cc: ty ce: Jloch ng: Jony

Merced County Board of Supervisors Merced City

The city of Merced will be working with the County to try to put in a Wal Mart Distribution Center. We recently viewed the public announcement this August and we are pretty appalled that this has been a closely kept "secret" for a few years now. They claim that the site is "secured" and that this is a "done deal". We don't think so!! We are heartily against it. The economic benefits seem great on paper, but what does

the facility really bring to Merced County?

Increased traffic: up to 1500 trucks a day in and out of the facility. It is a behemoth... No matter how green they say they are, the air impact will be great. Location near schools and residence is not safe. We are concerned about the NOISE in an area where people build homes. What is the grease and grime and accident impact with that amount of traffic?

Road congestion: we are already up to our ears in traffic on 99 and in the County. With the university and the prison and other huge manufacturing the "rush hours" have become unbearable. People are trying to get to work and to shop.

Trash from truckers: On my street already, there is much trash on the pull over exits for truckers needing to stop on their mandated rest periods.

Permanent Low wages: The hire of a huge workforce with low wages, shifts of the care of employees hired from in or from out of town to social services as the County and City must pick up WIC, Food stamps and other supplementation for these poverty wages touted to be "competitive". Not all jobs are good jobs for people! A common practice is to actually direct employees to state/local services for health and welfare!

Stigma and crime: The new film which you must view, <u>Wal Mart The High Cost of Low Prices</u>, shows the crime in parking lots, the pressing of supervisors to threaten workers to work overtime for no pay, the subversive union busting activities and perhaps illegal monitoring of employees, the discrimination against women and the number of legal violations represented by the many lawsuits brought against the company over the years reflects badly on Merced's values and work ethics in this hard working community. Thank you. Plugging into <u>www.againstthewal.org</u> will clue you to other communities' problems with this huge corporation!

Melissa Stevenson

ł

Tim Stevenson 2988 Buhach Rd

, ERA (CREALENCE), ENGLAN

alan ang sing paggana Marina ang kata

Merced Ca 95340 209 358 0660

NOV 17 2005

King, Bill

From:Hunn, Richard [RHunn@esassoc.com]Sent:Monday, August 22, 2005 8:26 AMTo:King, BillSubject:wal mart

Bill, Big news in Merced!

Richard

Press Release

Source: Wal-Mart Stores, Inc.

Wal-Mart Proposes Merced as Site for New Distribution Center Sunday August 21, 11:00 am ET

Facility's Impact Seen in 600 New Jobs and Environmental Initiatives

BENTONVILLE, Ark.--(BUSINESS WIRE)--Aug. 21, 2005--Wal-Mart Stores, Inc. announced today that it is proposing Merced, Calif., as the site for a planned regional distribution center.

The new state-of-the-art facility would break ground in the City of Merced between Childs and Gerard roads at the end of Kibby Lane. Construction is planned to begin in 2007, with service to stores to start in 2008.

The center will offer competitive wages through the initial creation of some 600 full-time jobs. Wal-Mart associates are eligible for a comprehensive benefits package, which includes health insurance, profit sharing, 401K, paid vacations, stock purchase plan, scholarships and store discounts.

"This distribution center will combine the most advanced technology in warehouse logistics with the tried-and-true labor that has defined Merced -- all in an effort to provide optimum service to our stores and customers in the surrounding area," said Rollin Ford, Executive Vice President of Logistics for Wal-Mart. "It is a significant project that represents our continued commitment to California as a partner in both economic development and community."

Ford noted that while it took a collective effort by many different people and parties to help secure a California site, special recognition should be given to Governor Arnold Schwarzenegger and his economic development team, Senator Jeffrey Denham, and Development Manager for the City of Merced, Frank Quintero.

The new facility will be served by Wal-Mart's truck fleet, which recently enrolled in the environmentally conscious program, The SmartWay Transport Partnership. "SmartWay" is a voluntary initiative that increases the U.S.'s energy efficiency and energy security, while reducing air pollution and greenhouse gas emissions.



CONFIDENTIALITY NOTICE: THE INFORMATION CONTAINED IN THIS DOCUMENT IS PRIVILEGED AND CONFIDENTIAL AND IS SOLELY INTENDED FOR THE ADDRESSEE NAMED HEREIN. IF YOU ARE NOT THE ADDRESSEE OR AN EMPLOYEE OF THE ADDRESSEE WHO IS RESPONSIBLE FOR RECEIVING THIS DOCUMENT, BE AWARE THAT ANY DISTRIBUTION, COPYING OR COMMUNICATION OF THIS DOCUMENT IS STRICTLY PROHIBITED. UNAUTHORIZED INTERCEPTION, REVIEW, USE OR DISCLOSURE ARE PROHIBITED AND MAY VIOLATE APPLICABLE LAWS INCLUDING THE ELECTRONIC COMMUNICATIONS ACT. IF YOU HAVE RECEIVED THIS DOCUMENT IN ERROR OR IF THE ENTIRE MESSAGE HAS NOT BEEN RECEIVED, PLEASE NOTIFY US IMMEDIATELY AT THE TELEPHONE NUMBER LISTED AND DESTROY ALL COPIES OF THE COMMUNICATION. THANK YOU. 1495 Breezeway Court, Mercad, CA 95340-8380 Geteway to Yosemite Home to UC Merced

Fax 209 522-7871 fax Bill Lyons To: Michael and Pei-Yin Flores From: 209 723 1280 Fax: 408 667 0172 Phone: Wal-Mart Distribution Center in Merced Ro: mikeflores2000@yahoo.com Email: Pagesi 2 Date: Thursday, August 18, 2005 For Review **Please Comment Please Reply** Urgent

Comments:

Kudos for you and the City of Merced for bringing this project online. You have my support and other responsible Silicon Valley Investors who care about Merced Jobs for Merced residents.

I found the orange flyer at my front door of one of my new rentals at StarLight Estates Subdivision People complain about non-owner occupied new homes in Merced. Where are the jobs?

Can anyone convince me if Wal-Mart Distribution jobs are any different than McLane-Pacific Distribution jobs already in Merced?

Wal-Mart and City Secretly Planning Distribution Center!

Wal-Mart and city officials are negotiating behind closed doors to build a 1 million square foot distribution center between Childs Avenue and Gerard Avenue on property owned by developer Bill Lyons of Modestol This distribution center will be served by a new major road via the Mission Avenue interchange currently being planned by the state and county!

Are 600-1,000 Low-Paying Jobs Worth Risking the Health of Our Community?

The two most common and dangerous air pollutants are particle pollution and ozone pollution. Trucks and cars are major contributors to both types of air pollution. According to the American Lung Association, analyses undertaken over the past five years the air pollution to shorter lives, heart disease, lung cancer, asthma attacks and serious interference with the growth and work of the lungs.

- FACT: The Wal-Mart Distribution Center in Apple Valley was projected to generate 600 truck trips per day. (Source: Desert Dispatch, "Wal-Mart facility planned for AV," August 20, 2002)
- FACT: Merced is tied with New York City a city over 100 times its size – as the 18th worst city in the United States for particle pollution. (Source: American Lung Association, State of the Air: 2004)
- FACT: Merced Is the 8th worst city in the United States worse than New York - for ozone pollution. (Source: American Lung Association, State of the Air: 2004)

Tell Wal-Mart and Their Hundreds of Trucks to Hit the Road!

Call the Mayor and City Council at 209-385-6834 and Bill Lyons of Lyons Investments at 209-522-1762



June 17, 2005

James G. Marshall City Manager 678 W 18th St Merced CA 95340-4708

Dear James

In recent months, facts have started to come out about how Wal-Mart, America's largest corporation and private employer, shifts billions of dollars onto the backs of taxpayers and local and state governments.

Wal-Mart wages are so low, and their benefits so poor, that many employees qualify for government programs for the poor and near poor. Recent studies in 13 states reveal that taxpayers are forced to subsidize the world's largest corporation by paying the health care costs of uninsured and underinsured Wal-Mart employees and their families. In Georgia, for example, a state study found 10,000 children of Wal-Mart workers were enrolled in the state's health insurance program—almost fourteen times the next highest employer—at an annual cost to taxpayers of \$6.6 million.

