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SUPERVISOR - FOURTH DISTRICT

State of the County

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Chairman, Kern County Board of Supervisors

Good evening and welcome to the 21st Annual State of the County. I'm very excited to be here. No really. A few months ago, I wasn't certain that I'd get to be here ... and let's be honest, some of you all weren't so sure either. 2018 certainly presented some challenges.

In 2018 there was a little thing called redistricting, and an election, and something called Cannabis was in the news. 2018 wasn't an easy year but we made it and we had some wins. And I don't mean just me. The County as a whole saw great success in 2018. Kern County (Supervisors, Department Heads, Staff, and you here tonight) stepped up and met our challenges head on.

Tonight I'd like to do a couple of things. I want to talk about the success we've seen and acknowledge our challenges. I want to lay out a clear picture of the road ahead. Lastly, I want to talk about the role every one of us in this room plays in that. And I want to do that in the context of tonight's theme: "It is always now."

Keep this in mind while you listen tonight. It is always now.

The past is a memory. It's a thought arising in the present. The future is merely anticipated. It's another thought arising now. What we truly have is this moment ... and this moment ... and this one.

And we can spend much of our lives forgetting this truth, repudiating it, fleeing from it. All we really have is now. Right now.

So, now, let's get to it and talk about our successes.

We followed through on our commitment to diversify our economy, while still remaining grounded in what makes Kern County unique. We saw growth at the Tejon Commerce Center, The Wonderful Industrial Complex, and out at our airport. More companies are recognizing the value in terms of connectivity that Kern County offers with our highways, rail spurs, and airports. Combined with our loyal workforce, cooperative permitting process, and reasonably priced real estate ... Kern's potential is getting recognized.

In May of last year, Kern County was named the Wind Capitol of the World! We're leading the nation in several categories – Wind and solar energy ... We're the number one ag producer in the nation. Kern is the No. 2 oil-producing county in the nation, with 72% of California's total oil production. And our attractive real estate market makes us the second most affordable County in the state.

Outside of the industries that are part of our history, that ground us in tradition and give us that small town feel ... with nearly 1 million of your neighbors ... we've also witnessed amazing developments in aerospace. Perhaps you recall a little thing called Spaceship Two, or the VSS Unity. Perhaps you've heard of the Stratolaunch?

Right here in Kern County we are proud to have the Mojave Air and Space Port that is bringing together the likes of Virgin Galactic, The Spaceship Company, Scaled Composites, Northrup Gruman, Lockheed Martin and a host of other companies – all in an unassuming location in East Kern that has quietly gone about their business breaking records, breaking the speed of sound, and breaking the mold.

Additionally, we're proud to be home to two military installations - Edwards Air Force Base and China Lake Naval Air Weapons Station. They're both reaching outside their gates to improve their communities and while we'd love to tell you about all the work going on inside the gates ... if we did Mick Gleason would have to kill you.

As an organization we saw great success as well. A culture change is underway. We continued our focus on efficiency and process improvement with our Lean Six Sigma effort – Launch Kern. Through our Launch Kern projects we've saved the County more than \$7 Million dollars and that doesn't include the money saved through learning to do more with fewer people. We've taken the opportunity not to rehire where possible and we've watched our service levels closely to ensure we're not doing this on the backs of our residents who need us most.

Our departments have done great work individually and while I can't recognize every one of our 30 plus departments there were some really impressive accomplishments.

Just this morning the Kern County Homeless Collaborative conducted the annual point in time count. Kern County recognized that we had a need to address and so we appointed a homelessness coordinator this past year. For the first time, we had more

than 125 County employees volunteer for the count. There were more than 550 volunteers total that signed up to participate in the count, shattering records from the previous years.

For the first time we had teams in all of our outlying communities, not just Bakersfield. Delano, Rosamond, California City, Taft, Tehachapi, McFarland, Lost Hills, Mojave, Frazier Park, Lamont, Arvin, Boron, Maricopa, Ridgecrest ... all of them had teams out connecting with our residents who need us most. This is such important work as our ability to fund services to this group is tied to this point in time count. For all of you who were there this morning, thank you for being here tonight – I'm sure you're exhausted.

Another item that's been on everyone's mind this past year is pedestrian safety. Our Public Works department had a huge focus on making our sidewalks and crosswalks more ADA compliant, accessible, and safe. They secured nearly 20 million in funding for pedestrian improvements in the last fiscal year alone. They updated nearly 80 intersections with single-lane uncontrolled crosswalks to be ADA compliant, updating the paint, curbs ramps and adding street lights. That work alone was a 5 million dollar investment. We've also updated more than 60 intersections with countdown crosswalk signs that tell pedestrians how long they have left to cross. That was EVERY intersection within a half mile of a school. Walkkern.com is a website hosts all the interactive maps, tours and updates on these projects.

Normally this would be the point in the evening where Congressman Bill Thomas would stand and take the floor for a while, however he couldn't be here tonight. He's up in Sacramento attending a Transportation Commission meeting trying to secure funding to finish up a few of the items in the Thomas Roads Improvement Project. So we'll thank him for all he does for our community and finish up a few minutes earlier.

This past year Public Health worked diligently to help county residents make healthy eating choices, among several other programs. They started their certified healthy ratings for restaurants that offer diners healthy food options and meet 10 nutritional criteria, empower residents to make healthy choices when they eat out. They also launched their pilot program know your numbers. The Know Your Number' initiative encourages residents to keep track of their health--including cholesterol level, blood sugar, and blood pressure. Kern County is actively working to keep our residents safe and healthy.

Finally, I want to recognize the work our budget staff has done. For the past two and half years they've been working to follow our deficit mitigation plan. By the end of fiscal year 19 - 20 our deficit will be completely resolved. Nancy and Elsa could whip the folks in Washington into shape. And while budgets and finances might not be everyone's favorite subject, our budget team has been awarded the Distinguished Budget Presentation Award for the fourth year.

We understand how valuable those success stories are because we know how hard we worked to achieve them.

Last year we heard that some of our residents felt they weren't being represented. I'm referring to the MALDEF lawsuit. Representing new and different communities after redistricting requires us to be thoughtful, inclusive, and transparent, maybe more so than ever before. I believe our employees, who are the lifeblood of the services we provide, do that each and every day and the Board is committed to serving each community and resident to our very best.

Our fiscal situation continues to present what some might call "character building moments". It's still tough and we still have cuts to make. That's what makes our Launch Kern projects so important. We are going to need every employee looking at how they do their jobs and continue to find more efficiency so that we can continue to cut waste instead of jobs.

We have employees who would love an increase in pay and quite frankly, who deserve them. Everyone of us on the board would love nothing more than to be in a financial position to give every employee a cost of living increase. But we're one and half years away from resolving our deficit and we have the task of deciding if cutting people is worth being able to provide that increase. So far, we've chosen to keep as many people employed as possible. And really, not just employed, but working for all of you.

There is more road in front of us than there is behind us. We have huge opportunities here in Kern County. To take advantage of those we must understand where we are. There are economic realities, legislative impacts, and community developments that will affect our ability to take full advantage and they'll affect every one of you as well... and we're still in California. Some of you are business owners that are subject to the same economic cycles we are. Some of you may be part of a corporation that battles the same legislative issues that we do. And still some of you are representing communities that are changing or trying to change to meet the demand of your residents, just like we are.

Our economic diversity is still a concern. We are heavily tied to oil and ag and that means we ride the wave as they do. That doesn't diminish the value the other industries represent. Quite frankly, it's just the opposite.

We have an abundance of sun and wind. Are we, the Wind Energy Capitol of the World, partnering with those existing businesses to look for the next opportunity that stems from their power generation?

I mentioned aerospace earlier but let's revisit that. We compete with Florida for organizations that need launch access. Do you know what we have that they don't ... clear skies most of the year. The number of days we have in Eastern Kern that are clear for launch far exceeds what Florida can provide. We could be the "Launch Capitol of the World" but we're losing that manufacturing opportunity when companies come do their research here and leave to build it elsewhere.

We've been operating in the distribution space for a few years now and we've just recently entered the e-commerce space with Amazon's facility. What's the next evolution? What should be built to support those industries? We have to continue to break the mold and capture all of the opportunities out there.

We also have to pay attention to the legislative climate this year. The decisions made at the State level have a direct impact on us. They can affect our funding streams and that could mean millions of dollars that we use to provide services. We saw this last year with In Home Support Services and we've witnessed a trend over the past few years where the State is saddling local governments with more and more of the costs.

The new Governor rolled out his budget a couple of weeks ago and counties are already expressing concerns over some of the items in his budget. Fortunately, the California State Association Counties is weighing in on those concerns. Also taking place this year, will be the bail reform that was approved in 2018. This could potentially be a drain on our Public Defender and District Attorney's offices. Additionally, when the City of Bakersfield adds 100 officers to their force our entire law enforcement system will be strained. We'll have to find a way to keep up.

This means that we will have to be more vigilant in our partnership with state elected officials than we've ever been. We will have to actively inform them on the needs of our County, including the needs of our businesses who play a huge role in our fiscal position.

In addition to the economic and legislative realities there are community based changes that are more pronounced now than ever before. We're seeing revitalization efforts in so many of our communities. Cities are exploring alternative sources of income in order to stop a negative trend of losses and it's pushing them into spaces they've never entered before. It's exciting to be a part of the conversations with communities as they actively pursue options to diversify their own economic outlook.

McFarland is working to expand and add new developments that will hopefully give them the ability to realize greater revenue. Shafter also continues to see some exciting developments.

We could stop there and say yeah there's a lot of good stuff, a tough road ahead, and we'll chip away at it but that's not enough. We have the chance to exceed expectations and capture all of the opportunity before us. Let's talk about how the County leads that charge.

The foundation of all of this is that the County has to be in a solid fiscal position. We'll continue our four-year deficit mitigation strategy. We're sticking with it and we will see better days ahead. That doesn't mean all of the challenges will disappear. Not at all. We're still going to see fluctuations in property tax revenue. We're still going to have increasing demands placed on our people, our systems, and our services. That's why it's critical that we stay the course.

We'll continue our focus on efficiency. We have to. We owe you that. And Good Government requires it. There is no excuse for waste. There's no excuse for unnecessary redundancy. We'll make sure every new employee receives training on our Launch Kern program and we'll pursue the departments and employees who still need to participate.

If we've saved more than 7 million dollars in the first two years with only 700 employees taking part, imagine what we'll find if 7,000 of our employees were taking part and looking for efficiencies in everything they do. Right now is the time to shatter the perception that government spending is always wasteful. Why can't Kern County be "the gold standard" in fiscal responsibility? I think we owe you that too!

We're committed to business and economic development. We'll continue to support organizations like KEDC and Cal State University Bakersfield's Small Business Development Corporation who are out there every day helping bring business to Kern County and helping those who want to start a small business find success. We have a dedicated team who's ready to use our economic incentive program to attract businesses that want to bring high-paying jobs to Kern County. Unlike any other county in the State, we have an incentive program that allows organizations to receive a rebate on their property taxes based on how many high-paying jobs they create and how long those jobs remain.

We've recently added three economic diversity coordinators to the East Kern area. These three employees are tasked with pursuing opportunities to bring new business development, real estate development, and infrastructure improvements to the communities of East Kern. We have such a talent pool in East Kern and we have to do a better job of bringing in ancillary businesses that complement our bases and space port.

We know our residents need jobs and a healthy, employed work force translates to a healthy and vibrant economy. We maintain our commitment to supporting the companies that will support our residents. Right now, we're starting partnerships with communities, citizen groups, and legislators that will provide us with future opportunities. But we have to build those partnerships now. We have to be taking part in the conversation now. We'll continue to partner with our cities and communities as they look to develop their economic opportunities within their own boundaries. Our people in Planning will continue to bring developers to the table to expand the opportunities we have. We'll continue to partner with our industrial centers.

Whether it's our health statistics, our homelessness rate, our economic development or pet fostering and adoption we have the knowledge and expertise to change the landscape of our community.

These challenges can't be met and the opportunities cannot be seized if we don't have partnership. As a county we assume a great responsibility for all of these issues. They are in our wheelhouse. We're good at it. But we cannot succeed alone.

Here tonight we have representation from renewable energy, health care and hospitals, agriculture, mining, energy providers, trash haulers, oil, construction, k through 12 education, higher education, veterans, non-profits, local sports affiliates, transportation, emergency services, aerospace, air control, economic development, and most of our cities. This is a room full of the most connected and influential people in this County. If the people in this room can't solve a problem, something's wrong.

We need you. Your time. Your brains. Your expertise. And we need you right now.

So ask yourself, what's your role in the solution to homelessness? To economic growth? To stray animals. Whatever! I'll tell you what it is. It's to partner with us as we take the "right now" and turn it into opportunity and success. To be an ambassador for Kern County. A recent survey showed that the rest of the Country thinks more highly of Kern County than the people who live here do. We need you out there bragging about yourselves.

What problems persist because you're willing to look the other way? Where are we looking the other way and we don't even know it? What partnerships are we missing "right now"?

What can we learn from how private sector tackles a problem that we could put into practice here in our local government? What are you doing in your city that we're not doing at the County? What resources do we have that would create better partnerships with those trying to change the face of our communities? How can nonprofit work differently than it has in the past?

If every single one of us in the room focused on how to capture the opportunity and overcome our challenges that all of us face, how would that look?

Because the bottom line is that "right now", we have to dig down and make it happen. Right now we have to ready ourselves for the next opportunity. Right now we have to stop telling ourselves that we've always done it that way, that we're different here and that it's somehow a negative.

I want to share a few quick examples of how right now looks in the lives of people sitting right here tonight.

My District Director, Sal Moretti, he's worked for the City of Albuquerque leading all sorts of projects in Public Works. He worked for the City of Bakersfield as a superintendent. He was in the United States Air Force. He's done all of that and we hired him at the County and within two weeks he was being rushed to the hospital for open-heart surgery. No warning. No time to prepare. And no guarantees that tomorrow was around the corner. Sal lives differently these days. He doesn't sweat the small stuff and he lives for the right now. For Sal ... it's always now.

Jeff Flores, chief of staff for Supervisor Mike Maggard, is also no stranger to unexpected circumstances and tragedy. Jeff's young niece one day discovered a paralysis in her foot. Within a few days that paralysis spread and she passed away before she ever had the opportunity to fully experience life. That tragedy has certainly changed Jeff and his perspective on life. I think if you were to ask Jeff he's more aware of the moment and let's fewer of them pass without saying and doing the things he needs to. For Jeff, it's always now.

And lastly, years ago before my mom and dad passed away, my dad called me to talk to me about a decision we were going to make on the Bakersfield City Council. It was an emotional event and people were not going to like the decision. He said these words to me, "Do what you think is right, and take the consequences."

Right now, we have to do what we think is right. For Sal and Jeff, they live each moment as if it's always now. Not unlike our task as leaders in our communities, we have to live this moment in our leadership because ...

It's Always Now