017/18	PROJECTED FY2018/19	PROJECTED FY2019/20	PROJECTED FY2020/21	PROJECTED FY2021/22	PROJECTED FY2022/23	PROJECTED FY2023/24
<b>MISC. RATE <sup>(2)</sup></b>	20.00%	20.97%	22.94%	25.20%	27.10%	28.70%	30.20%	31.10%
Total Misc. Cost	\$33.082	\$37.410	\$43.162	\$48.838	\$54.096	\$59.009	\$63.956	\$67.837
General Fund - Misc. Cost <sup>(3)</sup>	\$ 6.451	\$ 7.295	\$ 8.417	\$ 9.523	\$10.549	\$11.507	\$12.471	\$13.228
<b>SAFETY RATE <sup>(2)</sup></b>	26.38%	27.54%	30.26%	33.50%	36.50%	38.70%	40.70%	41.90%
Total Safety Cost	\$13.163	\$13.398	\$15.542	\$17.724	\$19.890	\$21.722	\$23.530	\$24.950
General Fund - Safety Cost <sup>(3)</sup>	\$ 7.371	\$ 7.606	\$ 9.7506	\$11.932	\$14.099	\$15.930	\$17.738	\$19.159
Total Cost (in millions)	\$46.245	\$50.808	\$58.704	\$66.562	\$73.986	\$80.731	\$87.485	\$92.788
Total GF Cost	\$13.822	\$14.901	\$18.167	\$21.456	\$24.647	\$27.437	\$30.209	\$32.387
Annual Change in GF Cost		\$ 1.079	\$ 3.266	\$ 3.288	\$ 3.192	\$ 2.789	\$ 2.773	\$ 2.177
Cumulative Change in GF Cost over FY 16/17		\$ 1.079	\$ 4.345	\$ 7.633	\$10.825	\$13.615	\$16.387	\$18.565
Cumulative % Change in GF Cost over FY 16/17		7.81%	31.43%	55.23%	78.32%	98.50%	118.56%	134.31%
County Total Allocated Positions	3,024	3,068	3,031*	3,031	3,031	3,031	3,031	3,031

(1) Based on actual PERs payroll data for FY16/17; projected to June 30, 2017

(2) Retirement rates for Misc. and Safety reflect CalPERS actual and projected rates for FY2016/17 and FY2017/18 respectively, and Bartel projected rates for remaining years.

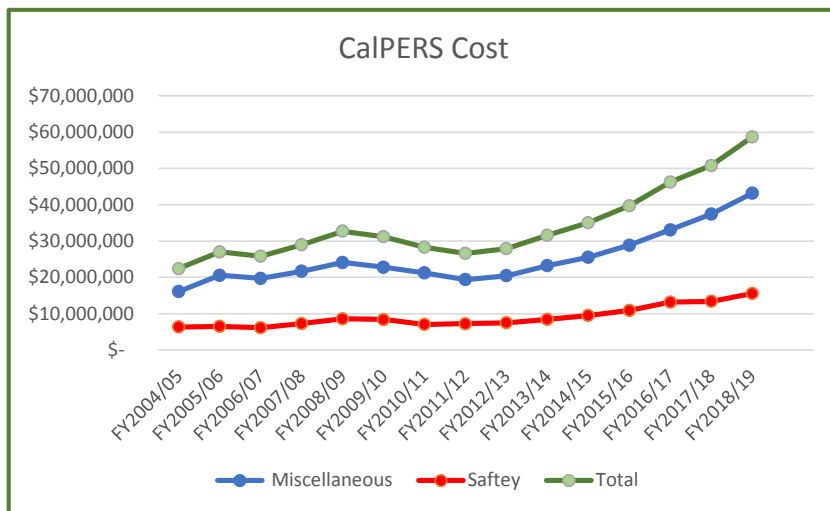
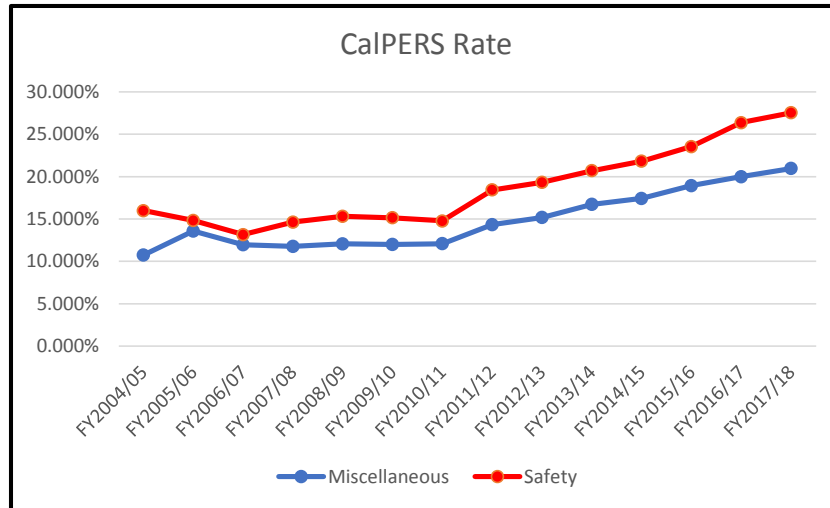
(3) General Fund Misc. costs based on a fixed percentage of the portion of salaries attributable to the General Fund

