



COLAB SAN LUIS OBISPO COUNTY

WEEK OF OCTOBER 11-17, 2015

SCARED STRAIGHT TRUTH SQUAD



Jon Coupal
President, Howard Jarvis
Taxpayers Association



Katy Grimes
Senior Correspondent
FLASHREPORT



Steven Greenhut
California columnist
The San Diego Union-Tribune

October 14th, 2015
At the Santa Maria Fair Park

5:30 PM - Reception

6:00 PM - Steak Dinner by Testa Catering

Reserved Table \$650
Individual Tickets \$65
Dinner and Wine Included!
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COUNTY SAYS IT HAS IDENTITY CRISIS/NEEDS TO DEVELOP BRAND



(REALLY – SEE ITEM 4 ON PAGE 7 BELOW)

SPLIT BOS JOINS SANTA BARBARA COUNTY STUDY OF GOVT. ELECTRICITY PURCHASING AUTHORITY (BUT THE STUDY MAY BE RIGGED)

SAVE TUESDAY OCTOBER 27 FOR HEARINGS ON SO-CALLED WATER CONSERVATION PLAN/PERMANENT PASO BASIN MORATORIUM BOARD HEARING TO BE TUESDAY OCTOBER 27, 2015 - TIME NOT CERTAIN YET

Board of Supervisors Meeting of Tuesday, October 6, 2015 (Completed)

Item 28 - Community Choice Aggregation (CCA). The Board, on a 3/2 vote (Compton and Arnold dissenting), authorized staff to join Santa Barbara County's study of the feasibility of the County ultimately joining a joint powers authority (a new government entity) to purchase electricity and resell it to County residents. The Board also authorized the staff to participate in a parallel study by the City of San Luis Obispo.

Background: Community choice aggregation (CCA), also known as community choice energy, is a provision of California law that allows cities, counties, or joint powers agencies to purchase

electricity and other necessary electrical services on behalf of the customers in their territories. CCAs differ from municipal utility districts in that the investor-owned utility (IOU), in this case Pacific Gas and Electric (PG&E), continues to own the electricity distribution infrastructure and to provide electricity transmission and distribution and to supply mixes and rate structures.

Please go to the website to see our detailed review of issues and questions from last week (Weekly Update of October 4-16, 2015).

http://www.colabslo.org/weekly_alerts.asp

Financial Transfer Swept Under the Rug: In addition to and in connection with authorizing the staff to move forward with the Santa Barbara County study, the Board was supposed to have approved a \$50,000 transfer to fund SLO County's share. Such a transfer would require a 4/5's vote, as it is in the middle of the fiscal year. Since Arnold and Compton voted against the study, because a number of their questions went unanswered, Gibson swiftly maneuvered the Board into avoiding the transfer vote and dismissively said it could be taken up in the future. This means the Planning Department will somehow route \$50,000 to Santa Barbara County (perhaps a memorandum of understanding or small contract) without a legal financial appropriation for this purpose. They will probably use funds that are generally appropriated for consultants and execute an internal transfer from a salary account that is under running its budget. This will avoid the whole issue. In other words, Meham, Gibson, and Hill will have the Planning Department "eat it" in order to avoid their own responsibility and accountability to run things cleanly.

The False "Deadline" Issue: The Board letter proposing that SLO County join SB County's study stated that SLO County must decide to participate by October 14, 2015. It turns out that the Santa Barbara County Board of Supervisors never set a deadline. The deadline was set by the Santa Barbara County Community Services Director, who has overall operational authority for the study. In a phone conversation with COLAB, the Director suggested that the deadline was actually promulgated by one of his subordinates, the manager of SB County's Energy Office. Thus, SLO County's Board of Supervisors is dancing to the tune of a 4th level Santa Barbara County bureaucrat.

