



## **COLAB SAN LUIS OBISPO COUNTY**

**WEEK OF NOVEMBER 8-14, 2015**

### **NIPOMO MEDICINAL MARIJUANA DISPENSARY DENIED 3/2**

**HILL: “WE’RE GONNA GET SUED AND I’M NOT  
SURE IT’S A BAD THING”**

**COUNTYWIDE ORDINANCE  
RESTRICTING LANDSCAPING TO BE  
SET FOR NOVEMBER 24<sup>TH</sup> HEARING  
(YOU WON’T BELIEVE HOW INTRUSIVE AND  
EXPENSIVE THIS THING IS—SEE PAGE 4)**

**ALERT  
PASO BASIN ELECTION & TAX  
MANEUVERINGS—SEE PAGE 5  
SHOW UP APPROX. 10:00 AM, TUES  
NOVEMBER 10<sup>TH</sup>  
WHAT A QUAGMIRE!**



**COLAB**  
San Luis Obispo County

**7th ANNUAL**



# **DINNER & FUNDRAISER**

## **SAVE THE DATE**

**Friday, March 11th**  
Alex Madonna Expo Center

details coming soon...

**One of the Biggest Parties  
in San Luis Obispo County**  
***You Won't Want to Miss It!***

COLAB San Luis Obispo County  
805-548-0340 colabslo@gmail.com

**Item 16 - Hearing to consider an appeal by James Bigelow of the Planning Commission's approval of the application of Ethnobotanica for a Minor Use Permit (DRC2014-00070) to establish a medical marijuana dispensary and construct related tenant improvements in an existing building at 2122 Hutton Road, approximately 3 miles south of Nipomo.** The Board denied the appeal on a 2/3 vote with Gibson and Hill dissenting. There were 27 speakers, of which 14 supported the project, 12 were opposed, and one was unclear. SLO County Sheriff Parkinson and District Attorney Dow spoke strongly in opposition. Also, both the Santa Maria Police Chief and Santa Maria Mayor Alice Patino spoke in opposition. Additionally, the Executive Director of Santa Maria's anti-drug coalition, Fighting Back, opposed the project. Other opposition speakers included residents of the nearby Casa Pacifica Estates subdivision. Proponents included people who had benefited themselves or who know someone who benefited from medical marijuana. Sean Danaher, an Oakland based marijuana lobbyist, also testified in favor. Interestingly, several drivers who work for the currently operating marijuana delivery services also testified in favor.

It was very clear that the current marijuana home delivery service industry is very large. There may be as many as 100 firms operating in the county, ostensibly from outside bases.

Gibson pressed the law enforcement officials to demonstrate that the project would increase crime. They pointed out that dispensaries handle large amounts of marijuana and cash, which are attractive targets for armed robbers. Banks, which are Federally regulated, and because marijuana possession and sale are Federal and state crimes, are averse to setting up accounts for marijuana sales businesses. Thus opportunity for crime does not simply occur at the dispensary but at the homes of the dispensary owners who are holding cash and the marijuana. They cited many armed robberies, including armed robberies that became homicides related to both dispensaries and delivery services.

**Anecdotal Data?** Gibson insisted that the statements opposing of the dispensary constituted anecdotal data and thus did not meet the zoning test of demonstrating an actual public safety problem sufficient to deny the project. Ironically, it was Gibson who led the adoption of the Paso Basin Moratorium on the basis of anecdotal "data" – that is, testimony from people who said they knew of someone with a dry or failing well. The Board adopted the moratorium and declared that there was an "imminent threat to public health, safety and welfare." In other words, if the kid down the street gets a phony prescription for medical marijuana and sets up a business which sells it to your kid, it's not a threat to public health, safety, and welfare?

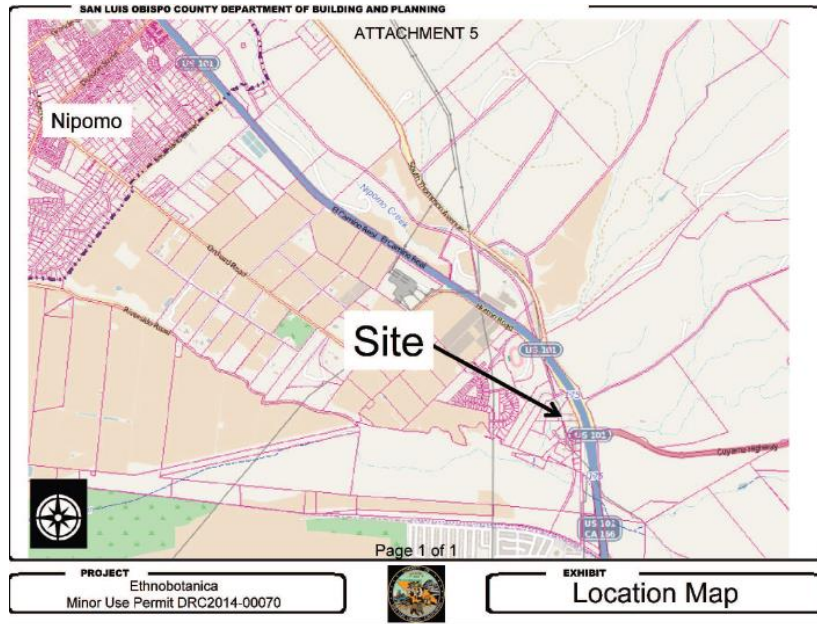
Hill and Gibson were vocal in their support for the project:

Hill: So if you don't like McDonalds (fat and corporate greed) we should turn an application down? What about a gun store or liquor store?

Hill: Denying the dispensary is stigmatizing the patients who need marijuana for their medical condition.

Gibson: “I agree, we have no (valid) findings for denial”

Hill: “The world is changing, and the County can’t stick its head in the ground.”



Hill, inviting litigation and costs to the taxpayers: “We’re gonna get sued and I’m not sure it’s a bad thing.” Should Arnold encourage the Paso Basin overlayers to sue the County on the permanent water restrictions?

By way of backhanding conservatives, Hill also made several appeals to protecting property rights and even mentioned states’ rights.

As the ancient Greek historian Herodotus said more than 2,400 years ago, “We can contend with the evil that men do in the name of evil but heaven help us with the evil men do in the name of good.”

**Background:** On July 9, 2015, on a 3-1 vote (Campbell absent) and Harrison dissenting, the Planning Commission approved the application for a commercial medical marijuana dispensary in the industrial area just north of the Santa Maria River and west of Highway 101. A citizen appealed the Planning Commission’s approval to the Board of Supervisors, requesting that the permit be denied. The appeal cites increased propensity for crime and traffic congestion as the key reasons for denying the application.

**Board of Supervisors Meeting of Tuesday, November 10, 2015 (Scheduled)**

**Item 1 - Introduction and Set Hearing for November 24, 2015 for Model Water Efficient Landscape Ordinance (MWELo).** The purpose of this item is to set a hearing for November 24<sup>th</sup> (the same day has the County’s proposed 2016 fee hike adoption) for the purpose of adopting a new State 24-page landscape water regulation into the County building code. The requirements are strict, invasive, and costly. As noted the actual hearing and the Board vote will be on the 24<sup>th</sup>. We present the item here as an early alert.



*The Landscape Documentation Package must include a water efficient landscape worksheet, a soil management report, a landscape design plan, an irrigation plan, and a grading plan (if necessary). **A landscape water meter is required on all non-residential irrigated landscapes between 1000 and 5000 sq. ft. and all residential landscapes 5,000 sq. ft. or greater.***

*After the Landscape Documentation Package is approved and landscaping is installed, the applicant must submit a Certificate of Completion signed by the landscape plan designer, irrigation installer, or landscape contractor to verify that landscaping has been installed according to the approved plans. An irrigation audit report must be included with the certificate of completion. The irrigation audit can be conducted by either a local agency landscape irrigation auditor or a third party certified landscape irrigation auditor.*

*As a result of MWELo adoption, smaller projects will be subject to more strict landscaping requirements. The MWELo applies to all new projects with an aggregate landscape area of 500 square feet or greater that require a building permit. It also applies to rehabilitated landscape projects with an aggregate landscape area of 2,500 square feet or greater that require a building permit.*



Apparently landscape areas containing edible plants are exempt. Perhaps Hill and Gibson will amend the ordinance to include marijuana as an edible plant. How much water per acre does UC Extension say marijuana uses?

Take a minute and look at the actual text in the link below. You won't believe this one!

<http://agenda.slocounty.ca.gov/agenda/sanluisobispo/5319/QXR0YWNobWVudCAvX01vZGVsIFdhGvYIEVmZmljaWVudCBMYW5kc2NhcGUgT3JkaWFuYW5jZS5wZGY=/12/n/52442.doc>

## **PASO BASIN ELECTION MANEUVERINGS**

**ITEMS 7, 8, AND 9 BELOW TEE UP IMPLEMENTATION OF THE PROPOSED PASO ROBLES AB 2453 WATER MANAGEMENT AUTHORITY**

The actions contained in the agenda items 8 and 9 below are procedural steps required as a result of the Local Agency Formation Commission LAFCO approval of the proposed Paso Basin water management authority. Although they are required and the Board must adopt them, there are

important choices about how they are worded and whether the Board will stay neutral or whether Hill, Mecham, and Gibson will officially endorse them as the Board majority on this issue. Item 7 is discretionary and does not need to be adopted at this time unless the Board supports the trick contained therein. Details are outlined below.

**Item 7 - It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District) hold a public hearing and adopt the attached resolution establishing Zone 19 of the San Luis Obispo County Flood Control and Water Conservation District.** This item would implement the sleight of hand funding provision which the Board water majority slipped into its LAFCO application at the last minute. Readers will remember that the provision hedged the County's bets vis a vis whether the AB 2453 water district would be approved by the voters. It provided that in the event that the Prop 218 funding vote is approved but that the district formation vote fails, the County flood control district could use the funding intended for the district (almost \$1 million per year for 5 years) to fund itself for preparation of the State required groundwater sustainability plan (GSP). If, on the other hand, the new water district is approved by the voters, the County would pass the funding through to it. The Board water majority's rationale is that the County has to do a GSP whether or not the district is approved. Thus it could use the funding vote for either contingency and save the cost of a future funding election. To make this option work the County needs to create a new zone of benefit (entitled zone 19) to tax the basin overlies. There are a number of problems with this scheme:

- a. It was put in the LAFCO application at the last minute.
- b. It is presumptuous in that it assumes that if the district vote fails, the County needs a new tax to fund the preparation of the GSP. No one has actually ever analytically proven why the County would need a new \$1 million per year for 5 years to develop the GSP. For example, it has studied the Paso Basin to death and has numerous reports about its status and how it works hydrologically. Moreover, it has an updated basin water model. Finally, it has a consultant that is supposedly researching the feasibility of methods to acquire supplemental water (recharge, tertiary recycling, etc.). The County's own budget for the project shows a consultant for \$250,000 per year for developing the plan. What's the other \$750,000 actually for?
- c. It is also presumptuous because if the voters of the proposed water district reject the district, it demonstrates that the Board water majority was on the wrong path all along. All the structural alternatives will need to be evaluated in the event of that circumstance.
- d. No one has said what a separate election for a new tax would cost in the future if the County were able to actually prove its case that it needed a new million dollars per year to fund preparation of the GSP. What would the cost be if it were held during a regular June or November election when a ballot already has to be prepared and the election costs are spread over many issues and offices?

e. Proponents of the district, County staff, and the Board water majority are concocting a false zero sum "choice" which dictates that if the district fails to be approved, the County must have a new million per year for 5 years in order to prepare the GSP. It is then postured that if it (the county) doesn't have this new money, the State will then automatically step in and of necessity, prepares the plan at some huge cost. Note that in agenda item 8 the staff is actually recommending that the board send a letter to the State Water Resources Department and request the cost numbers for the state to prepare the plan. This constitutes actual electioneering by the Board, because it says: you either have to do it our way or the State will come and manage the basin in ways you don't like and at some huge cost. This is nonsense. A new and reformed Board of Supervisors could explore a variety of options and costs.

f. If the basin overlies (now more than 500 property owners representing over 17,000 acres) win quiet title and the County insists on resisting, the basin will become adjudicated, which will mean that any GSP will have to conform its provisions to whatever restrictions and plans are inherent in the adjudication determined by the judge. In this case, much the County's potential work will have been done ahead of the development of the GSP. In fact, and to the extent that the adjudication upholds the overlies primary rights, the heavier burden for balancing the basin will fall on the municipal prescriptors and those overlies who have not signed up for quiet title. The decision may come as soon as January 24, 2015.

g. This whole item is a slap in the face to the quiet title plaintiffs and the 1250 petition signatories who protested the tax and district formation at LAFCO.

h. The Board should reject the creation of this zone of benefit and allow the voters to decide if they wish to create the new district. The voters will also be deciding about funding in a separate vote as in outlined in item 8 below. The effect of rejecting this item would mean that if the district formation is rejected but the funding is approved, the County could not simply use the money to develop a GSP without further policy direction and voter approval, if in fact a new \$1 million per year for each of 5 years is actually required.