(4) General Fund Safety costs are assumed to be a General Fund expense as revenues from outside sources (Prop. 172/AB 109) are not sufficient to fund retirement cost increases

Note: CalPERS assumes a annual growth rate in salaries of 3% per year.

\* Based on FY2018/19 Recommended Budget

# Solano County's Historical Retirement Rates Costs



Fiscal Year	Miscellaneous	Safety	Miscellaneous	Safety	Total
FY2004/05	10.762%	15.983%	\$ 16,073,413	\$ 6,343,987	\$ 22,417,400
FY2005/06	13.584%	14.839%	\$ 20,561,465	\$ 6,470,846	\$ 27,032,311
FY2006/07	11.968%	13.147%	\$ 19,725,726	\$ 6,107,559	\$ 25,833,285
FY2007/08	11.766%	14.634%	\$ 21,676,153	\$ 7,277,186	\$ 28,953,339
FY2008/09	12.055%	15.306%	\$ 24,106,394	\$ 8,614,742	\$ 32,721,136
FY2009/10	12.003%	15.144%	\$ 22,806,900	\$ 8,381,081	\$ 31,187,981
FY2010/11	12.081%	14.775%	\$ 21,234,467	\$ 7,047,602	\$ 28,282,069
FY2011/12	14.333%	18.427%	\$ 19,378,729	\$ 7,233,110	\$ 26,611,839
FY2012/13	15.186%	19.344%	\$ 20,456,418	\$ 7,473,250	\$ 27,929,668
FY2013/14	16.720%	20.699%	\$ 23,199,719	\$ 8,406,619	\$ 31,606,338
FY2014/15	17.427%	21.838%	\$ 25,572,701	\$ 9,490,402	\$ 35,063,103
FY2015/16	18.931%	23.549%	\$ 28,845,564	\$ 10,861,936	\$ 39,707,500
FY2016/17	20.004%	26.377%	\$ 33,088,786	\$ 13,161,283	\$ 46,250,069
FY2017/18	20.967%	27.542%	\$ 37,410,115	\$ 13,397,701	\$ 50,807,816 est
FY2018/19	22.939%	30.258%	\$ 43,161,567	\$ 15,542,240	\$ 58,703,807 Budgeted

## Schedule of Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2016.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: Fiscal Year 2018-19.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. The Normal Cost Rate for each of the two fiscal years is assumed to be the same as the rate determined by the current valuation. All expected dollar amounts are determined by multiplying the rate by the expected payroll for the applicable fiscal year, based on payroll as of the valuation date.

