COLAB SAN LUIS OBISPO COUNTY

WEEK OF FEBRUARY 23-MARCH 1, 2014

THE COALITION OF LABOR, AGRICULTURE, AND BUSINESS

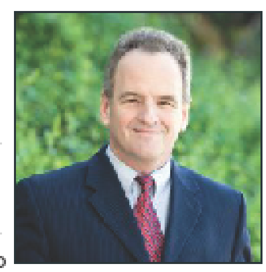
COLAB

San Luis Obispo County

5th Annual DINNER & FUNDRAISER 2014

Keynote Speaker

Dr. Sam Blakeslee



The Honorable Dr. Sam Blakeslee founded the Institute for Advanced Technology and Public Policy at Cal Poly in 2012. With a portfolio of experience as a scientist, business owner and legislator, his goal is to bring these diverse worlds together with cross-disciplinary thinkers at Cal Poly to solve some of the most complex public policy challenges facing society today. Blakeslee was elected to the California State Assembly in 2005 and later to the State Senate. Elected by his fellow legislators, Blakeslee served as Assembly Minority Leader. In this role, he was a member of the "Big 5" with responsibility for negotiating the state budget and major policy initiatives. In 2009 and 2012, the Sacramento Bee identified Blakeslee as one of "Sacramento's Most Bipartisan Legislators.

Thursday, March 27, 2014

Alex Madonna Expo Center, San Luis Obispo

5:15 pm - Social Hour, No Host Cocktails
6:15 pm - Filet Mignon Dinner including Wine

$125 per person / $1100 per table of ten
Reserved seating for Tables of Ten

For tickets, mail your check to:
COLAB, PO Box 13601,
San Luis Obispo, CA 93406

For more information call: (805) 548-0340
or email to colabslo@gmail.com

Remember to bring your ticket to enter in the door prize drawing!

Come join us in the celebration!

Cocktail Attire Optional
(We still love those jeans too!)

NASTY PASO WATER "CONSERVATION" PLAN (THINK MORE REGULATIONS) BACK ON AGENDA (1:30 PM)

SEE COUNTY DEBT PICTURE ON PAGE 4

COUNTY STONEWALLING REQUEST FOR SALARY AND PENSION DATA

(SEE PAGE 8 FOR DETAILS)

BOARD ASKED TO ENDORSE FIRING OFFICIALS WHO DON'T EXHIBIT "EXEMPLARY BEHAVIOR" OR WHO "DISCREDIT COUNTY"

DISCOURTEOUS TREATMENT OF THE PUBLIC BANNED

(SEE PAGE 6 FOR HYPOCRISY OF THE WEEK)

Board of Supervisors Meeting of Tuesday, February 18, 2014 (Completed)

Item 4 - Planning Department Work Program Priorities for 2014-15. The staff report recommended, that within the resources which are available, a number of general planning projects be continued or initiated in Fiscal Year 2014-15. The big one involves making permanent the PASO Water Basin Urgency Ordinance (moratorium). Others involve development of smart growth mechanisms. The Report was continued because the Board wanted to start the discussion of the endorsement of legislation supporting a California Water Distract in the morning. A date certain was not assigned.

Item 5 - Strategic Planning: The State of the County's Human Resources (Employees). This item was continued to the February 28, 2014 meeting and becomes **Item 22**. The discussion is reposted below as **Item 22** of the February 28th meeting.

Stealth Item X - Special Legislative Program Consideration - Board Support for Customized Enabling Legislation for Creation of a Paso Robles Basin California Water District. The Board voted 3/2, Arnold and Ray dissenting, to endorse State legislation to customize the Board structure and election language within Division 13 of the California Water Code (California Water Districts). In a late afternoon Valentine's Day switcheroo, the Board changed the agenda schedule all around. Some folks speculated that several Board members hoped that the timing shell game would confuse potential public speakers about what hour to show up.

The Board endorsed legislation to modify Division 13 of the State Water Code to provide for a 9-member governing Board elected by classes (amount of acreage of property held) for a proposed Paso Basin California Water District. The governance formula was adopted by district proponents Paso Robles Agricultural Alliance for Groundwater Solutions (PRAAGS) as a compromise engineered by Supervisor Mecham to eliminate the opposition by (Pro Water Equity), a group formed to demand action on water basin declines and dry wells (and key proponents and facilitators of the Paso Basin Moratorium).

Splitting The Issue: Ray actually supports the formation of the District but does not like the fact that Division 13 mandates that the vote on whether a district is to be formed is based on the amount of acreage held by owners, not a one-person one-vote democratic formula. Gibson, Hill, and Mecham are afraid to request a legislative modification of this provision, as it might attract the attention of other districts and generate opposition. Under the existing law, it's possible that 12-20 large property owners could decide the issue alone, disenfranchising thousands of Paso Basin residents.

Splitting Maul

Arnold has myriad reasons for opposing the formation of the district and is especially concerned about potential cost and regulatory interference. She believes that the County Flood Control District, combined with a zone of benefit, could already perform most of the beneficial functions without creating the burden of a new government entity.

News reports indicate that Assemblyman Achadjian will carry a bill, which was endorsed on a one vote margin by the Supervisors. If it doesn't pass, the proponents could go back to Plan A and file for a standard California Water District (called the off the shelf version) and try to push it through the Local Agency Formation Commission (LAFCO). Opponents will try to convince the Assemblyman to abandon his support.

Missing in all the discussion is the actual content of Division 13 of the Water Code, which provides powers, functions, financial rules, debt issuance rules, and many regulatory powers to districts formed under its provisions. The entire Board of Supervisors is under the opinion that questions and issues pertaining to these matters can be hashed out by LAFCO.

We don’t think LAFCO can impose conditions, restrict functions and powers, or add features contrary to State statute.

What a mess.

Board of Supervisors Meeting of Tuesday, February 28, 2014 (Scheduled)

Item 2 - Employment Contract for the Assistant County Administrator. Usually, professional assistant county administrators and city managers serve at the will of their boss. If the boss is unhappy for any reason, it is their ethical obligation to leave. The contract being provided here actually contains a severance provision:

(c) If, and only if, the Employee is terminated without cause, Employee shall receive a severance package equal to six month’s salary only, calculated at the highest level of salary received by the Employee during the term of the agreement in addition to any accumulated leave entitlement (calculated in accordance with County Code sections 2.44.050 and 2.44.060). Said severance package shall be paid in a lump sum or six equal monthly installments at the Employee’s discretion and direction. In no event shall the severance pay, when added to the accumulated vacation and sick leave, exceed the maximum amount permitted under the formula contained in Government Code section 53260.

The current salary is at step B, $156,000 per year plus the standard executive benefits package. Wonder if they are worried about Board changes?

On Another Note: The contract contains a long list of forbidden activities and behaviors which constitute cause for dismissal including:

Failure to maintain exemplary behavior either during or outside working hours, that become a source of discredit to the CAO or Board of Supervisors.

And:

Discourteous treatment of the public or other employees.

How ironic.

Item 3 - Submission of the County’s FY 2012-13 Comprehensive Annual Financial Report (CAFR). The CAFR is one of the most important documents prepared by any governmental organization. It contains a tremendous amount of information about the County’s finances and, by implication, its operations. The statistical section in the back is particularly useful for individuals and organizations studying County policies and/or seeking change. One example is the table on the next page below, which describes the County's outstanding debt.

Table G
Outstanding Debt
(in thousands)

	Govern-mental Activities June 30, 2012	Govern-mental Activities June 30, 2013	Business Type Activities June 30, 2012	Business Type Activities June 30, 2013	Total June 30, 2012	Total June 30, 2013	Total Percent Change
Certificates of participation	$ 27,792	$ 26,892	$ 19,060	$ 18,412	$ 46,852	$ 45,304	(3.3%)
Pension Obligation Bonds	119,429	115,624	-	-	119,429	115,624	(3.2%)
State notes	-	-	35,884	34,399	35,884	34,399	(4.1%)
Revenue bonds	-	-	199,641	196,334	199,641	196,334	(1.7%)
General obligation bonds	-	-	11,317	10,905	11,317	10,905	(3.6%)
Assessment Bonds	-	-	15,364	39,527	15,364	39,527	157.3%
	$ 147,221	$ 142,516	$ 281,266	$ 299,577	$ 428,487	$ 442,093	3.2%

The increase over last year for the County's notes and bonds payable was $13.6 million, or 3.2%. This increase is the net of new debt issuances and scheduled debt payments. During FY 2012-13, the County issued $24.2 million in Assessment Bonds.

We always point out that this table shows principal only. There is an additional $339,043,000 in projected interest, which is shown on a separate chart. Accordingly, $442,093,000 in principal + $339,043,000 in interest total $781,136,000, which will have to be paid off by taxpayers and/or utility ratepayers. The County staff is always adamant that the interest should not be counted as debt. Try to tell that to your mortgage holder or a credit rating agency.

The report also contains information on unfunded pension liability, which was $345,850,000 at January 1, 2013. The $781,136,000 + $ 345,850,000 totals $1,126,986,000. The table below describes the unfunded pension liability. The numbers are in thousands.

Actuarial Valuation Jan 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (Funding Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL (Funding Excess) as a Percentage of Covered Payroll ((b-a)/c)
2011	$1,000,169	$1,282,058	$281,889	78.0%	$161,783	174.2%
2012	$1,057,922	$1,378,549	$320,627	76.7%	$161,055	199.1%
2013	$1,122,151	$1,468,001	$345,850	76.4%	$164,299	210.5%

The full report can be accessed at the link:

http://www.slocounty.ca.gov/Assets/AC/Digital/2012-13CAFR.pdf

Item 19 - Appointment of Former Supervisor James Paterson to the Homeless Services Oversight Council (HSOC). Laurel Weir, a staff bureaucrat in the Social Services Department who functions as the County's Homeless Coordinator, has placed an item on the agenda requesting the Board to appoint former Supervisor James Patterson to the HSOC. The write-up states in part:

James Patterson has a long history of involvement with homeless programs and the HSOC. He currently serves on the boards of the El Camino Homeless Organization and the Community LINK in Atascadero. From 2005-2013, Mr. Patterson served on the County Board of Supervisors. While a County Supervisor, he served as the Chair of HSOC and was on the committee that developed the County's 10-Year Plan to End Homelessness and created the HSOC. He has also served on the board of the Community Action Partnership of San Luis Obispo (CAPSLO) and is currently a member of the HSOC Housing Committee. Therefore, James Patterson is recommended for appointment to a Nonprofit Service Provider seat on the HSOC.

Is Weir professionally recommending Patterson on her own, or was she directed to prepare the recommendation?

Patterson's application for appointment states:

I would like to continue my service on HSOC in order to further the advancement of services to the homeless population in San Luis Obispo County. We have made what I feel is significant progress these past few years and I would like to see that progress continue. At HSOC's recommendation, the county has hired a homeless services coordinator to better manage and direct services for the homeless. Having recognized that homelessness is a countywide issue and not limited to the regional locations where services are provided, better coordination of services and allocation of resources is occurring. There is a greater understanding of the needs of the homeless population and the actions necessary to address those needs. I want to see that we continue down the path towards our goal of eliminating chronic homelessness is San Luis Obispo County.

Of course the Ten Year Plan to End Homelessness is admitted, even by the Board of Supervisors, to be a complete bust.

Could this appointment be part of a bigger strategy to increase Patterson's visibility and cloak him in official plumage prefatory to a run for Supervisor in 2016? Or is he being groomed to be the District Manager of the proposed new Paso Robles Basin California Water District. After all, he has been a consistent champion of demand management and regulatory expansion.

Item 21 - Update on Federal Legislative Activities. The County's Federal Lobbyist, Mike Miller of The Ferguson Group (TFG), will present a report on his activities and accomplishments. One interesting tidbit contained in the report, which could raise some alarms, states:

TFG is working with congressional and Corps of Engineers staff to prevent deauthorization of treatment plant funding under proposed water resources legislation and to secure funding under the authorization, including new funding for the Corps's Section 219 program under the 2014 Omnibus Appropriations bill.

Is the County's low interest $80 million Federal loan, which is a key part of the $178 million project budget, at risk?

Item 22 - Strategic Planning: The State of the County's Human Resources (Employees). This item was continued to the February 28, 2014 meeting from the February 15th meeting because the Board ran out of time. The analysis is reposted below:

Repost From February 15, 2014: This item is yet another example of a report to be presented at the Board meeting where the actual report (a power point) is not attached to the agenda material. This means that affected organizations and the public have no opportunity to review and analyze the information and potential policy recommendations in advance of the Board's actual consideration (unless of course some insiders get a private peek). Wonder if the Board members themselves have the power point to study over the weekend?

In this case, the report may have significant future implications for County costs and Budget. Of course we won't know until late sometime late Tuesday morning. During the recession the County balanced its budget on the backs of its employees by forcing them to accept salary reductions and freezes in lieu of layoffs. In large part, this is because the County has insufficient economic growth to keep up with the natural increase in labor costs and other expenses. Pressure is building from labor groups to do something about the situation. Most have renewed contracts for 2 years which contain fairly modest salary and benefit increases (1.5% per year). It is likely that in exchange for those contracts, the County agreed to study the entire situation and then lay the groundwork to provide higher compensation during the next round of bargaining.

The Human Resources write-up states in part:

The strategic planning presentation on the state of HR will focus on the following topics:

□ *Workforce realities, including workforce demographics and trends*

□ *Workforce trends and their impacts on recruitment and retention*

□ *The current state of our human resource programs with a special focus on:*

o Recruitment

o Selection

o Employee Development and Succession Planning

o Technology

□ *Gap analysis between the current county investment in the HR program and industry benchmarks and best practices*

□ *Goals, strategies and recommended investments to modernize HR and achieve a business-integrated HR program*

The sections highlighted in yellow are “gov-speak” euphemisms for: “We are looking to increase salaries and benefits and also put more dollars into running the Human Resources Department.”

San Luis Obispo County Stonewalling: For the past several years a non-profit group called Transparent California has been collecting and posting city and county salary, benefit, and pension information on its website as public service for citizens and officials. Almost all the cities and counties in the State have provided the information for both 2011 and 2012. San Luis Obispo County is one of the notable exceptions.

Transparent California lists SLO County as “Agency Stalling Request.” It has posted the plea for assistance displayed below:

Contact San Luis Obispo County

Please help us procure these records for Transparent California by **respectfully** requesting that government officials fully comply with California's Public Records Law and provide Transparent California with the requested records in an Excel-compatible format.

Every citizen has a right to know how government is spending his or her money, and you have a right to respectfully request that this government agency abide by the law and allow you to see how your money is being spent.

Feel free to use the following contact information for San Luis Obispo County. You can also click here to generate and send a request email directly.

Name: Susan Hoffman

Title:	Deputy County Counsel
Phone:	(805) 781-5400
Address:	County Government Center, Rm. D320 San Luis Obispo, CA 93408

We contacted Susan Hoffman, who turns out to be an attorney in the County Counsel's office, to get the County's side of the story. She indicated that as a staff attorney, she could not speak on behalf of the County.

Readers can access the Transparent California website at the link:

http://transparentcalifornia.com/

MATTERS SCHEDULED AT 1:30 OR THEREAFTER

Item 27 - County Water Conservation Program For New Development in the Paso Robles Water Basin. This item was originally scheduled on February 15, 2014. It was not heard and was continued due to the lengthy discussion of the Paso Robles Water Basin Water District which took place that day. We have reposted our analysis from that meeting for your convenience.

Repost: As part of the Paso Groundwater moratorium, developers of new homes and other buildings are required to demonstrate 1:1 water offset. The program also mandates that home expansions and renovations be subject to the specific gallon offset impositions. New and expanded buildings will be required to offset 280 gallons per day (102,200 gallons per year/ about 1/3rd of an acre-foot). Developers, builders, and home renovators will be required to pay to remove toilets, faucets, and shower heads installed prior to 1994 and replace them with newer technology water-saving versions. The

Planning Department will broker the program between owners of older homes and developers. A water credit market will be developed. The program also restricts outdoor irrigation.

The proposed Resolution adopting the program details the process:

For purposes of implementing Ordinance 3246, the Approved County Water Conservation Program for new development shall operate as follows:

1. The County will facilitate the retrofitting of houses in the area of the Paso Robles Groundwater Basin (Basin) subject to the Urgency Ordinance. Retrofitting will target houses and buildings constructed prior to January 1994 with 3.5 gallons per flush (gpf) toilets. Houses and buildings constructed prior to 1980 used 6.0 gpf toilets; however, due to the newer age of the housing stock and natural replacement rates, 6.0 gpf toilets are not expected to be found in substantial quantities.

2. An Offset Clearance request will ordinarily be part of a building permit application for new or expanded development in the area of the Basin subject to the Urgency Ordinance.

The building permit application will be reviewed by the Department of Planning and Building, which will set the volume of water needed for offset purposes for both interior and exterior use and establish a "prior to final inspection" compliance condition with the Ordinance.

3. The County will contract with a private firm (contractor) to operate the retrofit program. The contractor will focus on the areas included in the marketing effort in the Basin and will perform retrofits using a licensed plumber, establish a virtual retrofit credit bank, and track retrofit credit deposits and withdrawals.

4. A licensed plumber will perform the retrofits with approved plumbing fixtures (see below). The reduction in water use due to the retrofits will take the form of "retrofit credits" that will be placed in a "bank" for use as offset credits for new or expanded development.

5. Existing plumbing fixtures shall be replaced with the following:

a. All toilets greater than 1.6 gpf shall be replaced with toilets that use no more than 1.28 gpf.

b. Existing showerheads shall be replaced with showerheads that use no more than1.5 gallons per minute (gpm).

c. Existing aerators shall be replaced with aerators that use no more than 1.0 gpm.

d. Fixtures with lower flow rates will result in additional prorated water savings.

6. Replaced toilets shall be rated a minimum of 600 by the California Urban Water Conservation Council (CUWCC) Maximum Performance Testing (Map) program.

7. Unless specific information is submitted as part of the building permit application process, the offset amount is standardized for all new or expanded residential uses. All new and expanded residential uses will be required to offset new water demand through purchase of credits from the bank in the amount equivalent to 280 gallons/day, unless specific and adequate evidence, as determined by the Director, is submitted during the building permit application process indicating that some other offset amount is more appropriate (e.g. use of fixtures with lower flow rates). Water demand and resultant offset requirements for new commercial uses shall be set by the Director on a case-by case basis using actual water use data to the extent practicable. If no metered water demand data is available, the Director shall establish water demand using conservative assumptions so as to not underestimate the amount of water to be used by the proposed use.

8. A landscape plan for the entire property is required as part of the building permit application process for each new residential and commercial use. The landscape plan shall show the extent and type of landscaping on the site. The total offset amount in paragraph 7 above is based on a total landscape area of 1,000 square feet, with no more than 10% of that area to be planted with turf grass, and represents a maximum of 180 gallons per day of outdoor water use. If additional landscaping or outdoor water use is proposed, additional offsets will be required. Alternatively, a landscape and irrigation plan prepared by a licensed landscape architect may be used to calculate outdoor water use in lieu of the standard amount.

9. Offset credits must be purchased from the bank prior to final inspection or issuance of a certificate of occupancy. The cost of offset credits shall be set so as to equal the cost of the retrofit credits.

10. Adoption of this resolution is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1 (15301) because the project addresses interior alterations to plumbing fixtures only, and pursuant to Class 7 and Class 8 (15307, 15308) because the project is an action by the County as a regulatory agency for the protection of the natural resources of the Basin and the project is also an action by a regulatory agency for the protection of the environment by protecting the area's water resources.

Some unanswered questions:

- What is the likely size or volume of this program per year once it gets rolling?
- What will this add to the cost of a new home, home addition, tasting room, restaurant, or bed and breakfast, etc.?
- What if an insufficient number of citizens with older homes volunteer to subject themselves to the program?
- What is the ratio of old houses that need to be retrofitted to offset the typical new residence? (10, 20, or what?)
- On the other hand, what happens when they run out of houses to retrofit? Will this beckon an in lieu tax program? Or a new assessment on all water users in the basin?

- How will the County's official plumber be selected? Will this be a monopoly?
- How will the County prevent price gouging, improper appliance and toilet price markups, and collusion by the County's official contracted plumber, its subcontractors, and its suppliers?
- The County will maintain permanent records of the kinds of toilets, appliances, showerheads, etc., that are in peoples' homes, as it does in the Los Osos program. Are these records subject to public disclosure?
- In the Los Osos retrofit program, the County has maintained the power to periodically review the water bills of people who retrofitted to verify savings. Is this something that residents of the Paso Basin want?
- The write-up states that the County is allocating $25,000 to administer the program. What is the analysis that supports this number?
- In the larger picture, should the Board of Supervisors be allowed to continue expanding its intrusive and costly social engineering programs?

Planning Commission Meeting of Thursday February 28, 2014 (Scheduled)

Item 2 Cypress Ridge Development Expansion. The Planning staff recommends that the Planning Commission approve the project which is described as:

Request by Cypress Ridge L.P. for a Vesting Tentative Tract Map (TR 2993) to allow a cluster subdivision of two existing 20.78 and 40.02 acre parcels resulting in twenty-one parcels of one acre each for the purpose of sale and/or development and two open space *parcels of 21.2 and 14.6 acres. The project includes off-site road improvements with the extension of Cypress Ridge Parkway from adjacent property to the west. The project will result in the disturbance of approximately 40 acres as a result of the access drive, access trails, and future residences on the proposed parcels.*

The project, when completed would contain 30 new dwelling units.

Dunes Dust Not a Problem: A number of current Cypress Ridge residents have been complaining to the Air Pollution Control District (APCD) and Board of Supervisors about dunes dust (PM_{10}) blowing from the northwest into their yards and homes. Significantly, there is not one scintilla of data within the environmental information presented by the Planning and Building staff or the APCD with respect to this project related to the dunes dust issue. There is nothing in the record indicating that it was even studied. Instead the entire record concerns mitigation of dust, greenhouse gasses , and fireplace smoke which will be generated by the 30 new houses.

If there is a real problem, how can the County and APCD place future residents in harm’s way? The fact of the matter is there is no man made dunes dust problem and the County and APCD know better than to tie up the applicant on this issue. They don’t want another lawsuit where they have to reveal their false data under oath in a Court room or deposition.

Item 5- Revisions to the Zoning Ordinances Adopting More Strict Flood Hazard Requirements and Standards. The write up does not indicate how the more strict requirements would impact availability of developable land. It is not clear if staff met with the development, home builders, or agricultural organizations to receive comment and assess the impact prior to proposing these changes.

The project proposes the following revisions to Section 22.14.060 (Flood Hazard Area) of Title 22 and sections 23.07.060 (Flood Hazard Area), 23.07.062 (Applicability of Flood Hazard Standards), 23.07.064 (Flood Hazard Area Permit Processing Requirements), 23.07.065 (General Hazard Avoidance), 23.07.066 (Construction Standards) of Title 23 of county code: - Adds Language regarding Statutory Authority

- Requires that temporary uses be removable in times of flooding in order to be exempt from the Flood Hazard Combining Designation

- Adds new language regarding definition of “substantial damage”

- Establishes new requirements for projects that alter a watercourse

- Establishes new requirements and findings for variances

- Adds new language regarding disclaimer of liability

- Establishes new requirements for land divisions in flood hazard areas

- Adds new language regarding abrogation and greater restrictions

The project also proposes revisions to section 22.80 (Definitions) of Title 22 and section

23.11(Definitions) of Title 23 of county code to add definitions of the following language:

- *Highest Adjacent Grade*

- *Area Of Special Flood Hazard*

- *Start Of Construction*

The project also proposes revisions to section 21.03.010 (Flood hazard and drainage) of title 21 (Real Property Division Ordinance) of county code as follows:

- *For new land divisions, public utilities and facilities such as sewer, gas, electrical and water systems are required to be located and constructed to minimize flood damage.*

- *Requires that all new subdivisions greater than 50 lots or 5 acres shall identify the Special Flood Hazard Areas and the Base Flood Elevation.*

The narrative simply says that the changes are necessary to bring the county into compliance with updated Federal Emergency Management Agency (FEMA) regulations.