Despite over \$10 billion in profits in 2004, Wal-Mart also benefits from millions per year in direct and indirect subsidies and tax-payer-financed assistance: reduced-price land, infrastructure assistance, tax increment financing, tax breaks, job training and worker recruitment funds to name only a few.

As an elected official, you can help change policies that put responsible employers at a disadvantage, place undue burdens on taxpayers and state and local government, and distort the economic development process in favor of powerful special interests. Across the country, citizens and their elected leaders are pushing for greater transparency and sound policies to ensure that Wal-Mart, as the big-box retail leader, contributes to the health of our communities. We need your involvement, your ideas and your support.

Wal-Mart Watch is a clearinghouse for activists, policymakers and those who have an interest in challenging Wal-Mart and other big-box stores to be responsive to the needs of community stakeholders. We work closely with organizations nationwide that have years of expertise in developing innovative policy proposals to set new standards for corporate behavior. (For additional information about our organization, please visit us online at <u>www.walmartwatch.com</u>.)

Local and statewide bodies across the country have begun to propose bills and pass laws to protect their communities from the "Wal-Marting" of America. They address a range of issues, from who should bear the burden of employee health-care costs, to whether stores the size of five football fields are appropriate to urban centers. The Institute for Local Self-Reliance publishes a monthly email bulletin that tracks new state or local legislative initiatives: www.newrules.org/retail/ebulletin.html

0 **4 6 7 2** 2 3

Some examples of the policies under consideration in cities, counties and states include:

Health Care Requirements for Big Employers Legislation

Several states are considering legislation that would require large employers to shoulder their fair share of employee health care costs, rather than pushing these costs on to taxpayers and employees. A bill passed by the Maryland state legislature (and recently vetoed by the Governor with a Wal-Mart executive at his side) requires companies with more than 10,000 employees to spend at least eight percent of payroll on health benefits, or pay an equivalent amount into the state's Medicaid fund. A bill in Washington State would require companies with more than 50 employees to pay a fee that would cover 85 percent of the cost of enrolling employees in the state's Basic Health Plan for low-income workers. For a legislative update, please go to www.walmartwatch.com/healthcare.

Health Care Disclosure Legislation

Bills pending in several states would require states to collect and disclose the names of the employers of applicants for publicly-funded health care programs such as Medicaid and SCHIP, as well as any person requesting uncompensated care in a hospital. To date, Massachusetts is the only state to have passed specific legislation. For further information, see: www.goodjobsfirst.org/gjfhealthcaredisclosure.htm.

<u>Community Impact Legislation</u>

A growing number of communities have enacted economic, fiscal, environmental and/or community impact review standards for retail enterprises, typically triggered by a certain size threshold. Several states are considering legislation that would make this review mandatory for communities state-wide. New Jersey's bill has a special regional component that gives neighboring towns a voice in the process: www.newrules.org/retail/mirni.html.

• Living Wage Ordinances

Several cities have enacted living wage ordinances that require Wal-Mart and other large corporations to provide living wages, decent benefits and community access to sidewalks or parking lots to talk to the public and workers about civic and labor issues. For further information, contact the Brennan Center for Justice, which assists coalitions with a unique blend of legal, policy and research support: <u>www.brennancenter.org</u>.

Big-Box Taxes

Some states have proposed and enacted legislation that directly places a tax on big-box retailers that pay less than living wage and/or are situated outside of downtowns. Receipts of the tax are directed to government-funded health care programs. The rationale behind this law is that there are higher state/municipal costs for public assistance programs and infrastructure/services associated with sprawling commercial development. A big-box tax bill with these stipulations has been proposed in the Maine legislature; www.newrules.org/retail/bigboxtaxme.html

We urge you to consider offering comparable legislation of your own. Additionally, we welcome your valuable feedback and suggestions on how we can help policy-makers like yourself do your jobs best.

Please fill out the attached response card and submit either electronically at <u>www.walmartwatch.com/legislativesurvey</u> or via U.S. Mail, to tell us how we can be of assistance to you in ensuring that economic development benefits communities, rather than draining them of needed resources and vibrant downtown businesses.

Tell us what you need; we are here to assist you. And thank you.

Sincerely,

Andrew Grossman Executive Director

P.S. To read Wal-Mart Watch's Annual Report: Low Prices at What Cost? released during the week of Wal-Mart's Annual Shareholders Meeting, please go to www.walmartwatch.com/annualreport.



As a locally elected official and respected leader in your community, we wanted to take the opportunity to share with you some important information about Wal-Mart's current California operations and our vision for the future.

Wal-Mart is a contributing member within the communities we serve. We strive to maintain high standards among our local Store Managers and Associates, give back to our communities, and continue to offer Everyday Low Prices to our consumers. With these goals in mind, the following is information to better acquaint you with the positive impacts Wal-Mart has had in California.

60,500 California Associates and counting

Wal-Mart entered the California marketplace in 1990. During the past 14 years, Wal-Mart has opened 147 stores, 1 Supercenter, 32 SAM's Clubs, and 7 distribution centers. We now *directly* employ 60,572 Californians. These facilities help local communities in several ways:

- Wal-Mart collected and paid a total of \$37.4 million in California state and local taxes last year.
- Wal-Mart offers all of its Associates competitive salaries and a comprehensive benefits package, including medical, dental, 401(k) plans, paid vacation and holidays, profit sharing, a stock purchase plan, Associate discounts on purchases, scholarship bonuses, child care discounts, and more.
- The average hourly wage in California for Wal-Mart Associates is \$10.37.
- 40% of our Associates did not have health insurance prior to working at Wal-Mart.
- Wal-Mart promotes from within. Sixty-five percent of our management began their careers as hourly Associates.
- Wal-Mart is committed to providing a diverse workforce. To attract qualified employees, we aggressively recruit applicants from local communities.
- Wal-Mart saves California consumers' valuable time and money by providing a broad assortment of general merchandise at Every Day Low Prices.

In fact, *FORTUNE* magazine named Wal-Mart the "Most Admired" company, as well as one of the 100 best companies to work for in America. We are proud of those designations, and will strive to do even better in years to come.

Charity begins at home

We are proud to be a leader in donations to local charities in the communities we serve with our *Good.Works* program. We empower our Associates to determine how and where to make charitable contributions from their store. Funds stay in the local community to benefit the area where they are raised. *In 2003, California Wal-Mart's charitable contributions exceeded \$11 million.* Wal-Mart is the largest corporate donor in the country, contributing more than \$150 million last year to local communities nationwide. Customers and Associates raised an additional \$70 million at stores and clubs. This is probably why in a recent survey, the public identified Wal-Mart as the first company they think of that actively supports local causes and issues.

Wal-Mart's goals are simple

We would like to continue to be a vital part of the California economy and continue our efforts to partner with the communities we serve. We are often traveling throughout California in an effort to become even better acquainted with each of our stores, our Associates, and the role Wal-Mart plays within local communities. We would certainly enjoy the opportunity to meet with you and to discuss your thoughts, goals, concerns, or any insight you may want to share regarding Wal-Mart. Further, we sent to your City Manager an informational DVD on California Supercenters which we encourage you to review. If you would like your own copy, please let us know and we'd be happy to send one to you.

In the meantime, enclosed is some additional information on Wal-Mart's commitment to people and communities for your review. Should you have any questions or comments regarding Wal-Mart Stores, Inc. please don't hesitate to call us at (800) 793-6522 or log onto <u>www.walmartfacts.com</u> (our new informational website which will be available in the very near future).

Thank you for your time.

Sincerely,

Pet & Kanelon

Peter J. Kanelos Wal-Mart Stores, Inc. Community Affairs Manager Central and Southern California

Kin Lost

Kevin Loscotoff Wal-Mart Stores, Inc. Community Affairs Manager Northern California

Enclosure: Simple Facts About Wal-Mart

SIMPLE FACTS ABOUT WAL-MART

PAY AND BENEFITS

Wages	 Wal-Mart is committed to pay good and fair wages for every single job. Wal-Mart couldn't operate a growing business if it weren't a desirable employer. Wal-Mart's average hourly wage in the US is almost double the federal minimum wage, and in many regions,
	higher than unionized competitors. In California, the average hourly wage of our associates is \$10.37.
	 Roughly two-thirds of our associates are students working through school, retirees who need or want another career, or working spouses in a two-income family.
Benefits	 In addition to competitive wages, Wal-Mart provides 401(k) plans, profit sharing, a Wal-Mart discount card or Sam's Club membership, stock purchase plans, performance-based bonuses and company paid life insurance and career advancement opportunities.
	 In 2004, Wal-Mart projects that approximately \$4.3 billion will be spent on benefits provided to associates.
	 Approximately three-fourths of Wal-Mart's jobs are full-time.
	 As the fastest growing company in the world, Wal-Mart offers unlimited career opportunities. Two-thirds of store management associates started their careers in hourly positions. In 2003, more than 9,000 hourly associates were promoted into salaried management jobs.
Healthcare	 Wal-Mart believes that all Americans should have access to health care. Until this is addressed nationally, Wal-Mart is working hard to offer good, affordable coverage to associates.
	Nearly 40% of Wal-Mart associates did not have access to healthcare insurance prior to joining Wal-Mart.
	• Even as healthcare costs continue to rise, Wal-Mart continues to pay about two-thirds of the cost of healthcare coverage for the Associates' Medical Plan.
	 The Wal-Mart plan offers solid benefits for basic needs and catastrophic coverage. Once an associate's deductible has been met, the plan generally pays 80% of charges for all included services.
	 There is no lifetime cap on associate healthcare coverage after one year on the plan, even for long-term illnesses. Associates enrolled in the Associates' Medical Plan have access to world-class bealthcare at the Mayo Clinic, Stanford University Hospital, Johns Hopkins University Hospital and many other leading healthcare facilities - all without a referred.

COMMUNITY IMPACT

"Big Box" Ordinances	 Wal-Mart believes in choice, that it is wrong for a government entity to tell people where they can shop, or to deny consumers the opportunity to pay lower prices.
	To date, no government entity has proven that a single building with multiple product lines (such as a Wal-Mart Supercenter) has any different impact on a community than a series of individual businesses located in a strip mall or shopping center.
	 A national study by UBS Warburg found that Wal-Mart grocery prices are 17% to 20% lower than other supermarkets, which has the greatest benefit for a community's low-income families.
Community Benefits	A new Wal-Mart in a community means new jobs, commerce and tax revenues that help fund basic services like police, fire and schools. Wal-Mart generates more than \$8 billion in sales tax revenues and millions more in property taxes every year.
	 The average Supercenter collects \$4.5 million in sales tax revenue each year and brings 400-500 jobs, of which approximately three-fourths are full-time.
	 Wal-Mart raises the standard of living for families by bringing affordable goods to areas that might not have access to them otherwise.
	 In the U.S., Wal-Mart is the leading employer of African Americans with over 200,000 African American associates; largest employer of Senior Citizens with more than 220,000 associates who are 55 and over; and the largest employer of Hispanics with more than 128,000 Hispanic associates.
	Wal-Mart is the largest corporate donor in the country, contributing more than \$158 million this year to local communities.
Small Business	 Wal-Mart started out as a small company with great competition and has been successful because of its ability to meet customers' needs. Ultimately, the customers, not Wal-Mart, will decide which businesses are successful.
Impact	Many retailers welcome having a Wal-Mart in their neighborhood; the increased traffic generates more business.

Small Business Impact continued	 Wal-Mart believes competition is good for customers; it keeps prices low.
Public	 Wal-Mart does not in any way encourage associates to apply for public assistance. Like most employers and many unionized competitors, Wal-Mart gives associates a number that social services can use to verify employment for a wide range of activities like child support enforcement or public assistance.
Assistance Rumor	 This has been a high-profile issue in California, and as a test, Wal-Mart conducted a thorough review of all 134 Wal-Mart stores in the state. As expected, there was no evidence supporting claims that Wal-Mart encourages associates to apply for welfare. In any event, Wal-Mart does not design plans to be supplemented by public assistance, nor does Wal-Mart encourage associates to apply for these programs, in California or anywhere else.

LABOR UNIONS

Unionization	 Wal-Mart is not against unions. Many Wal-Mart customers and associates' family members are union members. Wal-Mart simply does not believe that third-party representation would improve relationships. Wal-Mart's "open door" policy ensures that associates can deal directly with management. Wal-Mart associates have consistently recognized this and have chosen not to have a union step into the middle of that partnership.
	 During organizing campaigns, a Wal-Mart support team provides factual information to associates who have questions about information they received from union representatives. This support team also insures that our store managers are aware of the specific requirements of Federal laws to prevent inadvertent violation.