Reason for Base	Date Established	Amortization Period	Balance 6/30/16	Expected Payment 2016-17	Balance 6/30/17	Expected Payment 2017-18	Balance 6/30/18	Scheduled Payment for 2018-19
FRESH START	06/30/04	18	\$(961,171)	\$(72,574)	\$(956,855)	\$(74,751)	\$(949,964)	\$(76,099)
BENEFIT CHANGE	06/30/05	8	\$817,498	\$101,974	\$772,121	\$105,033	\$720,228 *	\$107,422
ASSUMPTION CHANGE	06/30/09	13	\$7,716,950	\$707,409	\$7,553,044	\$728,631	\$7,355,060	\$743,434
SPECIAL (GAIN)/LOSS	06/30/09	23	\$14,699,510	\$971,556	\$14,776,854	\$1,000,702	\$14,829,700	\$1,016,653
GOLDEN HANDSHAKE	06/30/10	14	\$847,515	\$74,235	\$833,096	\$76,462	\$815,305 *	\$77,980
SPECIAL (GAIN)/LOSS	06/30/10	24	\$2,856,504	\$184,755	\$2,875,725	\$190,298	\$2,890,619	\$193,256
ASSUMPTION CHANGE	06/30/11	15	\$7,382,614	\$620,222	\$7,284,396	\$638,829	\$7,159,653	\$651,212
SPECIAL (GAIN)/LOSS	06/30/11	25	\$53,288	\$3,377	\$53,719	\$3,479	\$54,075 *	\$3,531
PAYMENT (GAIN)/LOSS	06/30/12	26	\$(16,441,809)	\$(1,022,355)	\$(16,595,009)	\$(1,053,026)	\$(16,727,725)	\$(1,068,577)
(GAIN)/LOSS	06/30/12	26	\$31,079,350	\$1,932,520	\$31,368,938	\$1,990,496	\$31,619,807	\$2,019,892
(GAIN)/LOSS	06/30/13	27	\$41,828,080	\$1,142,876	\$43,728,631	\$1,765,744	\$45,123,920	\$2,389,786
ASSUMPTION CHANGE	06/30/14	18	\$31,542,057	\$600,803	\$33,245,720	\$1,237,655	\$34,415,110	\$1,891,081
(GAIN)/LOSS	06/30/14	28	\$(32,712,294)	\$(460,100)	\$(34,648,061)	\$(947,805)	\$(36,221,222)	\$(1,442,201)
(GAIN)/LOSS	06/30/15	29	\$16,750,102	\$363,693	\$17,608,556	\$247,956	\$18,650,251	\$502,663
ASSUMPTION CHANGE	06/30/16	20	\$6,803,135	\$(322,942)	\$7,639,505	\$(332,630)	\$8,547,596	\$161,111
(GAIN)/LOSS	06/30/16	30	\$18,500,759	\$297,566	\$19,556,846	\$0	\$20,999,163	\$291,059
<b>TOTAL</b>			<b>\$130,762,088</b>	<b>\$5,123,015</b>	<b>\$135,097,226</b>	<b>\$5,577,073</b>	<b>\$139,281,576</b>	<b>\$7,462,203</b>

\* Total Balance as of 6/30/18 is \$1,589,608.

## Schedule of Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2016.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: Fiscal Year 2018-19.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. The Normal Cost Rate for each of the two fiscal years is assumed to be the same as the rate determined by the current valuation. All expected dollar amounts are determined by multiplying the rate by the expected payroll for the applicable fiscal year, based on payroll as of the valuation date.

Reason for Base	Date Established	Amortization Period	Balance 6/30/16	Expected Payment 2016-17	Balance 6/30/17	Expected Payment 2017-18	Balance 6/30/18	Scheduled Payment for 2018-19
FS 30-YEAR AMORTIZATION	06/30/08	22	\$(3,355,715)	\$(226,979)	\$(3,367,999)	\$(233,788)	\$(3,374,133)	\$(237,610)
ASSUMPTION CHANGE	06/30/09	13	\$35,119,281	\$3,219,368	\$34,373,357	\$3,315,949	\$33,472,343	\$3,383,314
SPECIAL (GAIN)/LOSS	06/30/09	23	\$37,632,292	\$2,487,285	\$37,830,301	\$2,561,904	\$37,965,592	\$2,602,739
GOLDEN HANDSHAKE	06/30/10	14	\$4,036,862	\$353,596	\$3,968,178	\$364,204	\$3,883,436	\$371,432
SPECIAL (GAIN)/LOSS	06/30/10	24	\$10,242,465	\$662,471	\$10,311,382	\$682,345	\$10,364,787	\$692,950
GOLDEN HANDSHAKE	06/30/11	15	\$499,507	\$41,964	\$492,862	\$43,223	\$484,422	\$44,061
ASSUMPTION CHANGE	06/30/11	15	\$25,522,238	\$2,144,154	\$25,182,690	\$2,208,479	\$24,751,445	\$2,251,288
SPECIAL (GAIN)/LOSS	06/30/11	25	\$13,431,713	\$851,278	\$13,540,191	\$876,816	\$13,630,207	\$890,101
PAYMENT (GAIN)/LOSS	06/30/12	26	\$(30,849,882)	\$(1,918,252)	\$(31,137,331)	\$(1,975,800)	\$(31,386,348)	\$(2,004,978)
(GAIN)/LOSS	06/30/12	26	\$75,252,099	\$4,679,191	\$75,953,274	\$4,819,567	\$76,560,701	\$4,890,742
(GAIN)/LOSS	06/30/13	27	\$144,307,709	\$3,942,946	\$150,864,647	\$6,091,852	\$155,678,421	\$8,244,811
ASSUMPTION CHANGE	06/30/14	18	\$74,474,616	\$1,418,569	\$78,497,171	\$2,922,253	\$81,258,243	\$4,465,070
(GAIN)/LOSS	06/30/14	28	\$(109,088,504)	\$(1,534,334)	\$(115,543,875)	\$(3,160,727)	\$(120,790,030)	\$(4,809,433)
(GAIN)/LOSS	06/30/15	29	\$55,685,420	\$1,182,528	\$58,566,862	\$824,714	\$62,031,583	\$1,671,879
ASSUMPTION CHANGE	06/30/16	20	\$20,682,251	\$(821,163)	\$23,058,472	\$(845,798)	\$25,635,466	\$483,195
(GAIN)/LOSS	06/30/16	30	\$60,914,436	\$1,205,189	\$64,158,036	\$0	\$68,889,691	\$954,847
<b>TOTAL</b>			<b>\$414,506,788</b>	<b>\$17,687,811</b>	<b>\$426,748,217</b>	<b>\$18,495,193</b>	<b>\$439,055,826</b>	<b>\$23,894,408</b>



