

# COLAB SAN LUIS OBISPO COUNTY

WEEK OF MAY 11-17, 2014

**VOTER REGISTRATION - MAY 19<sup>TH</sup> IS THE  
LAST DAY FOR THE JUNE 3<sup>RD</sup> ELECTION**

**GIBSONIAN “LOGIC”  
BUILDING PIPES TO TRANSFER PASO WATER  
TO THE CHORRO VALLEY “IS NOT ABOUT  
MOVING WATER”**

**NEW PASO WATER ADVISORY GROUP MOVES “FORWARD”**

**Board of Supervisors Meeting of Tuesday, May 6, 2014 (Completed)**

**Item 21 - Drought Update/Diverting Water Which Could Help the Paso Basin.** The Board received an extensive report on various aspects of the drought. It was accompanied by an elaborate PowerPoint, which was not available with the published agenda. As predicted in last week’s Update, the proposed inter-tie between the Nacimiento pipeline and the State water line, which supplies the State Prison, County Jail, County Service Yard, Cuesta College, the National Guard, and the City of Morro Bay, was the major issue. The staff reported that the County might make it through 2014 without using the Naci water, but if the drought continues it is almost certain that it would be needed in 2015.

Supervisor Arnold was rightfully concerned. She noted that most of her constituents heard about the project by reading a newspaper. It was clear that the Public Works Department had worked extensively on the project without overall Board direction (Perhaps they had direction from one). Arnold had many important questions:

Why did the North County Supervisors know nothing about this?

What other alternatives (including some local ones) are being considered?

The Board placed an “Urgency Ordinance” moratorium on the Paso Basin because it found that there is an imminent threat to public health, safety and welfare due to a lack of water. How does sending North County water to the Chorro Valley further impact the Paso Basin problem? If the inter-tie is built and used, how long will it be in operation?

How many acre-feet of water might be used?

What about environmental assessment?

Why hasn't the staff considered the use of surplus City of San Luis Obispo water instead of North County water?

Has the Plan been presented to the Nacimiento Commission (the Joint Powers Authority which oversees the Nacimiento Aqueduct project)?

**Gibson's Attempt to Suppress Arnold:** After twenty minutes of great questions Gibson rudely interrupted Arnold (as he has repeatedly done in the past) and said, “I want to frame the issue...” This means he wanted to stop Arnold from exposing the ramrodding approach. Arnold would not let go and added more questions.

Once the questions were completed, Gibson, in one of the more illogical and blatantly deceptive attempts to cover things up, stated, “This is nothing about transferring water, this is about infrastructure...no one is talking about moving water...”

OK, Bruce, the County is going to spend \$150,000 on the inter-tie itself and over \$2 million on the extension of an aqueduct, but “no one is talking about moving water.”

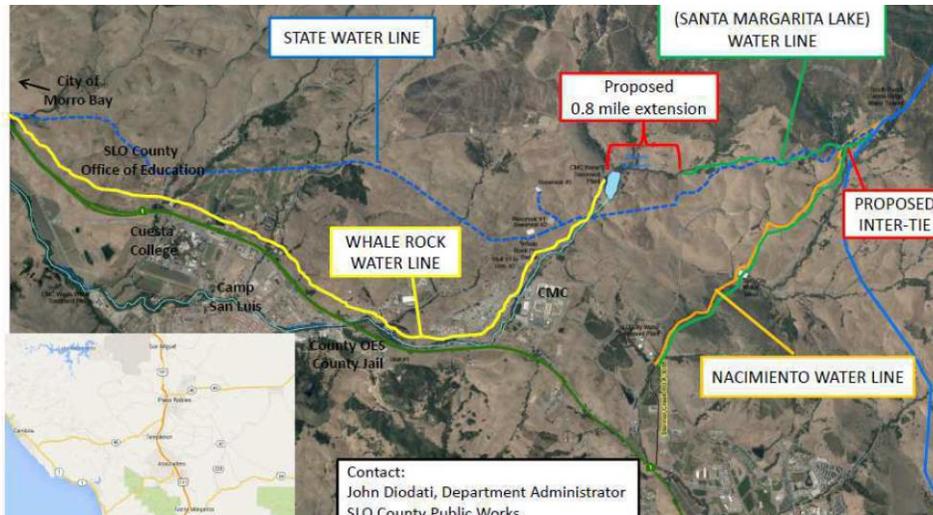
Of course the politically co-opted County staff rushed to Gibson's assistance, pointing out that this was just a precaution and would only be activated if the drought continued. Likewise, they stated that the project was funded by Federal and State grants, so the cost meant nothing. Perhaps the staff needs to get a refresher on the structure of US Federalism and how citizens pay Federal and State taxes to fund these grants.

In the end it is prudent to be able to move water around, but at the same time, why are other scenarios not under consideration, and why is the North County the supplier of choice when its unincorporated residents and farms have been subjected to a water/development moratorium?

North County residents need to rise up and assist Arnold in her quest for open policy and motivate Mechem to join vigorously to support her. There should be extensive pre-decision hearings on the entire matter. North County citizens, although their supervisors are not up for election, need to remember that once elected, all supervisors govern the entire county.

**Background:** While this is an emergency and the ability to move water around is important, a long-range question arises about the use of North County water to supply the coast, given the Paso Basin Water moratorium. It was originally speculated that some of the Nacimiento surplus water (the contractor cities and water districts can't use it all yet) could be sold on a temporary

basis for Paso Basin recharge. What if the County determines to send the water down to Los Osos to counter the saltwater intrusion as septic system recharge dries up and another source is needed to stem the saltwater migration? Could such a shift become permanent and leave the Paso Basin without this resource?



Inter-Tie Project and Water line Extension

**San Luis Obispo County Board of Supervisors Meeting of Tuesday, May 13, 2014 (Scheduled)**

**Item 11 - Introduction of the Proposed 2014-15 County Budget.** The County Executive Officer (CEO) has introduced the proposed 2014-15 Budget. Actual hearings will take place beginning on Monday, June 9, 2014 and are likely to continue over onto Wednesday, June 11, 2014. The Budget is balanced in the narrow sense that anticipated revenues slightly exceed proposed expenditures. We say narrowly because the budget does not contain sufficient funds to deal with the County's growing road maintenance deficit (last estimated at \$176 million) or the maintenance deficits for parks and county buildings (it is not clear if the County knows what these numbers are). If proper funding to maintain these key public investments, for which taxpayers already paid, were included, the Budget would be severely out of balance. Thus current consumption trumps capital investment and maintenance. The rosy picture promulgated by the Board and staff covers up this glaring deficiency.

Key revenue sources such as the property tax, general sales tax, and transient occupancy tax (hotel tax) are up as the recession recedes. This is enabling the County to restore staff, which was reduced by attrition during the recession and to build reserves. COLAB will review the entire budget and report prior to June 9<sup>th</sup>.

The summary charts on the following pages provide very general information.

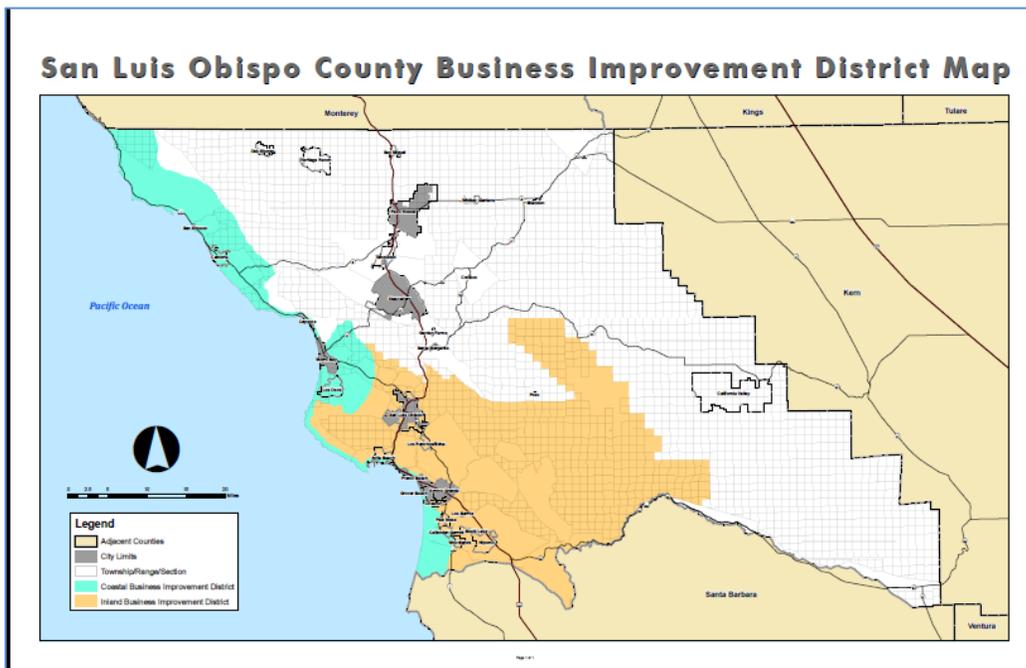
<b>ALL FUNDS EXPENDITURE COMPARISON</b>			
<b>Fund</b>	<b>FY 2013-14 Adopted</b>	<b>FY 2014-15 Proposed</b>	<b>% Increase /Decrease</b>
General Fund	\$414,840,696	\$430,649,120	4%
Automation Replacement	\$3,345,993	\$2,297,313	-31%
Building Replacement	\$5,300,724	\$2,698,131	-49%
Capital Projects	\$4,568,789	\$4,775,790	5%
Community Development	\$3,967,022	\$3,912,369	-1%
Medically Indigent Services Program (formerly known as County Medical Services Program)	\$5,172,096	\$2,531,938	-51%
Debt Service	\$2,079,022	\$2,080,047	<1%
Driving Under the Influence	\$1,531,565	\$1,634,352	7%
Emergency Medical Services	\$801,000	\$801,000	0%
Fish and Game	\$28,241	\$20,000	-29%
Library	\$9,069,342	\$9,055,000	<-1%
Organizational Development	\$633,350	\$866,151	37%
Parks	\$9,404,179	\$8,425,497	-10%
Pension Obligation Bonds	\$10,229,703	\$10,095,445	-1%
Public Facilities Fees	\$1,897,000	\$1,670,500	-12%
Road Fund	\$27,817,032	\$38,970,097	40%
Tax Reduction Reserves	\$1,399,033	\$3,300,000	136%
Traffic Impact Fees	\$3,341,196	\$1,141,503	-66%
Wildlife and Grazing	\$6,881	\$3,500	-49%
<b>Total</b>	<b>\$505,432,864</b>	<b>\$524,927,753</b>	<b>4%</b>

<b>POSITIONS SUMMARY</b>		
2013-14 Adopted Budget	2,448.25	
2013-14 Current Allocation	2,509.25	
2014-15 Recommended	2,547.25	
Net Change (from Adopted)	99.00	
Net Change (from Current)	38	
Percent Change (from Current)	1.5%	
<b>Department</b>	<b>Additions</b>	<b>Deletions</b>
Administrative Office	1.00	
Assessor	3.00	
Auditor-Controller	.50	
Human Resources	4.00	
Planning & Building	1.00	
Health Agency		
Public Health	3.75	
Behavioral Health	17.75	
Medically Indigent Services Program		-5.00
Driving Under the Influence	1.00	
Public Works ISF	1.00	
Sheriff / Coroner	5.00	-3.00
Social Services	7.00	
Veteran Services	1.00	
<b>TOTAL</b>	<b>46.00</b>	<b>-8</b>

