COLAB SAN LUIS OBISPO COUNTY

WEEK OF DECEMBER 13-19, 2015

ALERT

PROPOSED MARINE "SANCTUARY"

FEDERALIZING YOUR FISH

National Oceanic Atmospheric Administration (NOAA) Hearing Wednesday January 6, 2016 - Morro Bay Vets Memorial Building, 209 Surf Street 6:00 PM

THIS WEEK

YET ANOTHER GOVT. HOME LOAN/ENERGY BOONDOGGLE & WELFARE FOR THE RICH

IN HOME SUPPORTIVE SERVICES COSTS AND STAFFING EXPANSION & WELFARE FOR ALL

MARIJUANA FARMING REGULATONS FACE URGENT DEADLINE

SLOCOG WEDNESDAY 8:00 AM DEC. 16, 2015

LAST WEEK

MENTAL HEALTH BOARD AND CARE CONTRACT CONCERNS IGNORED

TEMPLETON PSYCH FACILITY CONTINUED TO JANUARY 14, 2016

NACIMIENTO WATER ALLOCATIONS COMING

THIS WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, December 15, 2015 (Scheduled)

The December 15th meeting is the last one of the year. The Board will reconvene on Tuesday January 5, 2015.

Item 3 - Drought Update. There is not much new information here. A strong El Nino effect is forecast but so far it has been dry except for a few light intermittent showers.

Reservoir Update

Reservoir	Date	Water Elevation (ft)	Spillway Elevation (ft)	Storage (acre-feet)	Capacity (%)
Nacimiento Reservoir	**November 23, 2015** November 23, 2014	719.7 715.2	787.75 - 800.0 (w/gates fully inflated)	68,370 59,335	18% 16%
Lopez Reservoir	**November 23, 2015** November 23, 2014	467.2 482.0	522.7	14,320 20,659	29% 42%
Salinas Reservoir (Santa Margarita Lake)	**November 20, 2015** November 20, 2014	1,249.3 1,259.1	1300.7	3,006 4,924	13% 21%
Whale Rock Reservoir	**November 18, 2015** November 18, 2014	161.8 173.3	218.3	14,031 17,886	36% 46%
Twitchell Reservoir	**November 23, 2015** December 1, 2014	529.3 524.7	651.5	177 57	0.09% 0.03%

Note 1: Historically, Twitchell Reservoir elevation gauge does not report values below 539 ft. Twitchell Reservoir was designed for protection from flood and drought. Excess rain runoff is stored in the reservoir protecting the valley from flood, then water is released as quickly as possible while still allowing it to recharge the groundwater basin.
Note 2: In May 2014, the Whale Rock Commission adopted a new Bathymetric Study and Volumetric Analysis with new lake capacity and spillway elevation values. Those new values are reflected in this report.

Item 14 - Request to approve: 1) contract renewals to the Energy Watch Partnership Program contracts for $633,500 to extend the PG&E contracts through the calendar year of 2017 and the SoCalGas contract through the calendar year of 2016; 2) a contract renewal to the emPower Program contract for $204,522 to extend through the calendar year of 2016; and 3) a resolution amending the Position Allocation List for corresponding Limited Term positions for Fund Center 142 – Planning and Building. The fiscal section of the write-up summarizes the two programs that are funded by the utilities, which in turn are funded by your electric and gas bills:

Energy Watch

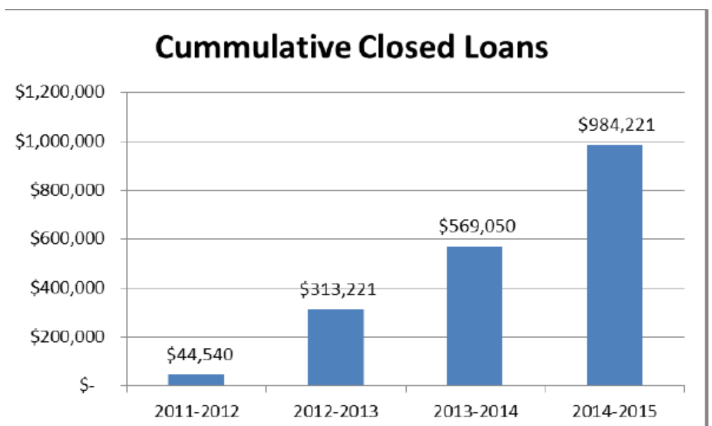
Administration	$63,000
Marketing	$10,000
Direct Implementation	$423,700
Strategic Energy Resources	$136,800
TOTAL	**$633,500**

The current Energy Watch Partnership Program contracts with SoCalGas and PG&E are being increased and extended through December 31, 2016 and December 31, 2017, respectively. For the calendar year 2016, the Planning and Building Department will receive $633,500 from PG&E and SoCalGas to administer the Energy Watch Partnership Program and support the activities in the table above.

emPower Home Energy Loan Program

Administration	$23,250
Workforce Education and Training	$115,750
Marketing, Education, and Outreach	$45,272
Implementation	$20,250
TOTAL	**$204,522**

The current emPower Program contract with the County of Santa Barbara is being increased by $204,522 and extended through December 31, 2016. These additional funds received by the Planning and Building Department are to be expended to support the listed above activities. The emPower Program will educate and assist homeowners with energy efficiency projects and support and train our local contractors through the calendar year of 2016.



Huge Boondoggle: The emPower program was developed by the County of Santa Barbara in 2010 after the Federal Housing Finance Agency (FHFA) put the kybosh on Property Assessed Clean Energy loans (PACE) programs.[1] Subsequently Ventura County and San Luis Obispo County entered into contracts for Santa Barbara County to run programs in their jurisdictions. In September 2015 the Santa Barbara County Board of Supervisors received a report on the performance of the program in all 3 counties since its inception. The numbers are devastating and document the disappointingly insignificant and costly results, even after spending millions and adding staff in all three counties.

[1] See the link here for the details about the recently adopted PACE program in SLO County. http://www.colabslo.org/prior_actions/Weekly_Update_November_22-28_2015.pdf

The glossy full color report focuses on inputs to the program, such as meetings, energy coach visits, publicity events, and so forth. The purpose of the program is to provide home improvement loans for people to fix their insulation, windows, etc. The chart to the right shows that over the first 4 years of operation, the program resulted in only 151 projects being completed in all three counties. The SLO County agenda report in attachment 7 indicates that 2 of these loans were in SOL County.

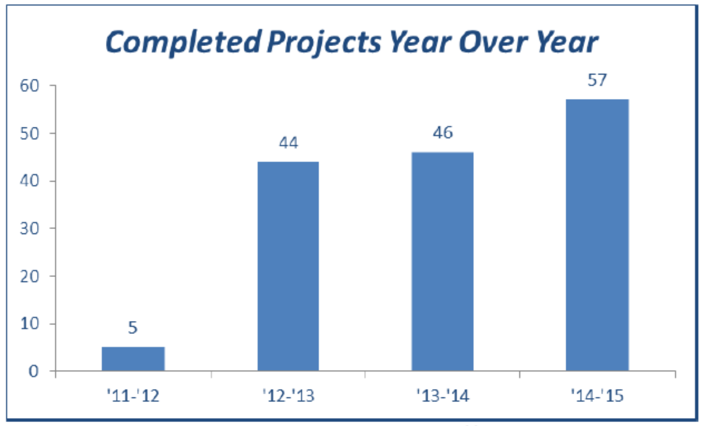
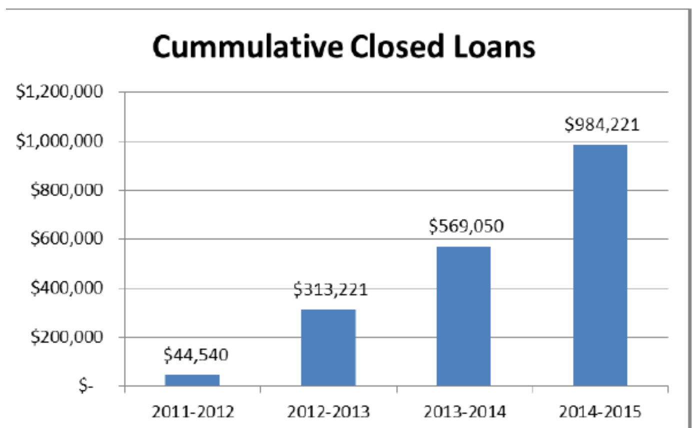


Figure 14. emPower projects reported by year

The emPower SBC Board letter indicates that the budget for 2014-15 was $1,553,106, during which 57 projects were completed. Some of the money went to the loans, but much went to attempting to sell the program as well as administration, and overhead.



Another chart to the right provides information on the cumulative loans. From this chart it can be calculated that $415,171 worth of loans were made in FY 2015.

It's a little hard to get apples and oranges (projects vs. loans), but if most of the projects take place in the year of their loan, the 57 projects in FY 14-15 averaged about $7,283 per loan.

The 2014-15 operating budget is presented as:

Program Spending Breakdown	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Salaries and Benefits	$ 220,500	$ 272,000	$ 386,600	$ 401,300	$ 495,500
Operations/Program Delivery	$ 202,000	$ 529,200	$ 508,200	$ 528,800	$ 846,700
Total Program Spending	**$ 422,500**	**$ 801,200**	**$ 894,800**	**$ 930,100**	**$ 1,342,200**
Loan Loss Reserve Transfer		$ 1,000,000		$ 1,600,000	

Assuming that the $415,171 comes out of the $846,700, the actual operating costs of the program are $495,500 + $431,521, or $927,702. This includes administration, the energy coach, all the meetings, tool libraries, contractor seminars, consultants, and promotions designed to get people to use the program. But only 57 did in FY 2014-15 (the 4th year of the program).

Thus, on average it cost $16,263 to produce each $7,238 loan.

a. How does this compare with industry standards?

b. Should the Auditor Controller or some forensic accountants look at this horror before it becomes a scandal?

c. It really looks like a big propaganda deal.

And check out the incomes of the borrowers in the chart below:

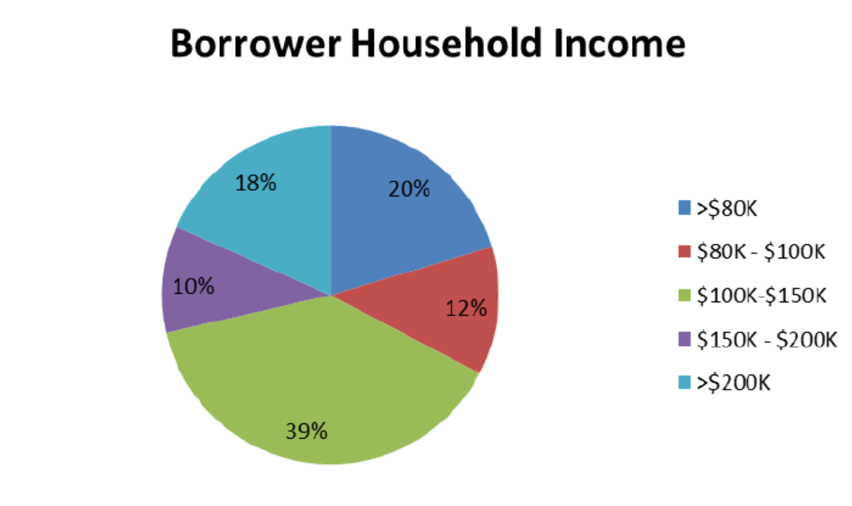


Figure 33. Borrowers' household income distribution among closed loans

Outrageously, 67% have incomes over $100,000! This is an upper middle class welfare program funded by the State of California Energy Commission, which launders money that is collected from So. Cal gas ratepayers. **Worse yet, 18% had incomes over $200,000.**

Bottom line: This is not a cost effective program and there are clearly few customers, given the massive publicity effort that really constitutes the "substance" and main cost of the program. Ventura, San Luis Obispo, and Santa Barbara Counties have a combined population of 1,501,000, yet only 151 program-financed projects have been completed in 4 fiscal years. And besides, you are paying for it in your natural gas rates and all in the name of saving energy to stop global warming. Note: it is unclear from the staff report if some emPower related costs are also subsidized from electric rates passed through the Energy Watch program or some other means.

Item 24 - Submittal of a resolution amending the Position Allocation List for Fund Center (FC) 180 – Social Services Administration to add 14.00 FTE positions and eliminate a 0.75 FTE position in various classifications to support implementation of changes to various programs as directed by State and Federal legislation; and request to authorize an associated budget adjustment in the amount of $1,593,208 to increase expenditure appropriations to cover the cost of these positions and for participant services.

The agenda item reported here is a classic and insidious example of how a public policy that is adopted in the name of good (taking care of grandma) will ultimately have major long range implications and contribute to the undermining and weakening of society.

The instant action will add 14 employees to the County roster of almost 2600. According to the staff report the action is necessitated by State expansion and enrichment of the In Home Supportive Services (IHSS) program in which the Federal, State, and County dollars are used to pay individuals to care for aging and disabled people in their homes. In many cases the caregivers are relatives. The caregivers are required to belong to one of several unions, which constantly push for increased pay and benefits. The County write-up emphasizes that most of the new cost will be covered by the State, as if this somehow absolved officials from any responsibility. Of course the state money is also tax money. Check out some portions of the staff report which illustrate the convoluted and costly expansion of government here:

The In Home Supportive Services (IHSS) program provides services to disabled individuals in their own homes. To be eligible, an individual must meet financial requirements and also must have a medical certification that confirms that, in the absence of those services, he or she would require institutionalization. The role of DSS is to assess eligibility, determine the kinds of services required and authorize the hours of care needed to meet the individual's needs. Services to be provided include both domestic services—including for example shopping, cooking, house cleaning and laundry—and personal services, including bowel and bladder care and bathing. These services may be provided by family members, including for example the spouse or adult child of the program participant. They also may be provided by independent providers or, in emergency situations, by DSS staff. These DSS staff, classified as Personal Care Aides, typically are called upon when an individual's permanent provider is ill or otherwise unavailable.

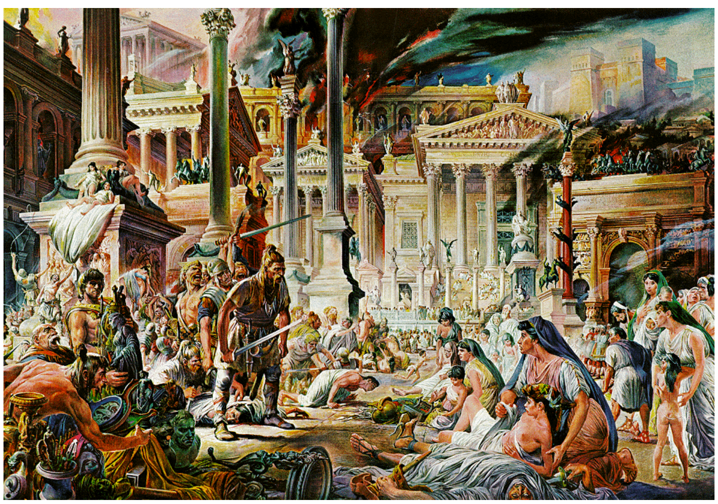
Recent changes in Federal law impact the private providers of IHSS services. These private caregivers had been exempt from Federal overtime laws, and were not compensated for either travel time or waiting time when accompanying program participants to medical appointments. Effective February 1, 2016, however, caregivers must be compensated both for overtime and for those other activities and, in order to minimize the cost impact of those changes, major changes must be implemented by the Public Authority (the County) *and by the IHSS Program.*

Because additional providers must be recruited to fill the gap associated with the limitation on hours, Public Authority Registry staff (the County) *will need to increase activities associated with the recruitment, interviewing, hiring and training of new providers, as well as the often challenging task of matching providers to program participants (participants retain the authority to "hire" and "fire" providers at will). DSS also projects a need for additional Personal Care Aide staff to fill these hour gaps on an emergency basis, as many more situations are likely to arise due to the combination of additional authorized services (transportation and waiting time* *at medical appointments, as described above) and restrictions on allowable hours to be worked per week.*

Readers may remember, in a similar State mandated ploy, that scores of staffers have been added to the County Social Services Department roster to administer eligibility and related aspects of the Affordable Care Act (Obama Care). Tens of thousands of individuals have been added to the MediCal roles.

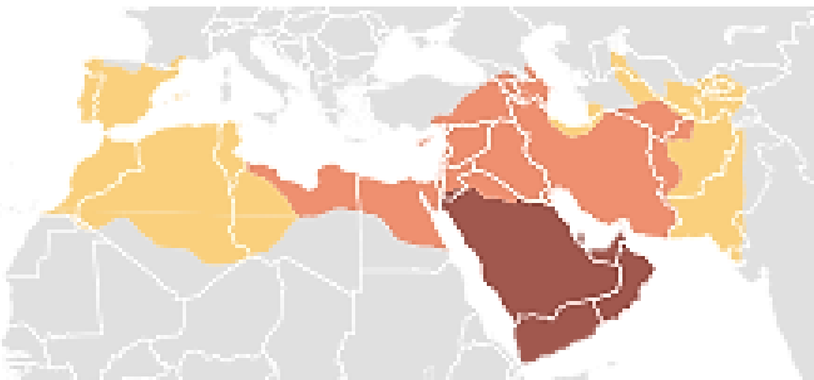
Now you can get overtime for taking care of grandma. What if she lives in your house? Aren't you on duty all the time?

We have heard of instances where staffers in a central coast branch Social Security office are encouraging upper middle class six figure income individuals to sign up with their county as care givers and receive pay for caring for family members who have already been in their care for decades. Perhaps the next step will be a demand for a retroactive payment. In the end this is a brilliant leftist strategy to enroll millions of Americans as employees of government and render them dependent on ever expanding taxation and what amounts to a patronage job. Even without overtime and standby pay and at $15 per hour ($600 per week), it's $31,200 per year. Add food stamps, a Section 8 Federal housing rental subsidy, and MediCal coverage and you have an all-expense paid life. Why would you work at Wal-Mart or McDonalds? Buy the Harley and cruise.



A History Lesson: In 410 CE, the Gothic warriors who invaded Italy were both bewildered and delighted to find that the citizens of Rome were so corrupted and docile that they simply allowed themselves and their children to be slaughtered or enslaved. No one in the Capitol City of Rome had had to work or serve in the army for several prior centuries, as the government provided everything. Heavy taxes on the rest of the Empire fueled the funding. Eventually the heavy taxes and the cost of supporting the ever-expanding number of entitled dependents undermined the economy, which in turn reduced the available budget to pay the mercenary armies who defended the Empire and the tribute (payoffs) to barbarian chieftains in exchange for peace. The warlike Goths first showed up as supplicant refugees fleeing the even more fierce Huns and were enrolled in the army and given farmland. Later they demanded to have their own laws, lands, culture, and taxes, geographically within, but legally separate from the Roman state. By 476 CE the western empire had dissolved. For the following 1,000 years, life for most people in Western Europe regressed to the Hobbesian condition: “nasty, brutish, and short.”

Perhaps ISIS, Al Qaeda, and like-minded forces have discovered the decline and potential fall of the American republic. After all, they see their forebears’ example and their potential future heritage. Between the death of the Prophet in 632 CE and 750 CE, the Caliphate filled the vacuum and took over much of what had once been portions of the Roman Empire and all of the Persian Empire. The area extended from the Atlantic Ocean to the borders of India and China.



The Caliphate, 622-750
Expansion under Muhammad, 622–632
Expansion during the Rashidun Caliphs, 632–661
Expansion during the Umayyad Caliphate, 661–750

Mehmet II Takes Constantinople

The ISIS pickup truck patrol lacks the charisma of the Ottoman Sultan on an Arabian horse during the later expansion and takeover of Turkey, Greece, and the Balkans in 1453 by the Caliphate’s successor Ottoman Empire. Nevertheless, such local modern forces have demonstrated power in controlling areas of the middle-east in the current era. Relatedly, they indoctrinate, sponsor, and train lone individuals and small groups which have repeatedly demonstrated the ability to be very deadly and disruptive in Europe and the United States. To counter these assaults by suppressing ISIS and similar groups on their home bases in Syria, Yemen, Iraq, Libya, and Afghanistan would appear to require permanent occupation by large armies. What if the west does not have the resolve or the financing to undertake such a policy – perhaps for decades or centuries? Why would an able bodied and patriotic 19 year old American opt to spend years in a dangerous garrison in some flea ridden desert outpost, when tens of millions of his or her fellow citizens are on the government dole at home, don’t work, and have never done any public service let alone served in the infantry? Why would that 19 year old become a soldier while his or her former classmates are partying in Isla Vista or SLO at taxpayer expense? And then, and as we have seen so often, only to have any territorial gains, bought in blood, thrown away when public opinion shifts.

Item 36 - Marijuana Farming – More State Pressure and Intrusion – Another Urgency Ordinance. At the end of the 2015 Legislative Session, a bill, AB 243, was approved and signed by the Governor and is law. This new law both enables and sets statewide standards for both the indoor and outdoor cultivation of marijuana plants. The immediate problem for the County is that the law stipulates that for a city or county to retain land use control of regulation at the local level, it must have its own ordinance in place. Since the State Legislation is new, the County never had a reason to adopt its own ordnance. The problem now is that under the County's complex and slow land use procedures, there is not time to go through the ordinance approval process by the State-imposed deadline of March 1, 2016. If a jurisdiction does not have its ordinance in place by March 1, the State will administer the regulations and thus usurp local control. The Board item discusses some options, but in the end and to be safe, recommends adoption of an urgency ordinance.

You can imagine what the State will do in jurisdictions where it has unfettered ability to zone in marijuana farms, green houses, and indoor facilities. The staff write-up lists some of the potential operation types which the state might allow in the **Potentials** section quoted below:

Detailed licensing provisions for cultivation are also included in AB 243. The legislation specifies that if a local government does not have land use regulations or ordinances regulating or prohibiting the cultivation of cannabis in place by March 1, 2016, the Department of Food and Agriculture will be the default licensing entity for all such jurisdictions. The bill also directs CDFA, DFW and SWRCB to take various actions to address the environmental damage caused by marijuana cultivation including illegal waste discharges and water diversions

Potentials

Failure to enact a local ordinance could result in the State of California – Department of Food and Agriculture (CDFA) being able to issue licenses in accordance with AB 243, section 19332, section g. The State cultivator license types issued could include:

(1) Type 1, or "specialty outdoor," for outdoor cultivation using no artificial lighting of less than or equal to 5,000 square feet of total canopy size on one premises, or up to 50 mature plants on noncontiguous plots.

(2) Type 1A, or "specialty indoor," for indoor cultivation using exclusively artificial lighting of less than or equal to 5,000 square feet of total canopy size on one premises.

(3) Type 1B, or "specialty mixed-light," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of less than or equal to 5,000 square feet of total canopy size on one premises.

(4) Type 2, or "small outdoor," for outdoor cultivation using no artificial lighting between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.

(5) Type 2A, or “small indoor,” for indoor cultivation using exclusively artificial lighting between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.

(6) Type 2B, or “small mixed-light,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.

(7) Type 3, or “outdoor,” for outdoor cultivation using no artificial lighting from 10,001 square feet to one acre, inclusive, of total canopy size on one premise. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

(8) Type 3A, or “indoor,” for indoor cultivation using exclusively artificial lighting between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

(9) Type 3B, or “mixed-light,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

(10) Type 4, or “nursery,” for cultivation of medical cannabis solely as a nursery. Type 4 licensees may transport live plants

The County’s recently adopted irrigation regulations require stringent permits for any new irrigation on commercial properties, exclusive of food growing, of 500 sq. feet or more. The reconciliation of this issue will be an interesting process.

San Luis Obispo County Council of Governments Meeting of Wednesday, December 16, 2016 at 8:00 AM.

Note the earlier start time. SLOCOG usually starts at 8:30 AM. Something must be up for which they need more time. It is not clear from the agenda what that item may be. The items appear to be routine. The issue may simply be the number of items and the complexity of some. For example there is a recommendation for the near term programming under the Regional Transportation Plan.

Item A-3: Regional Transportation Improvement Plan. As state and federal funds for transportation have declined, the unfunded portion of needed and conceptually approved projects has expanded geometrically. The chart on the below illustrates the problem.

FIGURE 2

BACKGROUND - 10 YEAR NEEDS ASSESSMENT
SHORT AND MID-TERM (2015 -2025) PRIORITY PROJECTS

1. MAJOR REGIONAL ROADWAY PROJECTS (CONGESTION RELIEF)

PID	PA&ED	PSE	CON	Future Need	Agency	Project	Total Cost
[illegible]	[illegible]	[illegible]	2025	$27M	Caltrans/SLOCOG	SR 46 Corridor Improvements (WYE) - Ph1 Operational Improvement	$45M
[illegible]	2017	2020	2024	$42M	SLOCOG/Caltrans	US 101 South Bound Pismo Congestion Relief	$42M
2017	2019	2021	2025	$9.4M	SLOCOG/Caltrans	SR 227 Operational Improvements (Short and Mid Term Improvements)	$9.4M
2017	2021	2025	202-	$11M	SLOCOG/Caltrans	US 101 Expressway Conversion (SLO to SR 58) - Ph1 (UPRR Overhead to SR 58)	$11M
				$89.4M			$211M

2. REGIONAL INTERCHANGE PROJECTS (ACCESS IMPROVEMENTS)

PID	PA&ED	PSE	CON	Future Need	Agency	Project	Total Cost
[illegible]	[illegible]	[illegible]	2018	$10M	City of Arroyo Grande	US 101 Brisco Rd I/C Improvements/Aux Lane - Alternative 4c	$21.9M
[illegible]	[illegible]	2020	2024	$13.8M	SLOCOG/Caltrans	US 101/RT 46W I/C Improvements, Ph 3 roundabouts (Paso)	$11.9M
[illegible]	[illegible]	[illegible]	2018	$4.7M	City of Morro Bay	SR 1/41, Morro Bay, operational improvements (Morro)	$5.3M
[illegible]	[illegible]	2019	2021	$8.8M	SLO County	US 101 Avila Beach Dr. Intersection & PnR (Avila)	$7.3M
[illegible]	[illegible]	2018	2020	$2.7M	City of Arroyo Grande	US 101/Fair Oaks Ave, Arroyo Grande, operational imps. (Arroyo)	$2.9M
[illegible]	[illegible]	2021	2024	$10M	City of Paso Robles	SR 46 Union Rd. I/C, Ph2 W/B and E/B ramps (Paso)	$10M
2016	2017	2019	2020	$8.8M	SLO County/SLOCOG	US 101/Tefft St., Nipomo, operational improvements (Nipomo)	$6.3M
2016	2018	2021	2025	$21.6M	SLO City	US 101 Prado Rd. I/C, Ph 1 overcrossing	$21.5M
				$75M			$91M

3. OTHER REGIONAL AND MULTIMODAL PROJECTS

PID	PA&ED	PSE	CON	Future Need	Agency	Project	Total Cost
[illegible]	[illegible]	[illegible]	[illegible]	$0 M	City of San Luis Obispo	Rail Road Safety Trail (Taft to Pepper)	$4.2M
[illegible]	[illegible]	[illegible]	2019	$3.3M	SLO County	Atascadero to Templeton Connector "The Missing Link"	$3.3M
[illegible]	[illegible]	[illegible]	2021	$3.4M	SLO County	Morro Bay to Cayucos Connector	$3.4M
[illegible]	[illegible]	2017	n/a	$3.3M	SLO County	Bob Jones Trail / City to Sea, SLO Co. (PSE & RW Cert - entire corridor)	$3.3M
[illegible]	n/a	n/a	2019	$3.1M	SLO County	Bob Jones Trail / City to Sea, SLO Co., Ph 1 (Octagon Barn to Cloverridge)	$3.1M
[illegible]	n/a	n/a	2021	$6.3M	SLO County	Bob Jones Trail / City to Sea, SLO Co., Ph 2 & 3	$6.3M
[illegible]	[illegible]	[illegible]	2018	$8.4M	City of Pismo Beach	Shell Beach Rd. Streetscape (complete street improvements)	$11.4M
[illegible]	[illegible]	[illegible]	2018	[illegible]	City of Morro Bay	SR 1/41, Morro Bay, operational improvements (Morro) - bike/ped component	$5.3M
2016	2017	2019	2021	$2.2M	City of Atascadero	SR 41 Complete Streets (San Gabriel to 101)	$2.2M
[illegible]	[illegible]	[illegible]	2017	$1.3M	SLO County	Shandon Pedestrian Bridge over San Juan Creek Rd.	$1.3M
varies				$1.3M	SLO County	Safe Routes to School Projects (Oceano, Nipomo)	$1.3M
varies				tbd	Various Agencies	Other "ready to go" ATP grant applications submitted to Caltrans HQ for Cycle 2 ATP funding consideration not recommended for funding.	t.b.d.
				$27.8M			$47.0M

4. LAND USE NECESSITATED PROJECTS

PID	PA&ED	PSE	CON	Future Need	Agency	Project	Total Cost
[illegible]	[illegible]	2018	2022	$14.2M	City of Paso Robles	RT 101/RT 46W I/C Improvements, Ph 2 vine st. realignment	$14.3M
[illegible]	[illegible]	2018	2020	$14.8M	City of Paso Robles	46 Union Rd. I/C, Paso Robles, Ph1 overcrossing	$15M
2016	2018	2021	2025	$25M	SLO City	101 Prado Rd. I/C, Ph 2 S/B and N/B ramps (SLO) & N/B Auxiliary Lanes	$25M
[illegible]	[illegible]	[illegible]	2018	$4.8M	City of Atascadero	101 Del Rio Rd. I/C Improvements	$13.8M
[illegible]	[illegible]	2019	2021	$10.7M	Templeton	US 101/Main St. Interchange Improvement (Templeton)	$11.7M
				$67.7M			$81.7M

> *Presented in October, the findings of this assessment concluded a shortfall of $225M to deliver regional projects that have existing SLOCOG investments or will be initiated through Caltrans Three-Year Project Initiation Process.*

The full report can be accessed at the link:
https://library.slocog.org/PDFS/AGENCY_MTGS_AGENDAS/SLOCOGBoard/2015/December

%202015/A-3%202016%20Regional%20Transportation%20Improvement%20Program_RTIP.pdf

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, December 8, 2015 (Completed)

Item 5 - Request to approve a new FY 2015-16 contract with Ever Well Health Systems, LLC, not to exceed the cumulative amount of $2,506,458 to provide residential board and care, social support, and outpatient mental health services to adults with serious mental illness. The Board approved the contract 4/1 with Compton dissenting. Supervisor Compton asked questions. Some were answered and others evaded. Apparently one of the principals (a real estate financier and developer) in Ever Well suffered bankruptcy in the recent recession. Compton had discovered newspaper articles about the problems. Evidently one of the articles reported that one of the real estate investment companies had, at some point, owed the County substantial back taxes. No one knew if the taxes had ever been paid. She wanted to know if it was prudent to contract with a new entity in which someone with such issues in the past was listed as a founder and chairman of the board. Ever Well's web site states in part:

Founder and Chairman D. Andrew Fetyko is responsible for all real estate property acquisitions, improvements, and sales; as well as investor relations. As a founder, Mr. Fetyko offers his experience of more than 25 years starting and building operating businesses. Andy holds an expansive knowledge of all aspects in real estate development- including appraising, developing, managing, and securing debt and equity financing Since 2001, Mr. Fetyko has served as CEO, Managing Member for multiple LLCs and Corps, the most recent of which was NE Prop, LLC (formed in 2009) – a real estate development company that has focused on residential and commercial development. Mr. Fetyko was recently invited to be a speaker for the Commercial Real Estate Financial Council (CREFC) speaking on distressed assets. Andy has dedicated his time to many civic organizations over the years through membership, volunteer effort, and service.

Staff thought the whole situation was just fine and defended the contract. Many jurisdictions have adopted prohibitions against issuing contracts to individuals and companies which have defaulted property taxes.

Background: See last week's Update at the link below for all the details.

http://www.colabslo.org/prior_actions/Weekly_Update_December_6-12_2015.pdf

Item 20 - Cayucos Acquisition of Additional Naci Water and Larger Policy Implications. The item involved increasing Cayucos's entitlement by 15 acre-feet per year to serve as a drought buffer. It turns out that all of the Naci participant contractors are going to claim their full allotments and pay for them. This will enable them to sell, short-term or long-term, amounts which they do not presently need or may not need long-term.

From time to time, there has been discussion of using surplus Naci water (that is water that the participant contractors are not using) to recharge the Paso Basin. Since the contactors are now claiming their full allotments, it is possible that one or more of the contractors could sell a portion of their unneeded and unused allotments short-term or long-term for recharge projects in the Basin. The chart below illustrates the currently unused 6,000 annual acre-feet which are being claimed by various urban purveyors who have the contractual right because they participated in the Nacimiento pipeline project.

Paso Basin Questions: The final Board of Supervisors authorization for all the intricate transactions that are required is expected to take place in March 2016. One problem is that the proposed Paso Basin AB 2453 Water district (which will be voted upon on March 8, 2016) will lack funds to purchase the water for recharge. This is because the Board of Supervisors designed and LAFCO approved conditions setting up the district, which limit its expenditures to developing a State Groundwater Management Act (SGMA) Basin Management Plan. All of the $1 million per year (each year) for 5 years of new taxes must be spent on administration and the generation of the Plan. Perhaps some scheme will be developed for purveyors to sell the water directly to Basin users, who must find ways to deal with the County's water and development moratorium by finding alternative sources or offsets. It's not clear how it could actually be delivered. Could a system of swaps be developed? For example, if the City of SLO wanted to sell 2,000 acre feet of Naci water each year, could it swap some of its State water for the Naci water? Since the State water is in an aqueduct that transits the Paso Basin, it could be used for Basin recharge. In turn the Naci water would replace an equal amount of SLO"s State water.

The chart below on the next page shows the current allotments, the increase, and final allotments.