Worse yet, it turns out that Santa Barbara County is not contemplating issuing a Request For Proposal (RFP) to obtain bids and project qualifications for at least a month or two. They will not need the money for months. In fact the County is still developing its list of potential consulting firms that would receive the as yet undeveloped RFP. A SB County official reported to us:

Per our phone conversation, please see the list of potential companies that may or may not respond to our RFP. I'm not certain of their qualifications but this is preliminary at this time. This is not a comprehensive list as we are still looking for as many qualified companies as possible. If you know of any, please feel free to send me their names and contact persons. Thanks.

One firm displays the picture below on its main web page with the words “ Democratize Your Power”

Company

Dalessi Management Consulting
LLC
MRW & Associates
Climate Protection Campaign
Joint Venture Silicon Valley
LEAN Energy
Kyoto USA
Carbonomics
Pacific Energy Advisors
California Clean Power
BK*i*
Community Choice Partners
The Energy Authority (TEA)
MIG
Sequoia Foundation



Is the Whole Study Already Rigged? Note that one of the potential consultants who will be receiving a solicitation to respond to the RFP is “Climate Protection Campaign” (also operating under the moniker “Center For Climate Protection”). The name itself doesn’t exactly suggest objectivity. It turns out that this outfit did Sonoma County’s CCA feasibility and then actually in its own words “incubated” the Sonoma CCA project. As its website states:

Center for Climate Protection is working to spread the adoption of Community Choice Energy throughout California. We successfully advocated for and incubated the development of Sonoma Clean Power, which began serving customers in January 2014. In its first year, it has exceeded all expectations of customers served, GHGs reduced, and money saved by consumers. Check out their web site:

<http://climateprotection.org/>

Or how about KyotoUSA, which advertises:

KyotoUSA encourages the cities we live in and the institutions and people who make up our local communities, to take real, substantive action to address the causes of global warming and the climate disruption that it causes. Collectively we can have an incredible impact!

Global climate disruption is the most serious threat facing the planet today. Our failure to act will result in catastrophic and irreversible consequences for all life on this planet.

*Countries around the globe are attempting to address this problem through the **United Nations Framework Convention on Climate Change (UNFCCC)**. Until recently, these efforts have fallen short of the type of bold action that is needed to reverse the decades of uncontrolled burning of fossil fuels and the continuing destruction of the planet's forests.*

These consultants are advocates and propagandists, not objective business analysts on the threshold question of whether the County should join a community choice aggregation program. As we said last week:

Integrity of the Study: If there is to be a study it should be done by an absolutely impeccable apolitical national level expert electric utility consulting firm selected by a rigorous open competition request for proposals. There should be expert municipal debt, finance, and legal sub-consultants selected similarly to analyze the potential debt and budget impacts on the member cities and counties. What is Santa Barbara County's plan in this regard? The SLO County Board letter lists some goals of the study but it is general. It omits the key points listed above.

Board of Supervisors Meeting of Tuesday October 13, 2015 (Scheduled)

Item 1 - General Public Comment for Matters not on the Agenda. Unlike the process on most Tuesdays, this time it will be first, at 9:00 AM sharp.

Item 2 - Consideration of a report regarding the County's FY 2016-17 financial forecast.

The County CEO will present his annual financial forecast prefatory to engaging the Board in developing overall budget policy for formulation of the proposed FY 2015-16 Annual Budget. There do not appear to be any problems in the near term. In other words, the County can continue providing the same range of services, increasing salaries, and gradually increasing the number of employees. The more controversial, longer range issues such as insufficient funding for deferred street maintenance, the need for new and expanded roads, insufficient housing and high housing costs, insufficient water storage facilities, large scale desalination, homeless housing, and byzantine land use process are beyond the reach of expected revenues as currently applied.

There is considerable discussion of the impact of federal and state policies and the state and national economy as they might impact County finances. The relationship of the County's own economic strategy to its ability to provide services and invest in repair of deferred maintenance

and new capital infrastructure is not covered. A real problem for the County is that because it cannot afford the necessary infrastructure, its ability to approve new commercial development and large-scale home developments is severely constrained.

Also, the County appears to be cool or outright against preservation and development of industrial facilities. Where does the Board stand on:

- Mining.
- Relicensing of the Diablo Nuclear plant.
- Oil and gas development.
- Phillips 66 Rail Spur.
- Large-scale desalination.
- Obtaining a fair share of revenue (property tax) from the billions of dollars of potential assessed value of the large solar plants in the County.
- Financial strategies need to provide the data which helps inform choices about these and similar facilities.

As indicated above, the near term business as usual policy presents little challenge. The chart below illustrates the recent past and projected future for the County’s key local revenues over which the Board has discretionary authority.

Revenue	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Forecast	% Diff: 15-16 Bud & 16-17 Forecast
Secured Prop Tax	\$85,849,449	\$89,713,527	\$95,519,790	\$98,811,867	\$105,322,474	6.6%
Unitary Tax	\$7,838,110	\$7,722,211	\$7,812,487	\$7,822,000	\$8,152,658	4.2%
Supplemental Prop Tax	\$1,067,548	\$1,418,012	\$2,419,982	\$1,000,000	\$1,000,000	0.0%
Prop Tax in lieu of VLF	\$26,700,191	\$27,606,476	\$29,193,219	\$30,360,948	\$32,522,958	7.1%
Prop Transfer Tax	\$2,177,596	\$2,244,508	\$2,370,039	\$2,245,000	\$2,500,000	11.4%
Sales Tax	\$13,769,517	\$11,357,639	\$11,405,724	\$10,199,578	\$10,600,000	3.9%
TOT	\$7,710,936	\$8,020,592	\$8,724,202	\$8,021,000	\$9,160,000	14.2%
All Other	\$13,457,130	\$18,920,955	\$26,723,077	\$10,667,828	\$12,116,254	13.6%
Total (Non-Dept. Rev.)	\$158,570,477	\$167,003,920	\$184,168,520	\$169,128,221	\$181,374,344	7.2%

Note that the “All Other” category spikes in FY 2013-14 and FY 2014-15. This is most likely contains the special onetime sales tax related to materials and services used at the two large solar plants. Thus the real apples-to-apples growth is from FY 2013 to the proposed FY 2017, or \$22 million – about an average of \$5.7 million per year.

Keep in mind that most of the rest of the County’s \$525 million budget are funds which are restricted to specific purposes over which the Board has limited or little discretion. Some of the major ones are listed in the chart below:

Revenue	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Forecast	% Diff: 15-16 Bud & 16-17 Forecast
Prop 172	\$21,044,833	\$22,368,086	\$24,175,579	\$24,955,016	\$26,071,312	4.47%
1991 Realignment	\$23,373,343	\$19,568,981	\$19,814,696	\$20,926,599	\$21,790,393	4.13%
Health Agency	\$48,519,641	\$51,087,884	\$56,087,268	\$60,972,381	\$62,504,058	2.51%
Social Services	\$73,676,720	\$76,494,583	\$85,492,737	\$89,866,579	\$92,205,594	2.60%
Other	\$56,586,719	\$59,037,562	\$63,516,015	\$63,667,139	\$63,667,139	0.00%
Total (Dept. Rev.)	\$223,201,256	\$228,557,096	\$249,086,295	\$260,387,714	\$266,238,496	2.25%

Prop 172 funds are restricted to public safety, as in Sheriff, Fire, Probation, DA, and Public Defender. Realignment is mainly limited to Social Services (Welfare), Behavioral Health, and Probation.

Item 4 - Report on the Countywide Communications Plan. The Communication Plan document states, “THE COUNTY HAS AN IDENTITY CRISIS.” The self-absorbed and touchy-feely Plan lays out a process by which the County, through a series of meetings, will cure this ostensible “problem.” The narrative continues:

As a government organization, the County of San Luis Obispo doesn't have a clear brand identity or brand standards, the lack of which has contributed in the misuse of the County seal as a logo as well as the creation individual department brands. The County needs a brand that all departments, employees and citizens can identify with and be proud of.

What a devastating problem!

AND:

The County should explore the branding process and develop a new brand identity, or refine its current brand, and standardize how that brand is represented across all departments in all communications.

This is great! Instead of working, the CEO, department heads, and managers can attend a series of meetings to develop this plan and work on a new logo. Meanwhile, your permit is taking 2 years and more fees. Note, the one on the right is already taken.



One of the proposed outcomes is to create an “engagement team.” COLAB is not making this stuff up:

5. ESTABLISH AN ENGAGEMENT TEAM TO FOCUS SPECIFICALLY ON INCREASING CITIZEN AND EMPLOYEE ENGAGEMENT

The County needs to do a better job of engaging its citizens and employees, and one way to do that is to shine a light on the great things that happen here but most people aren't aware of. It is

recommended to create an Engagement Team, made up of current County employees who are passionate about **storytelling** and engaging their coworkers.

This team’s objectives will include:

- a. Establish monthly internal and external e-newsletters by January 2016.
- b. Maintain an average e-Newsletter open rate of about 40% throughout the year.
- c. Maintain an average click-through rate of about 6% throughout the year.
- d. Assist with the logistics of an Open House, and other events as needed, that will be entertaining for staff and the public to attend.



	2015					2016											
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
assigned to:																	
Admin	Brand identity and guidelines																
Depts						Transition to new brand identity											
Admin	Annual Report																
IT	Website Replacement Project																
Admin	Advertising Guidelines																
Depts						Begin advertising on Downtown County Gov Center lobby TVs											
Admin/Depts	Establish Engagement Team																
Engagement Team						Develop and distribute monthly e-newsletters											
HR/Engagement Team	Plan Open House, coordinate w/Depts																
Depts that focus on outreach	Use social media to connect with target audiences																
Admin	Build and maintain relationships w/Industry partners and media																
Admin/Depts	Build and maintain relationships w/local media																

Note that the project plan to the left will require staff effort, which will be diverted from providing actual County services. This is the kind of claptrap that underscores how out of touch and self-serving government officials can become.

a. How many hours of staff time will this take? Will people be sitting around the classrooms on the first floor eating donuts and getting facilitated about this?

b. What are those hours' worth in dollars?

c. By the way and speaking of activities in the training area, from time to time we see folks in room 106 of the County Building during working hours getting a massage. How about a citizen **engagement** incentive? If you take the trouble to come and speak at public comment or on an agenda item, you get a massage. Or as an alternative, a pastry from the County's Baking Bread Cafe? This could really go a long way towards expanding **engagement** and achieving the "Improving Civility Project" goals. Of course there would have to be a cap on the number of massages or pastries per month. The County could set up an offset program to facilitate trading massage credits. Will a beauty parlor be next?



Two successful public brand images that both evoke engagement:



Actually the picture on the left contains symbols of 2 famous entities by itself. Can you guess? One is in the foreground and one is in the background.

The SLO branding and engagement staff committees have their work cut out for them. Hint: Counties possess a venerable history, having been invented in 876 CE in Wessex (early Saxon England) to deal with the Viking depredations. In fact, one of the first county offices established was the Shire Reeve, who was responsible for organizing local defense. After 1066 and the Norman invasion, the Shire Reeve was Gallicized as Sheriff. One County (Nottingham) later became famous in the Robin Hood stories. All the characters still seem to be with us. Who is the evil Guy of Gisborne? And who is the Maid Marian? What about bad Prince John? County government had a bad rap even back then.

Item 5 - Report on Department of Planning and Building Priorities. Actually, this report is a breath of fresh air as it requests the Board to, in effect, spend fewer resources on ideological climate change projects (and related regulation development) and more on streamlined permit processing and related improvements. It also recommends that the Board authorize a change in focus from endless planning to actual implementation. It further notes that planning should be related to economic realities and impacts.