**Item 8 - It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (Flood Control District) adopt provisions to levy the tax.** This one is broken down into 4 items (detailed below). Items 1 and 2 are required as a result of the LAFCO approving the structure of and various conditions pertaining to the formation of the district. Items 3 and 4 are political choices, and the Board members' individual positions and the Board's ultimate actions on them will shed further light on their relative positions. In other words, they have no choice but to adopt 1 and 2, but they do have discretion about items 3 and 4. The fact that the staff chose to combine them as a package in item 8 underscores the degree of influence exercised by the Board water triumvirate of Mecham, Hill, and Gibson with respect to this issue.

Note that item 7 above must be adopted first in its current form for the Board to continue, hold a hearing, and take action on this item. Obviously the zone of benefit (taxing district) contemplated in item 7 must exist in order for this item to be able to be put into operation.

**1. Adopt the attached resolution calling for an election to impose a special tax upon parcels located within Flood Control District Zone 19 for the purpose of funding the services necessary to comply with the requirements of the Sustainable Groundwater Management Act of 2014 (SGMA).** This portion is fairly straightforward and is the required legal process for the Board to call for the tax election implicit in the LAFCO approval of the proposed district. The Board does not have discretion to not call for the election.

The actual proposed text of the measure states:

*Shall a special tax be levied within Zone 19 to fund local groundwater management and compliance with the mandatory provisions of the Sustainable Groundwater Management Act of 2014, and allocated to parcels at the rates set forth in Exhibit A of the Resolution calling for an election on the special tax approved by the Board of Supervisors on November 10, 2015?*

**Extortion Tactic:** The write-up contains the following paragraph:

*By taking this approach, individuals who are not in support of the Water District as the local agency that will represent them with respect to SGMA compliance can still vote yes on funding and have the Flood Control District obtain the revenue necessary for SGMA compliance. Regardless of the results of the formation election, should the special tax fail, staff would return to your Board with the option of trying the same funding approval process again, because establishment of an independent funding mechanism is needed in order to fund basin-specific SGMA compliance efforts. **If the Board did not want to try to reattempt funding approval and the County elected not to be the GSA, the State Water Resources Control Board (SWB) would likely impose fees on all groundwater users within the unmanaged area.***

Here the staff interposes itself improperly in the policy process (probably with the connivance of the Meham/Hill/Gibson triumvirate) and basically says: if you won't give us the new million per year to do the Plan, we will call in the State. Again, this is presumptuous and should be rejected out of hand. If the funding is rejected, a future Board can determine how to develop a GSA and direct the staff accordingly.

The wording and structure of the ballot measure are illegal. Proposition 218, Proposition 13, and other related laws do not allow for contingent purposes for a new tax. Thus the provision requested by the Board and approved by LAFCO – that the funds raised by the new tax would go first to the new proposed district if approved but the second to the County if not approved – is illegal. Dual but unspecified (if not that then this) tax measures are generally illegal. In adopting this provision, the Board and LAFCO may have actually doomed the entire effort from the start.



Sub-item 4 (Because of its relation to sub-item 1, the Weekly Update is listing this with sub-item 1 rather than in order at the end of Item 7) of the board letter confirms the intent here:

**4. Direct the Director of Public Works to write a letter to the State Water Resources Control Board (SWB) formally requesting information specific to fees and management activities in the Paso Basin if SGMA was implemented by the SWB.** Elaborating on this play, the staff letter:

*The fees imposed by the State Water Resources Control Board for State management of a basin are unknown at this time, and are not required to be developed under SGMA until July 1, 2017. However, staff has learned through stakeholder outreach that this fee information is very important to voters as they consider approval of a local tax for SGMA compliance. During LAFCO proceedings, the SWB attended meetings and made presentations regarding SWB management and associated fees, but could not elaborate beyond statements that SWB management would most likely be demand management only and more expensive than local funding. Now that the Flood Control District has established the amounts of the special tax for local SGMA compliance, and in order to provide as much information to voters as possible, staff is seeking direction from your Board to write a letter to the SWB formally requesting its review of the local special tax and how it might compare to SWB fees and management for SGMA compliance in the Paso Robles Groundwater Basin. **Staff believes this additional information will assist voters in their decision on how to vote for the proposed special tax.***

a. Again we see the staff setting up a false force field by assuming that there are only 3 choices to prepare a GSP: the proposed water district with a new tax, the County Flood District with a new tax, or punting the issue to the State Water Resources Board and presumably large costs and insensitivity to local concerns.

b. Insofar as we know, the State Water Resources Board has never developed a GSP and has never managed a water basin. Moreover, its staff has repeatedly told everyone one that this is the last thing they want to do.

c. Clearly the staff and Board water majority are using State takeover (as one of only 3 solutions to the development of a GSP) as a threat to extort the passage of the tax from the voters

**2. Review and approve the Acreage and Land Use Category (LUC) appeal document.** This section is mandatory and sets the procedure for appeal if an owner determines that his or her tax is in error.

**3. Consider and provide direction to staff regarding the development of a ballot argument and rebuttal for the proposed special tax measure in Zone 19.** Under the law the Board may consider whether it wishes, as a body, to take a position in favor of or in opposition to the new tax. All along, the Board water majority has stated that the question should be left to the voters.

It will be telling (and confirm the bias) if suddenly they opt for supporting the tax and one of them makes a motion to this end. The write up states in part:

*If your Board desires to submit an argument, the due date is December 9, 2015. If the entire Board desires to approve the text of the argument, staff would need to return to your Board by the December 8, 2015 meeting with the proposed language. In the alternative, your Board could authorize two members to draft and submit an argument. If your Board decides not to submit an argument for the measure, then the County Clerk would receive and publish arguments in accordance with the priorities set forth in Elections Code Section 9166.*

If there are Board members who wish to rebut the support argument, there is a scheduling and timing problem:

*When an argument in favor and an argument against the measure have been selected, the Elections Official will send copies of the argument in favor to the authors of the argument against and the argument against to the authors of the argument in favor. The authors may prepare and submit rebuttal arguments not exceeding 250 words. Thus, if your Board elects to write an argument in favor of the measure it will also be given the opportunity to submit a rebuttal to the argument against. **Due to agenda processing and scheduling, the ability of your Board to submit a rebuttal approved by the entire Board is more problematic. The rebuttal is due on December 21.** While your Board does meet on December 15, the staff report would need to be submitted to your Board as a corrigenda item. If the Board authorizes two members to submit an argument and a rebuttal, the timing issue would be mitigated.*

Happy Holidays.

**The overall tax allocation formula is explained in a table on the next page:**

COUNT	PER PARCEL CHARGE	RATE PER PARCEL OR ACRE	REVENUE GENERATED	% OF TOTAL
6,512	Total parcels	\$ 15.00	\$ 97,680.00	10%
	<b>PER UNIT CHARGE</b>			
3,858	SFR Parcels	\$ 20.00	\$ 77,160.00	8%
319	MFR Parcels	\$ 40.00	\$ 12,760.00	1%
129	Commercial/Gov per Parcel	\$ 100.00	\$ 12,900.00	1%
2,206	Vacant	\$ 10.00	\$ 22,060.00	2%
				13%
	<b>PER ACRE CHARGE</b>			
312,546	Non-Irrigated Acres (ALL)	\$ 0.25	\$ 78,136.50	8%
36,462	Irrigated Acres	\$ 18.00	\$ 656,316.00	69%
				77%
	<b>TOTAL</b>		<b>\$ 957,012.50</b>	100%

Some sample tax calculations are displayed below:

10 Acre Parcel	Annual Charge	25 Acre Parcel	Annual Charge	100 Acre Parcel	Annual Charge
SFR	\$37.50	SFR	\$41.25	SFR	\$60.00
MFR	\$57.50	MFR	\$61.25	MFR	\$80.00
Commercial	\$117.50	Commercial	\$121.25	Commercial	\$140.00
Rangeland	\$27.50	Rangeland	\$31.25	Rangeland	\$50.00
Irrigated Ag (100% of Acreage Irrigated)	\$205.00	Irrigated Ag (100% of Acreage Irrigated)	\$475.00	Irrigated Ag (100% of Acreage Irrigated)	\$1,825.00

**Item 9 - This item legally sets the election for the formation of the proposed District and the election of the proposed District's initial board of directors.**

**Item 9 contains the following sub-items:**

**1. Adopt the attached resolution calling and giving notice of elections on the question of the formation of the Paso Robles Basin Water District (Water District) and election of the initial Board of Directors for the Water District and fixing March 8, 2016 as the date of the all-mailed ballot elections.** This action is required by law as a result of the LAFCO approval of the district.