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

<b>Agenda #:</b>	24	<b>Status:</b>	Regular Calendar
<b>Type:</b>	Report	<b>Department:</b>	Health and Social Services
<b>File #:</b>	18-423	<b>Contact:</b>	Gerald Huber, 784-8400
<b>Agenda date:</b>	06/12/2018	<b>Final Action:</b>	
<b>Title:</b>	Receive a presentation of Health and Social Services' five year financial forecasts for Mental Health and Health Services		
<b>Governing body:</b>	Board of Supervisors		
<b>District:</b>	All		
<b>Attachments:</b>			

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services recommends that the Board of Supervisors receive a presentation on the five year financial forecasts for Mental Health and Health Services.

### SUMMARY/DISCUSSION:

As part of the Board of Supervisors' continued interest in ensuring services are available to the community, County departments with revenue exposures were asked to prepare five year revenue and expenditure forecasts in anticipation of the programs and services that will be discussed during FY2018/19 Budget Hearings. Mental Health and Health Services have completed their five year financial forecasts and they are included in the attached presentation. The Board received initial In-Home Supportive Services (IHSS) forecasts during the FY2017/18 Budget Hearings and updated forecasts throughout the fiscal year, also summarized in the attached presentation. The five year forecast for Substance Abuse will be completed in June 2018 and a five year forecast for Social Services will be initiated in FY2018/19.

Health and Social Services (H&SS) is a separate fund from the County General Fund and relies primarily on Intergovernmental, 1991 Realignment, 2011 Realignment, Charges for Services, Mental Health Services Act, and County General Fund revenues to operate its six divisions. These funding sources have varying levels of flexibility in terms of allowable expenditures. Additionally, the divisions are financially interconnected through Realignment funding and changes in program requirements in one realigned program can have an impact throughout the department and the County General Fund to the extent that revenue shortfalls are not offset by reductions in expenditures.

Historically, Mental Health funding has been vulnerable to economic downturns and increased demands for funding entitlement programs. Health Services revenues have been impacted by the Affordable Care Act and the rapid, significant increase in capitated patients (Medi-Cal patients assigned to County clinics). Both Mental Health and Health Services revenues are experiencing revenue reductions as a result of the new IHSS



Maintenance of Effort and Social Services has had recent reductions in funding allocations from the State for the CalWORKs and Cal Fresh programs.

**FINANCIAL IMPACT:**

H&SS is anticipating revenues and expenditures of \$321 million in FY2018/19 to provide programs and services.

**ALTERNATIVES:**

The Board could choose not to receive this presentation. This is not recommended because the presentation provides an opportunity to update the Board on the fiscal forecast of H&SS, including revenue exposures.

**OTHER AGENCY INVOLVEMENT:**

The County Administrator Office's has been consulted on this report.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION