

Begging works. Even if you're a global corporation like Phillips 66. Particularly if you're in Contra Costa County. Citing financial hardship from "having to pay the State for carbon credits", a New Tax Base was created for P66 that began just a few years ago. No one noticed until a firehouse near the refinery in Rodeo had to close, and the fire chief let out a rebel yell.

Accustomed to getting 10% of the district's property tax, the Rodeo-Hercules Fire District suddenly came up short. "By about a million dollars," said Chief Charles Hanley, remembering the day he had to shutter the Rodeo Firehouse and say goodbye to 9 firefighters. All agreed it was a dangerous and ironic action. Besides thousands of people, the firehouse also served the refinery. Two years later, a FEMA Grant enabled the firehouse to re-open, but only temporarily.

Enough's enough. You get the idea. So, I met with County Tax Assessor Gus Kramer yesterday and asked for more money for our Fire District. Kramer explained things with patience and honesty: P66's taxes were now "based on their income and profits, not their property." Since the refinery owns 37% of the land in Rodeo, this went pretty far to reduce their tax burden. How far? Kramer couldn't say off-hand. However, since the New Tax Base went into effect, I imagine others are feeling the burn. Including the Board of Supervisors.

If the Board has entered into a "**profit-sharing**" relationship with P66, how can they vote on the refinery's projects objectively? Like the controversial Propane Recovery Project, for example? Now that the County's a "business partner" with P66, wouldn't they want them make the most money possible?

Is this Tax Base legal? Is the creation of a for-profit relationship like this — between a corporation and a whole Board of elected officials — legal? Isn't income tax a federal thing? Who's idea was this? Did it require a vote? Whose vote? Don't profit-sharing relationships create conflict-of-interest issues? Shouldn't the whole Board recuse itself from voting on any matter involving this "business partner"? Are other refineries in the County paying "profit tax", too? Besides shuttered firehouses, what's the County lost in revenue as result of P66's New Tax Base? And what have the taxpayers lost? A hospital perhaps?

Thanks for urging me to take a deeper look, Janet. I trust you'll handle this information with discretion.

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Gus Kramer, Tax Assessor [925/313-7400](tel:9253137400)