**2. Approve the Election on the Formation of the Paso Robles Basin Water District Policies and Procedures and direct staff to follow the policies and procedures set forth therein in conducting the election on the question of the formation of the Water District and election of the initial Board of Directors.** This action is also required by law per the State Election Code and the State Water Code. Because the representation formula for the proposed district's board of directors is so complicated, the staff has had to prepare a very extensive and convoluted ten page document entitled **Election on the Formation of the Paso Robles Basin Water District Policies and Procedures.**

Go to the link below to see how the tortuous and difficult the design of the district representation formula is to administer. It's likely to be a lawyers' paradise.

<http://agenda.slocounty.ca.gov/agenda/sanluisobispo/5310/QXR0IEIgLSBQb2xpY2llcyBhbmQgUHJvY2VkdXJlcy5wZGY=/12/n/52353.doc>

*This document, included as Attachment B, will be the guiding document for conducting the election on the question of whether the Water District should be formed and the election of the first set of directors. It includes policies and procedures on various subjects, such as the statutory obligation of the Board to call the elections, the interplay between overlapping provisions of the Cortese-Knox-Hertzberg Act and the California Water District Law and the allocation of votes in the landowner election on the question of whether the District should be formed and who should serve on the Board of Directors, including identification of each voter, acreage calculations and changes of ownership occurring after preparation of the tax roll. Staff is requesting that your Board approve this document.*

**3. Consider and provide direction to staff regarding the development of a ballot argument and rebuttal for the question of whether the Water District should be formed.** Similar to the arguments and rebuttals issue discussed in item 8 above, the Board may elect to file an argument in favor or support of the district formation itself. Again the sincerity of the Board water majority in letting the voters decide may be tested here.

*Pursuant to Water Code Section 34402.2 and Government Code Section 57145, the Board of Supervisors may file a written argument for or a written argument against the proposed Water District formation. If your Board elects to submit an argument and more than one argument (on the same position) is submitted, the County Elections Official will apply the priorities set forth in Water Code Section 34402.3 and/or Government Code Section 57145.3*

**4. Direct the County Elections Official to designate precincts and polling places and to take any other action necessary to provide for the conduct and the canvass of returns of the election, as determined by the San Luis Obispo County Local Agency Formation Commission (LAFCO). This action is required by the State Election Code.**

**5. Adopt the procedures for the nomination of candidates for directors of the Water District as set forth in the Special Board of Directors Elections of the Proposed Paso Robles Basin Water District Candidate Information Booklet.** The Guide specifies how candidates file for candidacy and the various deadlines. No doubt the cadre of leftist water groupies in the North County and representatives of some of the larger interests are loaded for bear on this one. The Guide can be accessed at the link:

<http://agenda.slocounty.ca.gov/agenda/sanluisobispo/5310/QXR0IEUgLSBDYW5kaWRhdGUgSW5mb3JtYXRpb24gQm9va2xldCAoZmluYWwgMTAtMjgtMTUpLnBkZg==/12/n/52387.doc>

**The Schedule and deadlines are displayed on the next page.**

C. Formation Election Schedule

**SAN LUIS OBISPO COUNTY ELECTIONS OFFICIAL'S ACTIVITY SCHEDULE FOR PLACING A MEASURE ON THE BALLOT FOR THE MARCH 8, 2016, SPECIAL ELECTION FORMATION OF THE PROPOSED PASO ROBLES BASIN WATER DISTRICT**