For example one section states:

High level priorities for “Permitting” in the next six month are:

- Continue efforts to efficiently and effectively move projects to decision makers;*
- Encourage and support projects that seek to develop according to the General Plan;*
- Refine project management with a focus to complete projects based upon realistic timeframes;*
- Inject reasonableness and flexibility into the project review process whenever possible;*
- Increase communication and collaboration between permitting staff and design professionals to gain mutual understanding of the new building codes and to design projects accordingly.*
- Continue the process of replacing our outdated project tracking system to allow for better project management, workload distribution and to assist in making data driven decision*

Another section recommends:

Explore a shift of long range planning from a plan making focus to plan implementation. This may include:

- o Increasing communication and collaboration with the Public Works Department to create a unified team for infrastructure planning, funding, and completion.*
- o Developing strong relationships with CSD’s, school districts, Chambers of Commerce, and service groups.*
- o Developing a strategy to better position the department to compete for funds that can be used for physical improvements in our communities by the Public Works Department or CSD’s.*
- o Developing concepts to allow planning staff to be more present in the communities we serve.*
- o Developing concepts to review existing community plans based upon economic feasibility and consider revising plans if necessary*

Yet another emphasizes Process Improvement:

□ *Permit Tracking System - The Department submitted a budget augmentation request as part of our FY 2015-16 traditional budget. The request was to provide funding to replace the Department's aging permit tracking system software. Purchased in 1997, the software is utilized as a permit issuance and tracking system for all land based applications and permits processed by the Planning & Building Department. The funding request was approved and the Department established that the project would be initiated in July of 2015 with requests for proposals, followed by vendor selection and contract negotiation throughout the Fall and Winter of 2015. It is anticipated that the Board will be presented a contract for approval prior to the end of calendar 2015. After the vendor selection and contract is complete, the Department has established a 12 month implementation plan to convert and migrate to the new system. The project is on schedule.*

Cautionary areas include:

1. Development of a project to create an inland vacation rental control ordinance.
2. Pressure from Avila Beach residents to declare a development moratorium while a very restrictive community plan update is developed.
3. Pressure from some Adelaidia residents for the Board to declare a moratorium on new wineries, event facilities, and vacation rentals until a new County wide Events Ordinance is developed. Presumably the new version would be much more restrictive than the existing one.
4. Pressure from south County cities for the Board to impose a development, well drilling/maintenance, and agricultural expansion moratorium on Nipomo. The cities are attempting to use County land use restrictions to advance their intent to steal the farmers' water.

San Luis Obispo County Council of Governments (SLOCOG) Meeting of Wednesday, October 7, 2015 (Completed) –Actually Some of the Members Bailed

Item D-3: Letter of Opposition to Proposed Assembly Constitutional Amendment 4 (ACA 4). The SLOCOG Board (with barely a quorum) voted not to consider sending a letter to the County's Legislative Delegation opposing ACA 4's provisions to lower the Prop 13 required 2/3rds voter threshold. Hill bolted just before the issue came up. Obviously he didn't want to have to vote at all. Shortly after that, Mecham skedaddled, pleading "a meeting with his constituents" Then Fred Strong disappeared. Gibson and Compton never attended the meeting because Gibson had insisted on a meeting with farmers related to expropriation of their water to counter seawater intrusion in Los Osos. In the end, only Arnold, O'Malley, and Higginbotham voted to deal with the issue.

Background: During the Council's August meeting, the Central Coast Taxpayers Association requested that the Council send a letter to the County's legislative delegation and other key officials opposing ACA 4. The measure, if approved by a majority of the Legislature, would place a measure on the ballot reducing the required voter threshold from 2/3rds to 55% for certain transportation measures. It is yet another attack on proposition 13. During its August meeting, the Council Board directed staff to research the matter and return with an analysis.

The staff attempted to avoid a real vote and debate by reporting that the bill died:

ACA 4 was placed on the Legislature's Suspense File on August 19th and was not considered in the recently concluded legislative session. The bill "died" and will not be resubmitted according to the author's staff.

In fact, ACA 4 is a loaded gun and remains an active bill and can be taken up anytime between now and August 31, 2016 in either the Regular or the Special session. It would be a simple matter for any legislator to simply cut the language out of ACA 4 and introduce it as a special session constitutional amendment.

We deserve to know what our elected officials think, especially since some of them are running for re-election. Moreover the officials are paid to attend these meetings. If they don't have time, they should resign.