**Item 12 - Hearing to Consider Public Testimony Regarding the Renewal of the San Luis Obispo County Tourism Business Improvement District (CBID) and Continued Levy of Assessments for FY 2014-15.** *The ordinance establishing the San Luis Obispo County Tourism Business Improvement District (CBID) was originally approved by the Board in May 2009 and subsequently renewed each May since then. The ordinance (Section 3.09.050) provides for an assessment on all lodging businesses (hotels, motels, bed and breakfasts, vacation rentals), existing and future, within the boundaries of the CBID based upon 2% of the paid rent charged by the operator per occupied room per night for all transient occupancies. Fifty percent (50%) of the assessment is to be used for marketing and promoting the entire CBID area; the other 50% is to be used to promote tourism in the Local Area from where the funds are collected.*

The item contains data about the activities of the District, future goals and plans, and the annual budget of \$396,000. The hospitality businesses within the District may terminate the District by a vote each year. The key metric of success is the growth of the transient occupancy tax. This is somewhat of an approximation because factors other than the existence of the District’s promotional activities could impact business.

<b>TOT Totals by Fiscal Year (Source: County Tax Collector)</b>	
2009/2010	\$5,452,645
2010/2011	\$5,733,837
2011/2012	\$6,217,674
2012/2013	\$6,591,295



We wish the large annual report accompanying this item contained some more year-over-year measures, such as average room rate per night, occupancy rate, average length of stay, etc. The

report contains a marketing plan, lists of activities, and a breakdown of the source of the TOT by area.

The District undertook a survey in 2011 which found that potential visitors did not have a clear idea of what County has to offer. While the diverse attractions are a benefit, they also contribute to some confusion. Efforts have been made to break this down and establish brand identification. Highway 1, Hearst Castle, vineyards, beach towns, and historical attractions such as the Mission and State Parks (dunes dust, etc.) all contribute. The question is: What could be the unifying brand identification and symbol? Right now it's Highway 1, but there is no real unifying symbolic idea that is instantly recognizable.



Up the road.



Down the Road



This? But only accessible to a few sweaty hike and bike guys or not at all.  
What if you could drive up (or take the gondola) and actually have a martini?  
Priceless



“The Morros” Ritz Carlton (Simulation)



And only uses 50 acres, and unlike a 4,000 acre solar farm, permanently hires hundreds of people, and actually pays millions in property taxes, TOT, and sales taxes.

**Item 20 - Highway 101 Mobility Study.** The San Luis Obispo Council of Governments (SLOCOG) is in the process of analyzing needed improvements for the 101 Highway. SLOCOG staff will present the results of its work so far and solicit Board of Supervisors input. The short write-up summarizes the issue:

*The US 101 Mobility Study has evaluated the US 101 corridor countywide to identify the top regional priorities for multimodal improvements and funding strategies. It will be a regional effort to help establish capital project priorities that meets the needs of the San Luis Obispo Council of Governments (SLOCOG), local agencies including the County, and Caltrans. The study is available through the SLOCOG website.*

The SLOCOG effort is a process heavy Delphi group laden indoctrination program designed to get the community ready to support a sales tax increase measure in 2016 to fund a variety of transportation improvements throughout the County. The SLOCOG website block on the 101 mobility study actually admits this design:

*The first phase of the outreach effort for the US 101 Mobility Study was largely focused on anecdotal, qualitative views and opinions expressed by the public. At this early stage the goals were as follows:*

- **Educate the public** about the purpose of the US 101 Corridor Mobility Plan and its relevance to the Regional Transportation Plan (RTP);