Proposed annual allotments of surplus Nacimiento water in acre-feet

Participant	Current entitlement	Change	New entitlement

City of Paso Robles	4,000	2,477	6,477
City of San Luis Obispo	3,380	2,093	5,473
Atascadero Mutual Water Co.	2,000	1,239	3,239
Templeton Community Services District	250	155	405
Santa Margarita Ranch Mutual Water Co.	0	104	104
County Service Area 10A Cayucos	25	15	40
Bella Vista mobile home park Cayucos	0	12	12
Totals	**9,655**	**6,095**	**15,750**

Source: San Luis Obispo County Department of Public Works

The Nacimiento Project aqueduct is illustrated in the map displayed below:

Planning Commission Meeting of Thursday, December 10, 2015 (Completed)

Item 19 - Request by Dr. Harvey Billig for a for a Vesting Tentative Parcel Map and concurrent Conditional Use Permit to 1): subdivide an existing 4.9 acre parcel into two parcels of 1.46 acres and 3.44 acres; and 2) construct a 36,503 square foot (sf) assisted

living facility (60 beds) on the 1.46 acres parcel, and a 70,419 sf, Behavioral Health Hospital with 91 beds, on the 3.44 acre parcel including site improvements for grading, parking, and landscaping and a common driveway and shared parking between the proposed buildings. The request includes a modification to the height standards for the proposed hospital to allow a height of 44 feet from average natural grade instead of 35 feet as provided by ordinance. The proposed project will result in the disturbance of approximately 3.5 acres and 22,230 cubic yards of cut and 17,260 cubic yards fill on a 4.9 acre parcel. The project is within the Office and Professional land use category, and is located on the south side of Las Tablas Road (directly opposite Twin Cities Hospital), approximately ¼ mile west of Bennett Road in the community of Templeton, in the Salinas River Sub Area of the North County Planning Area. The Commission conducted a hearing that lasted from 11 AM until 5 PM. The hearing has been continued to January 14, 2016. There still remain 54 speaker slips and it is likely that more will come in during the more than month long interval. This is one of the larger, if not the largest hearing, at the Planning Commission that we have seen in the past 5 years. Many speakers were in favor of the project and many were opposed. SLO County Sheriff Ian Parkinson testified that he did not foresee any negative service impacts to public safety due to the project. Numerous speakers representing medical, social services, mental health, not-for-profit, and other groups advocated for the project. There were also many individuals who have a mentally ill person in their families who emotionally pleaded for approval of the project. These speakers repeatedly cited the pain of having to send family members to out of county treatment facilities.

Normally, it would be extremely difficult for the Commission to turn down a private sector project which has such extensive support and which will create 200 new jobs and pay taxes. Some opponents are now calling for a scaled back project rather than outright rejection.

Background The project is specifically allowed under the existing Plan and zoning ordinance subject to a conditional use permit.

The staff report summarizes the key elements of the project:

The proposed project includes the following elements:

1. Proposed parcel map to create a 3.44 acre parcel for the hospital and a 1.46 acre parcel for the assisted living facility,

2. Behavioral Health Hospital with 91 beds,

3. Assisted living facility with 60 beds,

4. Grading of 22,230 cubic yards,

5. Parking for 162 vehicles both underground and in surface lots, *6. A shared parking and access agreement between parcels,*

7. A height modification request for a maximum height of 44 feet,

8. A subsurface retention basin.

The Planning and Building staff supports the project and has prepared findings for the Planning Commission to approve it. There is very significant community opposition to the project, including opposition from the Templeton Area Advisory Group. There is also considerable support, from both inside and outside the community

WILL THE COUNTY HONOR ITS OWN ANTI-VIOLENCE POLCIY?

The Policy

The County will investigate <u>all threats</u>, regardless of the nature of the threat to verify the source of information. The purpose of the investigation is to establish a probable cause and a good faith belief the potential for violence is real.

There was a reported threat against a citizen by Adam Hill, a County official. This was an alleged threat against Dan Carpenter, a sitting City of San Luis Obispo City Councilmember by a County official. This was a threat against a political opponent by a County official.

Will the Board of Supervisors follow its own Threat Investigation Policy?

Background: The failure of the Board to investigate is a violation of the County's official Anti-Violence Policy, which requires (among other things) that if a citizen or employee reports a threat of violence by a County employee or official, any County executive or official who hears of or witnesses such a violation must report it and the County must investigate it. In this case Carpenter requested the Board for help and they ignored him. This may well expose the Board (and the taxpayers) to major and costly liability in the future. Since the Board members appear to have willfully violated their own policy, they could be individually liable for misfeasance in this case. In Hill's case, and given that threatening a citizen with violence is not in the normal course of his duties (and is in fact prohibited in both County policy and law), the County could not use public resources to defend him.

5 Minute Speech that Got Judge Napolitano Fired from Fox News

Check the video at the link below. In five minutes it provides a terrific review of the current array of Constitutional issues.

https://www.youtube.com/watch?v=UgGnBCDfCLM

AND IF AFTER ALL THIS, YOU JUST WANT TO FEEL BETTER

CLICK ON THE LINK ON THE NEXT PAGE

Some descendants of the Goths enjoy a song written by a descendent of the Sclavonians and sung by a descendant of the Scythians.

https://www.youtube.com/watch?feature=player_detailpage&v=gXgTkSYi0GA