MERCHANDISE SOURCING

Buying California, bedroom slippers from Ohio and many other products too numerous to mention. Buying Wal-Mart did not move its purchasing office to China. Wal-Mart operates global procurement offices in seven countries mound the world, including the United States, which allows them to be closer to manufacturers and suppliers in those regions. Wal-Mart's purchasing for the United States is centralized in the US, with most of buyers located in Bentonville. However, some products are simply no longer manufactured in the US. in the volumes Wal-Mart requires. F example, more than 80% of the world's toys, bikes and Christmas tree ornaments are manufactured in China,		 Wal-Mart did not move its purchasing office to China. Wal-Mart operates global procurement offices in several countries around the world, including the United States, which allows them to be closer to manufacturers and suppliers in those regions. Wal-Mart's purchasing for the United States to centralized in the US, with most of its buyers located in Bentonville. However, some products are simply no longer manufactured in the U.S. in the volumes Wal-Mart requires. For example, more than 80% of the world's toys, bikes and Christmas tree ornaments are manufactured in China, which has recently emerged as one of the leading manufacturing centers of the world. Virtually every retailer in
---	--	---

ETHICAL ISSUES

Treatment of Women	 Wal-Mart does not tolerate discrimination against anyone. Any associate, male or female, who feels they have been treated unfairly, is encouraged to use Wal-Mart's "open door" policy. Wal-Mart has been steadily increasing the percentage of women in management for years. Management job opportunities are posted so that women who want these top jobs may apply if they are interested. Applicants are selected at least at the rate at which they apply whether it is for entry into the management trainee program or promotion to store manager jobs. 60% of Wal-Mart associates are women, and currently just over 40% of managers are women when you include professional managers such as those in pharmacy and optical. Wal-Mart has implemented a pay system that cusures associates hired into the same job in a store or club will be paid the same if their work backgrounds prior to joining Wal-Mart are the same whether they are black or white or male or female or whatever same background experience equals same pay. After that, raises will be determined by performance and the competitive market. In early 2004, Wal-Mart linked officer compensation to diversity goals for the first time. If company officers do not meet their individual diversity goals, their bonuses will be reduced up to 7.5%. Beginning in 2005, the perial will increase to 15%.
Unpaid Work	 penalty will increase to 15%. Any manager who requires or even tolerates "off-the-clock" work would be violating this policy and labor laws. As a result, he or she would be disciplined, and possibly even fired, depending on the situation.

Wal-Mart is currently developing a new informational website <u>www.walmartfacts.com</u>. This website, which will provide current information and important facts on Wal-Mart, will be available soon!

COUNCIL INFORMATION

Honorable Mayor and City Council Page 5 January 21, 2005

- 5. Tentative City Council/RDA agendas for February 7, and February 22, 2005.
- 6. Correspondence from the Merced Union High School District regarding the cost of providing school facilities to serve new residential development.
- 7. Memorandum from Director of Development Services Jack Lesch <. 1.3. regarding Merced-Atwater Expressway.

B. Items From Council (green paper)

 Correspondence from Wal-Mart dated December 15, 2004 (from Mayor Walsh).

 Correspondence from Merced Union High School Di January 12, 2005 (from Mayor Walsh). 	istrict dated O.2.
10.Correspondence from Cornerstone Lodge No. 111 (fr Walsh).	rom Mayor H.S.
C. Items From Other Agencies (blue paper)	
11.California High Speed Rail Authority public meeting January 26, 2005.	g agenda – D. 500. 3 2 .
12.Correspondence from District 2 Supervisor Kathleen regarding forum scheduled for January 24, 2005 to d endangered species impacts in Merced County.	691
 13.Public Policy Institute of California Research Briefs: How is Migration Changing the Central Valley; (b) I Have Term Limits Affected the California Legislatur #96 – Voters' Views of Politics in California: Dissat Distrust, and Withdrawal. 	ssue #94 – How re?; and (c) Issue