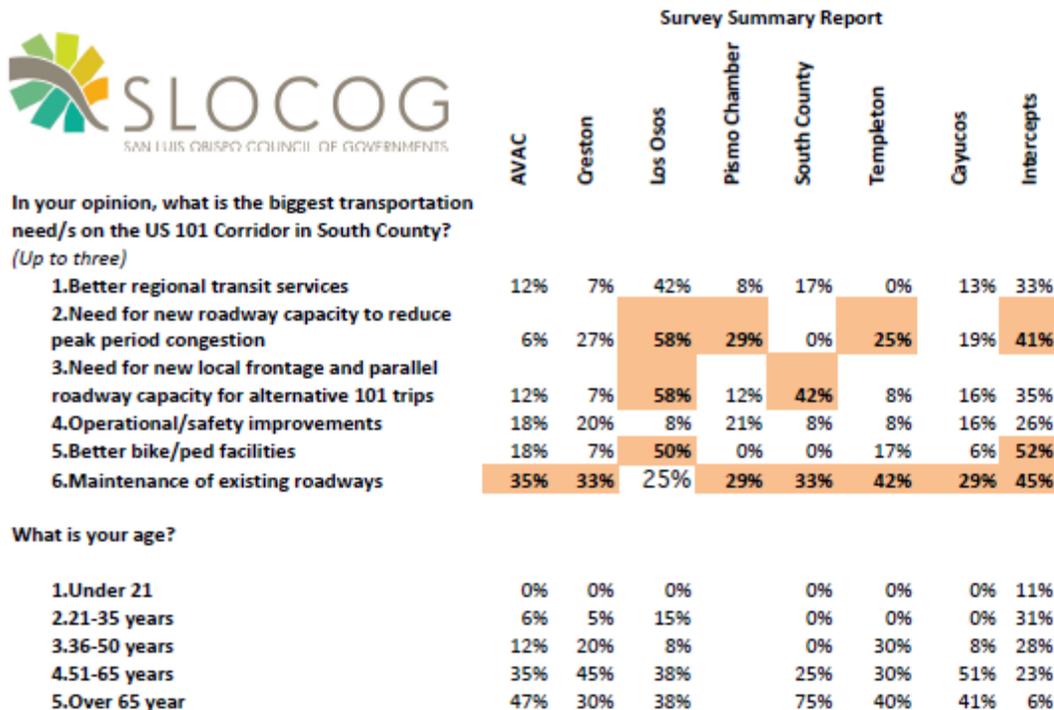
- Gauge perceptions traffic/congestion, safety, connectivity via transit and access via bike and pedestrian routes along the corridor; and
- Generally prioritize needs and investments along the 101 corridor.

Meetings were held last year:

We held a series of interactive presentations and workshops over the past several months. These included:

- City of Atascadero - Workshop, (May 8)
- City of Grover Beach - Workshop (May 9)
- City of San Luis Obispo - Workshop (June 29)
- Avila Valley Advisory Council (July 8)
- Cayucos Community Advisory Committee (July 10)
- Creston Community Advisory Committee (July 17)
- Los Osos Community Advisory Committee (July 25)
- Pismo Beach Chamber of Commerce (July 17)
- South County Community Advisory Committee (July 22)
- Templeton Community Advisory Committee (July 18)

Per the SLOCOG chart below the public’s highest priority is widening Highway 101.



One takeaway (from the age data) is that most of the people who participated won't be around if and when widening does take place.

The study is funded with a \$466,000 Caltrans grant. We paid \$466,000 in our State taxes for people to conduct a series of meetings that merely confirmed what everyone already knows. Just another example of your State dollars at work.

**Item 21 - Appointment of 22 Members to the Paso Robles Groundwater Advisory Committee.** This item was on a prior agenda but was pulled and sent back to staff when Supervisor Arnold noted that the appointment list had been entirely developed by the Public Works Director without consultation with the Supervisors whose districts overlie the basin. The list was clearly packed with agency (water district/city) representatives and those supportive of the County's current Paso Basin water policies. In a weak sop to the North County supervisors, the Board agreed to add two slots. The previously existing Paso Water Basin Blue Ribbon Advisory Committee legally sunset and the new committee are being created to replace it.

The item summary states:

*The Paso Robles Groundwater Basin (Paso Basin) Advisory Committee was formed on January 28, 20141, to advise the Board of Supervisors, acting either as the San Luis Obispo County Flood Control and Water Conservation District or San Luis Obispo County, concerning policy decisions relating to:*

- 1. Implementation of the Basin Groundwater Management Plan*
- 2. Development of an "enhanced" AB 3030 Groundwater Management Plan for the Basin*
- 3. Formation of a new water district*
- 4. Transition of an initial County-supported district to an independent district*
- 5. Other policies and ordinances*

Wonder why quiet title/adjudication alternatives are not mentioned?