November 10, 2015 EC Sec 4108 WC34400; GC 57000	Board of Supervisors will submit their resolutions calling for and placing a measure regarding the formation of the Paso Robles Basin Water District on the Special All Mail Election ballot.
November 11-20, 2015 EC Sec 9190, 9380	<b>PUBLIC EXAMINATION PERIOD</b> – Ten day examination period begins the day after the adoption of the resolution by the Governing Board.
November 16, 2015 EC Sec 9163, 9316 GC 57146	<b>BY THIS DATE</b> the Elections Official shall publish the Notice Calling for Submission of arguments FOR or AGAINST the measure.
November 16, 2015 GC 57144	<b>BY THIS DATE</b> the LAFCO Executive Director shall submit to the commission, for its approval or modification, an impartial analysis.
December 9, 2015 EC Sec 9161-9163, 9315-9316, 9800-9801 GC 57144-57146 WC 34402.2-34402.3	<b>PRIMARY ARGUMENTS DUE – LAST DAY</b> for proponent(s) to change or withdraw Primary Arguments.
December 10-21, 2015 EC Sec 9190, 9380	<b>PUBLIC EXAMINATION PERIOD - Primary Arguments Only</b>
December 21, 2015 EC 9167 GC 57144; GC 57147	<b>IMPARTIAL ANALYSIS DUE</b> from LAFCO Executive Director <b>AND REBUTTAL ARGUMENTS DUE.</b>
December 22-31, 2015 EC Sec 9190, 9380	<b>PUBLIC EXAMINATION PERIOD - Impartial Analysis and Rebuttal Arguments.</b>
February 8, 2016 (E-29) EC Sec 3001	<b>FIRST DAY BALLOTS ARE AVAILABLE</b>
February 22, 2016 (E-15) EC Sec 2107	<b>CLOSE OF REGISTRATION</b>
March 8, 2016	<b>ELECTION DAY</b>
April 7, 2016 EC Sec 15300-15309 WC 34422; GC 57149	<b>COMPLETE OFFICIAL CANVASS</b>

**Merry Christmas and Happy New Year from the Board. Just what you wanted to be doing Christmas day.**

**Planning Commission Meeting of Thursday, November 12, 2015 (Scheduled)**

**Item 9 - Continued hearing to consider a request by FREEPORT-MCMORAN OIL & GAS for a Conditional Use Permit (CUP) to amend the previous CUP to extend the amount of time allowed to drill the previously approved Phase IV oil wells (D010386D). This request would extend the current limit for an additional 3 years for approximately 31 oil wells not yet installed. The project is located at 1821 Price Canyon Road (San Luis Obispo) on the east and west sides of Price Canyon Road, approximately 2.7 miles north of the City of Pismo Beach, in the San Luis Bay Inland sub area South, South County planning area. The Environmental Coordinator found that the previously certified Final Environmental Impact Report (FEIR) is adequate for the purposes of compliance with CEQA. CONTINUED FROM 9/10/15 & 10/22/15. As noted in the title this is a request to extend the term of an existing permit for 3 years to complete 31 previously approved oil wells.**



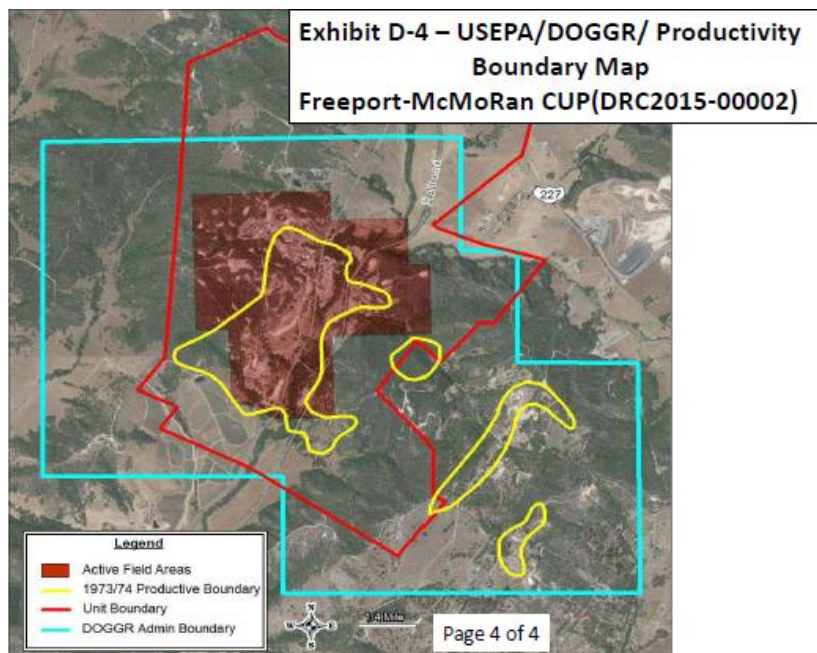
There have been 2 prior hearings, and during the October hearing the Commission asked for assistance in determining the status of groundwater flows. To this end the staff reports that during the November 12 hearing:

*At their October 22, 2015, Hearing for this item, the Planning Commission had additional questions relating to: groundwater quality, the proposed USEPA 'Aquifer Exemption' expansion process, and impacts to surrounding water quality.*

*The current 'Aquifer Exemption (AE)' expansion process first requires two state agencies (California Department of Conservation, Division of Oil, Gas and Geothermal Resources [DOGGR] and State Water Resources Control Board [SWRCB]) to reach concurrence. At such time, their recommendation is sent to the US Environmental Protection Agency who will make a final decision on the proposed Aquifer Exemption expansion of the Arroyo Grande oil field.*

*As a part of the AE review process, SWRCB has solicited the local Regional Water Quality Control Board [RWQCB] for their local knowledge and technical expertise on the groundwater basins around the oil field.*

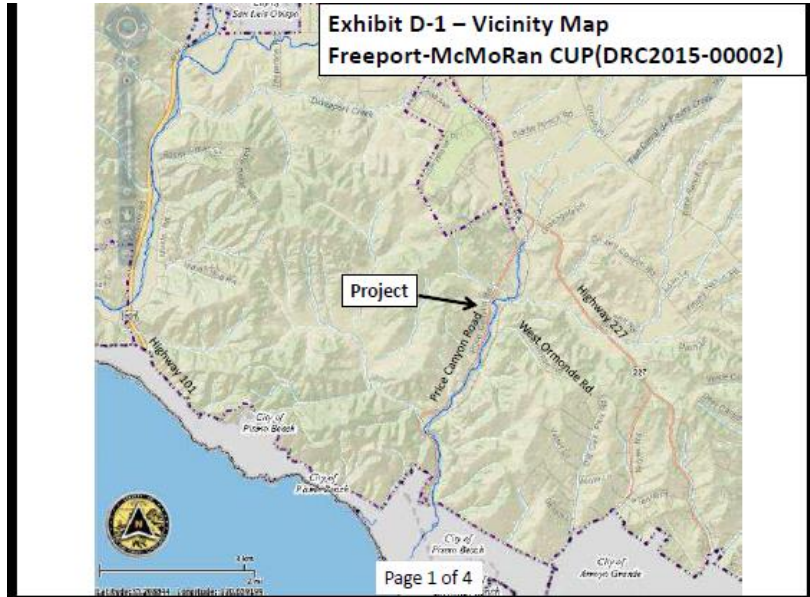
*At the time of this memo, confirmation of attendance by the RWQCB was provided. They will provide to the Commission information about the proposed AE expansion and its potential to impact any surrounding potable water source. Furthermore, a request has also been made to SWRCB and DOGGR for their staff to attend the hearing and be available to answer questions.*



At this point the heart of the issue is a piece of arcana called the aquifer exemption issue (AE) which is a process by which the State and the Feds allow some oil wells to be drilled through a particular aquifer. The field, including the 31 oil wells subject to the extension, is operated under an existing AE. Opponents are asserting that the AE was issued in error because

of lax State process. The Planning Commissioners are attempting to understand the issues and whether the field operating under the current AE is detrimental to any potable water sources.

**Background:** The Commission determined to continue the matter to its November meeting. A Center For Biological Diversity attorney asserted that granting the time extension for drilling 31 oil wells, which had already been approved, would contaminate the water supply (even though the existing operations – hundreds of oil wells – have not contaminated the water supply). Separately, Commissioner Meyer repeatedly expressed concern that the use of



water (it's not potable groundwater) that naturally occurs within the oil and is then separated to provide steam for injection would result in negative pressure, which would pull in water from neighboring aquifers such as Edna Valley. The commission engaged in a long, fumbling, and confusing wrangle about whether and how it should study the matter prior to making a decision. In the end they determined to invite the Regional Water Quality Control Board to send an expert to advise them on the issue. It is not clear if the Regional Board has such hydrological expertise on its staff or whether it would provide gratuitous advice in a pending zoning matter not under its jurisdiction. The field, started in 1900, is located in Price Canyon. It would be impossible for someone to purchase property in the area and not notice that there is an operating oil field.

**Remember Veterans' Day 2015.** Here are our folks “advising” the Syrians and becoming veterans.



**All branches are involved.**

